AL FALEH EDUCATIONAL HOLDING Q.P.S.C.
DOHA – STATE OF QATAR

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
AUGUST 31, 2024
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT

AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2024

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taking you further

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS
AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

Opinion

We have audited the consolidated financial statements of Al Faleh Educational Holding Q.P.S.C. (the "Company") and its subsidiaries (together referred herein as "Group") which comprise the consolidated statement of financial position as of August 31, 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, notes to the consolidated financial statements, including material accounting information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of August 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 accompanying consolidated financial statements section of our report. We are independent of the Group 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 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.

Key audit matters

Key audit matters are matters those, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current year. We identified the following key audit matters which were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matters is provided in that context.

We designed our audit by determining the materiality and assessing the risks of material misstatements in the consolidated financial statements. In particular, we looked at where the management made subjective judgments, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the management that represented a risk of material misstatement due to fraud.

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are identified as "areas of focus" below. We have also set out how we tailored our audit to address these specific areas in order to provide an opinion on the consolidated financial statements as a whole, and any comments we make on the results of our procedures should be read in this context. This is not a complete list of all risks identified by our audit.

INDEPENDENT AUDITOR'S REPORT (CONTNUED)

Impairment assessment of intangible assets
Refer note 03 and 06 to the consolidated financial statements:

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
As of August 31, 2024, goodwill, learners enrolment and trademark amounted to QAR 96,520,330 , QAR 15,847,175 and QAR 17,210,000 respectively. Annual impairment assessment of goodwill learners enrolment and indefinite-lived trademark was a key audit matter due to the following: • As discussed in notes 3 and 06 to the consolidated financial statements, goodwill and indefinite-lived intangible assets are tested for impairment at least annually at the corresponding Cash Generating Units (CGUs) respectively. • Auditing management's annual goodwill and indefinite-lived intangible assets impairment test is complex due to the significant judgement required to determine the fair value of the CGUs and sensitivity of the fair, value estimate to the significant assumptions, 'such as revenue growth rate, capital expenditures, discount rate and the long-term growth rate. These assumptions are based on management's expectation about future market conditions which includes inherent uncertainty.	Our audit procedures focused on assessing the reasonableness of key assumptions used by management in conducting the impairment assessment. **These procedures included:** • Assessing methodologies and testing significant assumptions and the underlying data used by the Group in its analysis; • Comparing the significant assumptions used by management to current industry and economic trends and evaluated whether changes to the CGU's business model and other factors would affect the significant assumptions; • Assessing whether there were any potential sources of contrary information, including historical forecast accuracy and performed sensitivity analyses over the significant assumptions to evaluate the changes in the recoverable value that would result from changes in the assumptions; • Evaluating the adequacy of the financial statement disclosures, including disclosures of key assumptions, judgments and sensitivities.

Other Information
The Board of Directors are responsible for the other information. The other information comprises the information included in the annual report for 2024 but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Management and Those Charged with Governance for the Consolidated Financial Statements
The Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and applicable provisions of Qatar Commercial Companies' Law and for such internal control as the management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT (CONTNUED)

Responsibilities of the Management and Those Charged with Governance for the Consolidated Financial Statements (Continued)

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

The Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's responsibility for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the 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 Group's 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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the companies or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors 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.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

INDEPENDENT AUDITOR'S REPORT (CONTNUED)

Auditor's responsibility for the audit of the consolidated financial statements (Continued)
From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulations precludes public disclosures about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other legal and regulatory requirements
Further, as required by the Qatar Commercial Companies Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021, we also report that:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- The Group has maintained proper accounting records and its consolidated financial statements are in agreement therewith.
- Furthermore, the physical count of the Group's inventories was carried out in accordance with established principles.
- The financial information included in the Board of Directors' report is in agreement with the books and records of the Group; and
- We are not aware of any violations of the applicable provisions of the Qatar Commercial Companies Law and or the terms of the Company's Articles of Association having occurred during the year which might have had a material effect on the Group's consolidated financial position or performance as at and for the year ended August 31, 2024.

For Russell Bedford & Partners
Certified Public Accountants

Russell Bedford & Partners Certified Public Accountants
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Hani Mukhaimer
License No. (275)
QFMA License No. (1202013)

Doha – State of Qatar
October 15, 2024

AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT AUGUST 31, 2024

	Notes	AUGUST 31, 2024 QAR	AUGUST 31, 2023 QAR
ASSETS:			
Non-current assets:			
Property and equipment	4	78,047,267	78,708,982
Intangible assets and goodwill	5	223,529,476	226,646,538
Right-of-use assets	6 a)	25,882,233	30,664,481
Total non-current assets		**327,458,975**	**336,020,001**
Current assets:			
Inventories	7	1,602,102	1,646,119
Accounts receivable and other debit balances	8	10,349,141	17,242,167
Cash and bank balances	9	4,807,028	7,515,059
Total current assets		**16,758,271**	**26,403,345**
TOTAL ASSETS		**344,217,246**	**362,423,346**
EQUITY AND LIABILITIES:			
Equity:			
Share capital	10	240,000,000	240,000,000
Capital contribution		817,013	817,013
Legal reserve	11	6,925,845	5,684,998
Retained earnings		15,273,877	11,620,806
Total equity		**263,016,735**	**258,122,817**
LIABILITIES:			
Non-current liabilities:			
Lease liabilities	6 c)	14,276,200	21,552,653
Provision for employees' end of service benefits	12	4,031,319	3,488,399
Loans and borrowings	13 g)	12,472,373	2,653,566
Total non-current liabilities		**30,779,892**	**27,694,618**
Current liabilities:			
Lease liabilities	6 c)	13,512,505	11,251,463
Bank overdraft	9 a)	6,357,601	2,966,051
Bank loans and borrowings	13 g)	4,401,040	11,647,568
Accounts payable and other credit balances	14	25,858,465	50,413,133
Income tax payable		291,009	327,696
Total current liabilities		**50,420,620**	**76,605,911**
Total liabilities		**81,200,511**	**104,300,529**
TOTAL EQUITY AND LIABILITIES		**344,217,246**	**362,423,346**

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The Chief Executive Officer and Chief Financial Officer attests to the accuracy and completeness of the accompanying consolidated financial statements and the consolidated financial information of this report as at and for the year ended August 31, 2024 dated October 15, 2024

Shiekha Anwar Nawaf N. A. Al-Thani Chief Executive Officer	**Tallal Refat Alkhlifa** Chief Financial Officer

The accompanying consolidated financial statements were approved to issue by the board of directors on October 15, 2024 and signed on behalf board of directors by

Sheikha Aisha Bint Faleh Al Thani
Chairperson

The accompanying notes 1 to 27 form an integral part of these consolidated financial statements.

AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED AUGUST 31, 2024

		Year ended August 31,	
	Notes	**2024**	**2023**
		QAR	**QAR**
Revenue	15	112,508,467	115,603,551
Cost of Operations	16	(57,497,974)	(58,012,569)
Gross profit		**55,010,493**	**57,590,982**
Other income	17	2,509,485	1,455,809
General and administrative expenses	18	(41,747,659)	(43,401,528)
Operating profit for the year		**15,772,319**	**15,645,263**
Finance costs	19	(3,077,703)	(3,296,647)
Profit before tax		**12,694,616**	**12,348,616**
Tax expense		(291,009)	(327,696)
Profit after tax		**12,403,607**	**12,020,920**
Other comprehensive income items		-	-
Total comprehensive income for the year		**12,403,607**	**12,020,920**
Basic earning per share	20	**0.052**	**0.050**

The accompanying notes 1 to 27 form an integral part of these consolidated financial statements.

AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED AUGUST 31, 2024

	Share capital QAR	Capital contribution QAR	Legal reserve QAR	Retained earnings QAR	Total QAR
Balance at September 01, 2022	240,000,000	817,013	4,482,906	8,602,501	253,902,420
Net profit for the year	-	-	-	12,020,920	12,020,920
Other comprehensive income	-	-	-	-	-
Transferred to legal reserve	-	-	1,202,092	(1,202,092)	-
Dividends distribution	-	-	-	(7,500,000)	(7,500,000)
Contribution to social and sports fund activities	-	-	-	(300,523)	(300,523)
Balance at August 31, 2023	**240,000,000**	**817,013**	**5,684,998**	**11,620,806**	**258,122,817**
Net profit for the year	-	-	-	12,403,607	12,403,607
Other comprehensive income	-	-	-	-	-
Transferred to legal reserve	-	-	1,240,847	(1,240,847)	-
Dividend payment	-	-	-	(7,500,000)	(7,500,000)
Contribution to social and sports fund activities *	-	-	-	(9,689)	(9,689)
Balance at August 31, 2024	**240,000,000**	**817,013**	**6,925,845**	**15,273,877**	**263,016,735**

* Note - The Group has previously allocated adequate resources for the social and sports fund, and in the current year it has only contributed the remaining amount necessary to meet statutory requirements.

The accompanying notes 1 to 27 form an integral part of these consolidated financial statements.

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AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2024

	Notes	Year ended August 31, 2024 QAR	Year ended August 31, 2023 QAR
Cash flows from operating activities:			
Net profit before tax		12,694,616	12,348,616
Adjustments for:			
Depreciation of property and equipment	4	2,626,864	2,375,160
Depreciation of right-of-use assets	6	13,103,107	13,634,682
Amortization of intangible asset	5	3,117,062	2,683,486
Provisions for employees' end of service benefits	12	1,031,487	921,276
Net adjustment in right-of-use assets		(590,579)	(152,512)
Finance cost	19	3,077,703	3,296,647
Operating income before changes in working capital		**35,060,260**	**35,107,355**
Changes in:			
Inventories		44,017	(670,898)
Accounts receivables and other debit balances		6,893,026	(5,972,788)
Accounts payable and other credit balances		(24,564,360)	2,673,638
Due to related parties		-	(150,000)
Cash generated from operating activities		**17,432,943**	**30,987,307**
Employees' end of service benefits paid	12	(488,567)	(366,561)
Income tax paid		(327,696)	(204,735)
Finance cost paid	19	(3,077,703)	(3,296,647)
Net cash generated from operating activities		**13,538,977**	**27,119,364**
Cash flows from investing activities			
Acquisition of property and equipment	4	(1,965,149)	(1,696,858)
Recognition of Intangible assets with finite life		-	(4,858,798)
Net cash used in investing activities		**(1,965,149)**	**(6,555,656)**
Cash flows from financing activities			
Dividend paid		(7,500,000)	(7,500,000)
Repayment of borrowing		2,572,279	(8,505,715)
Repayment of lease liabilities		(12,745,688)	(12,428,326)
Net cash used in financing activities		**(17,673,409)**	**(28,434,041)**
Net decrease in cash and cash equivalents		(6,099,581)	(7,870,333)
Cash and cash equivalents at the beginning of the period	9	4,046,008	11,916,341
Cash and cash equivalents at the end of the period	9	**(2,053,573)**	**4,046,008**

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The accompanying notes 1 to 27 form an integral part of these consolidated financial statements.

1. THE GROUP FORMATION AND ACTIVITIES:

Al Faleh Educational Holding Q.P.S.C. (the "Company" or "Parent Company") is a public shareholding company incorporated in the State of Qatar under the Commercial Registration No. 71150. Shiekha Aisha Bint Faleh Al-Thani is the ultimate controlling party. The Parent Company's registered address is 220 Duhail Street, Al Waab, Doha, State of Qatar.

The Group is primarily engaged in running kindergarten, primary, preparatory, secondary schools for education and providing university education.

The consolidated financial statements of the Group contained the assets, liabilities and result of operations of Al Faleh Educational Holding P.Q.S.C. and its subsidiaries.

1.1. THE PRINCIPAL SUBSIDIARIES OF THE GROUP

NAME OF THE SUBSIDIARIES	PRINCIPAL ACTIVITY	OWNERSHIP INTEREST AS OF AUGUST 31,	
		2024	2023
Doha International Kindergarten – W.L.L.	Kindergarten	100%	100%
Doha Academy – W.L.L.	Kindergarten, primary, preparatory and secondary education.	100%	100%
Al Faleh Group for Educational and Academic Services – W.L.L.	Educational activities including university education.	100%	100%
AFG College with the University of Abardeen – W.L.L.	University education	100%	100%

All the Group's subsidiaries are registered in the State of Qatar. Management has performed an assessment for the voting rights of the Group's companies and concluded that the Group controls and governs the financial and operational policies of the companies.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS:

2 a) New and amended IFRS and IFRIC Interpretations effective in 2024:

The accounting policies used in the preparation of the Group consolidated financial statements are consistent with those used in the preparation of the consolidated financial statements for the year ended August 31, 2024, except for the adoption of new and amended standards and interpretations effective as noted below:

TOPIC	EFFECTIVE DATE
Amendments to IAS 1 *"Non-current Liabilities with Covenants"*	January 01, 2024
Amendments to IAS 1 *"Classification of Liabilities as Current or Non-current"*	January 01, 2024
Amendments to IAS 7 and IFRS 7 *"Supplier Finance Arrangements"*	January 01, 2024
Amendments to IFRS 16 *"Lease Liability in a Sale and Leaseback"*	January 01, 2024

2 b) Standards issued but not yet effective:

A number of new standards and amendments to standards are effective for annual periods beginning after January 01, 2025.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED):

2 b) Standards issued but not yet effective (Continued):

However, the Group has not applied the following new or amended standards in preparing these consolidated financial statements:

TOPIC	EFFECTIVE DATE
Amendments to IAS 21 *"Lack of Exchangeability"*	January 01, 2025
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 01, 2026
IFRS 18 *"Presentation and Disclosure in Financial Statements"*	January 01, 2027
IFRS 19 *"Subsidiaries without Public Accountability Disclosure"*	January 01, 2027

3. MATERIAL ACCOUNTING POLICIES:

3 a) Basis of accounting:

These consolidated financial statements have been prepared on historical cost basis except for intangible assets and goodwill, investment properties and available for sale investments which are stated at fair value and lease liabilities which are measured at the present value of the lease payments discounted using the Group's incremental borrowing rate. The consolidated financial statements are presented in Qatari Riyal, which is the Group's functional currency. All amounts have been rounded to the nearest Qatari Riyals, unless otherwise indicated.

3 b) Basis of consolidation:

Subsidiaries

The consolidated financial statements are comprised of the financial statements of the Parent Company and its subsidiaries as at the end of reporting period. Control over an investee is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Control over an investee

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns - Consolidation of entities in which the Group holds less than a majority of voting rights When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

– The contractual arrangement with the other vote holders of the investee;
– Rights arising from other contractual arrangements and;
– The Group's voting rights and potential voting rights.

Transactions eliminated on consolidation

All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognized in the income statement. Any investment retained is recognized at fair value.

The total profits and losses for the year of the Parent Company and of its subsidiaries included in consolidation are shown in the consolidated income statement and consolidated statement of comprehensive income and all assets and liabilities of the Parent Company and of its subsidiaries included in consolidation are shown in the consolidated statement of financial position.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

3 b) Basis of consolidation (Continued):

Non-controlling interest (NCI)
Non-controlling interest which represents the portion of profit or loss and net assets not held by the Group, are shown as a component of profit for the year in the consolidated income statement and statement of comprehensive income and as a component of equity in the consolidated statement of financial position, separately from equity attributable to the shareholders of the parent.

Business combinations
The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

3 c) Statement of compliance:
These consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) and the applicable requirements of Qatar Commercial Companies' Law No. 11 of 2015. (Where certain provisions subsequently amended by Law No. 8 of 2021).

3 d) Foreign currencies:
Transactions in foreign currencies are recorded in Qatari Riyal at the rates of exchange prevailing at the date of each transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the year are translated into Qatari Riyal at the rate of exchange prevailing at the date and the resultant gains or losses are included in the consolidated statement of profit or loss.

3 e) Property and equipment:

i) Recognition and measurement
Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment. Any gain or loss on disposal of an item of property and equipment is recognized in consolidated profit and loss account.

ii) Subsequent expenditure
Subsequent expenditures are capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii) Depreciation
Depreciation is calculated to write-off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives of property, and equipment are as follows:

Buildings	40 years
Machinery and equipment	10 years
Computer and equipment	6 years
Motor vehicles	8 years
Furniture and fixtures	10-13 years
Sign boards	6 years
Leasehold improvements	8-10 years
Learning resources	8 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

3 f) Capital work in progress:

All expenditures and costs incurred in the development during construction phase are capitalized and are initially recorded as capital work in progress. These costs will be transferred to property, and equipment when the assets are ready for their intended use.

3 g) Intangible assets:

i) Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit and loss as incurred.

iii) Amortization

Amortization is calculated to write-off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated lives and is generally recognized in profit or loss. The estimated useful lives are as follows:

Franchise rights	40 years
Course development cost	10 years

During the year 2023, the Group measured the recognition of learner enrolment, from a cost model to a revaluation model in accordance with IAS 38.

Amortization method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3 h) Classification and measurement of financial assets and financial liabilities:

i) Initial recognition

On initial recognition, a financial asset is classified as:

- Amortized cost;
- Fair value through other comprehensive income (FVOCI) - debt investment;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit or loss (FVTPL).

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This selection is made on an investment-by-investment basis. All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

3 h) Classification and measurement of financial assets and financial liabilities (Continued):

i) Initial recognition (Continued)
On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

ii) Subsequent measurement
The following accounting policies apply to the subsequent measurement of the Group's financial assets:

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost
These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Financial assets at FVOCI
These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

iii) Impairment of financial assets
IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognized earlier than under IAS 39. The financial assets at amortized cost consist of accounts and other receivables and cash and cash equivalents under IFRS 9, and loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date.
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Group has elected to measure loss allowances for its financial assets at an amount equal to 12-month ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information. The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 360 days past due. The Group considers a financial asset to be in default when:

- The debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or
- The financial asset is more than 365 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

3 h) Classification and measurement of financial assets and financial liabilities (Continued):

iii) Impairment of financial assets (Continued)

Measurement of ECLs
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate (EIR) of the financial asset.

Credit-impaired financial assets
At each reporting date, the Group assesses the financial assets carried at amortized cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of impairment
Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. Impairment losses related to accounts and other receivables, amount due from related parties and cash and cash equivalents are presented as a separate line item in the statement of profit or loss.

iv) Other financial assets
Equity securities that are held for trading are required to be held as FVTPL under IFRS 9. There was no impact on the amounts recognized in relation to these assets from the adoption of IFRS 9. Trade and other receivables (except for those subject to provisional pricing arrangements) and amount due from related parties are debt instruments currently classified as loans and receivables and measured at amortized cost under IAS 39. The Group assessed that they meet the conditions for classification at amortized cost under IFRS 9 since they are cash flows solely payments of principal and interest (SPPI) and the Group's business model is to hold and collect the debt instrument. Cash and cash equivalents' definition as per IAS 7 remains unchanged with the application of IFRS 9, short-term investments and time deposits will continue to be presented under cash and cash equivalents, being highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

v) Financial liabilities
There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. De-recognition rules have been transferred from IAS 39 Financial Instruments. Therefore, recognition and measurement of financial liabilities, have not been changed.

3 i) Inventories:
Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average cost (WAC) principle.

3 j) Income tax:
Income Tax is provided in accordance with Qatar Income Tax Regulations set out in Qatar Income Tax Law No. 24 of 2018. Income tax expense comprises current tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income. Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

3 k) Leases:
At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The IFRS 16 has resulted in almost all leases being recognized on the statement of financial position by lessee, as the distinction between operating and finance leases is removed. Under the IFRS 16, an asset "right-of-use assets" and "lease liability" are recognized. However, the Management assessment has been performed on an absolute basis to ensure whether the underlying asset is of lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option "short-term leases", and lease contracts for which the underlying asset is of low value "low-value assets".

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

3 k) Leases (Continued):

Consequently, it has been decided by the Management to apply the exemptions criteria of short-term leases' and low-value assets as promulgated by the IFRS 16. Therefore, the Group has recognized the lease payments associated with the leases as an expense through the statement of profit or loss and other comprehensive income and future portion has been disclosed as commitments.

Right of use asset

i) Initial recognition and measurement

The cost of the right-of-use asset shall comprise:

- The amount of the initial measurement of the lease liability,
- Any lease payments made at or before the commencement date, less any lease incentives received;
- Any initial direct costs incurred by the lessee; and
- An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

ii) Subsequent measurement

The leases can apply either cost model or other measurement model as described in IFRS 16.

- **Cost model**

The Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses; and adjusted for any remeasurement of the lease liability.

- **Other measurement model**

If the Group applies the fair value model in IAS 40 Investment Property to its investment property, the lessee shall also apply that fair value model to right-of-use assets that meet the definition of investment property.

in LKAS 40. If right-of-use assets relate to a class of property and equipment to which the lessee applies the revaluation model in IAS 16, the Group may elect to apply that revaluation model to all of the right-of-use assets that relate to that class of property, plant and equipment.

iii) Depreciation

The Group applies the depreciation requirements in IAS 16 – "Property, Plant and Equipment" in depreciating the right-of-use asset. The Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment.

Lease liability

i) Initial measurement

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the Group's incremental borrowing rate.

ii) Subsequent measurement

The Group measures the lease liability by increasing the carrying amount to reflect interest on the lease liability reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

3 l) Payables and accruals:
Payables and accruals are stated at their cost which is the fair value of the consideration to be paid in the future for goods and services received, whether billed or not to the Group.

3 m) Provisions:
Provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of the resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3 n) Related parties:
The Group, in the normal course of its business, enters into transactions with entities that fall within the definition of a related party as contained in International Accounting Standard 24. These transactions have been carried out on the basis of terms agreed between the Company and the management of such related parties.

3 o) Borrowings:
Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and redemption value is recognized in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method.

3 p) Employees' end of service benefits:
Employees' end of service benefits represents terminal gratuity and are provided for services rendered based on entitlements stipulated in the employees' contracts of employment and their length of service, subject to the completion of a minimum service period. End of service indemnities are provided in accordance with the Qatari Labor Law. Under law no. 14 of 2004.

3 q) Revenue recognition:

Revenue from contracts with customers

The details of the significant accounting policies in respect of the Group's significant revenue generating activities are set out below.

TYPE OF SERVICE	NATURE, TIMING OF SATISFACTION OF PERFORMANCE OBLIGATIONS, SIGNIFICANT PAYMENT TERMS	REVENUE RECOGNITION POLICY
Tuition fees, transportation fee and other related services	The Group provides educational and ancillary services to the students. Revenue is recognized as per the amount agreed with each student.	Revenue is recognized over time based on the services provided to students since students simultaneously receives and consumes the benefits provided by the Group. Invoices are usually issued at the commencement of the term.
Tuition fees, transportation fee and other related services	The Group provides educational and ancillary services to the students. Revenue is recognized as per the amount agreed with each student.	Fees received in advance is reported on the statement of financial position as a current liability until such time that the revenue has been earned.
Registration and exam fee	The Group receives the agreed fee at the time of admission of the student in the school or before the exams.	Revenue is recognized at a point in time as this is one-time non-refundable fee charged to the students for the academic year.
Sale of books	Students obtain control of products when the books are delivered to and have been accepted by them. Invoices are generated and revenue is recognized at that point in time.	Revenue is recognized when the Group satisfies its performance obligation which is upon receipt and acknowledgement of books by the students.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

3 r) Critical accounting judgments and key sources of estimation uncertainty:

In the application of the Group's accounting policies, which are described in Note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associates assumptions are based on the historical experience and other factors that are considered to be relevant. Actual results may differ from these estimated. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimated are recognized 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 revision affects both current and future periods.

Going concern

Management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. The Group has been profitable, and it had positive net assets, working capital and cash flow positions as at the year end. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on a going concern basis.

Useful lives, residual values and related depreciation charges of property and equipment

Management determines the estimated useful lives and residual values of its property and equipment to calculate the depreciation. This estimate is determined after considering the expected usage of the asset and intangibles, physical wear and tear. Management reviews the residual value and useful lives annually. Future depreciation charge would be adjusted where management believes the useful lives differ from previous estimates.

Useful lives of intangible assets

Management determines the estimated useful lives of its intangible assets for calculating amortization. This estimate is determined based on the expected patten of consumption of future economic benefits embodied in the assets.

Lease period

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option: or not exercise a termination option. Extension options are only included in lease term if the lease is reasonably certain to be extended. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the leases. During the year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was an increase in recognized lease liabilities and right-of-use assets.

Impairment of financial assets

The Group's management reviews periodically items classify as receivables to assess whether a provision for impairment should be recorded in the statement of profit or loss and other comprehensive income. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Goodwill

Management tests annually whether goodwill has endured any impairment, in accordance with the accounting policy. The recoverable amounts of cash-generating units have been determined based on value-in use calculations. These calculations required the use of estimates.

Impairment of inventories

Inventories are held at the lower of cost and net realizable value. When inventories become old, unusable or obsolete, an estimate is made of their net realizable value. For individual significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of aging or obsolescence, based on historical selling price.

Provision for employees' end of service benefits

Management has measured the Group's obligation for the post-employment benefits of its employees based on the provisions of the relevant labor laws.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):

3 r) Critical accounting judgments and key sources of estimation uncertainty (Continued):

Provision for employees' end of service benefits (Continued)

Management does not perform an actuarial valuation as required by International Accounting Standard 19 "Employee Benefits" as it estimates that such valuation does not result to a significantly different level of provision. The provision is reviewed by management at the end of each year, and any change to the projected benefit obligation at the year-end is adjusted in the provision for employees' end of service benefits in the profit or loss.

Contingent liabilities

Contingent liabilities are determined by the likelihood of occurrence or non-occurrence of one or more uncertain future events. Assessment of contingent liabilities is tightly connected with development of significant assumptions and estimates relating to the consequences of such future.

4. PROPERTY AND EQUIPMENT:

	Buildings QAR	Machinery and equipment QAR	Computer equipment QAR	Motor vehicles QAR	Furniture and fixtures QAR	Sign boards QAR	Leasehold improvements QAR	Learning resources QAR	Capital work in progress QAR	Total QAR
Cost:										
Balance at September 01, 2022	98,565,715	5,078,669	6,377,530	3,001,703	10,553,240	376,951	8,649,413	3,767,637	3,781,443	140,152,302
Additions during the year	-	22,440	260,405	-	40,677	77,761	491,794	235,420	568,361	1,696,858
Balance at August 31, 2023	**98,565,715**	**5,101,109**	**6,637,935**	**3,001,703**	**10,593,917**	**454,712**	**9,141,207**	**4,003,057**	**4,349,804**	**141,849,160**
Additions during the year	-	356,772	1,402,289	-	66,705	6,900	-	132,483	-	1,965,149
Balance at August 31, 2024	**98,565,715**	**5,457,881**	**8,040,224**	**3,001,703**	**10,660,622**	**461,612**	**9,141,207**	**4,135,540**	**4,349,804**	**143,814,309**
Accumulated depreciation:										
Balance at September 01, 2022	28,805,197	4,912,605	5,551,372	2,861,117	8,768,508	228,325	7,153,178	2,484,716	-	60,765,018
Charge for the year	1,123,557	29,635	182,521	22,757	221,218	14,200	540,616	240,656	-	2,375,160
Balance at August 31, 2023	**29,928,754**	**4,942,240**	**5,733,893**	**2,883,874**	**8,989,726**	**242,525**	**7,693,794**	**2,725,372**	**-**	**63,140,178**
Charge for the year	1,123,556	31,430	323,955	22,756	278,530	20,130	563,085	263,422	-	2,626,864
Balance at August 31, 2024	**31,052,310**	**4,973,670**	**6,057,848**	**2,906,630**	**9,268,256**	**262,655**	**8,256,879**	**2,988,794**	**-**	**65,767,042**
Net book value:										
At August 31, 2023	68,636,961	158,869	904,042	117,829	1,604,191	212,187	1,447,413	1,277,685	4,349,804	78,708,982
At August 31, 2024	**67,513,405**	**484,211**	**1,982,376**	**95,073**	**1,392,366**	**198,957**	**884,328**	**1,146,746**	**4,349,804**	**78,047,267**
Depreciation rates	2.50%	10%	16.67%	12.50%	7.60% - 10%	16.67%	10% - 12.50%	12.50%		

4. PROPERTY AND EQUIPMENT:

4 a) Depreciation charges for the year was presented in the statement of profit or loss and other comprehensive income as follows:

	Year ended August 31,	
	2024	2023
	QAR	QAR
Cost of operations (Note 16)	1,847,857	1,650,209
General and administrative expenses (Note 18)	779,007	724,951
Total	**2,626,864**	**2,375,160**

5. INTANGIBLE ASSETS AND GOODWILL:

	August 31,	
	2024	2023
	QAR	QAR
Goodwill (Note 5 a)	96,520,330	96,520,330
Trademark (Note 5 b)	17,210,000	17,210,000
Course development cost (Note 5 c and d)	4,330,124	4,811,249
Franchise rights (Note 5 c)	89,621,847	92,257,784
Learners enrolment (Note 5 e)	15,847,175	15,847,175
Total	**223,529,476**	**226,646,538**

5 a) Allocation of goodwill to cash generating units (CGUs) for impairment testing purposes under IAS 36. For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs as follows:

	August 31,	
	2024	2023
	QAR	QAR
Doha Academy W.L.L. (DA)	74,896,979	74,896,979
Al Faleh Group for Educational and Academic Services W.L.L. (AFGEASW)	21,623,351	21,623,351
Balance at the end of the year	**96,520,330**	**96,520,330**

5 b) Allocation of trademark of cash generating unit for impairment.

Trademark, amounting to QAR 17,210,000 is attributable to Doha Academy W.L.L. a CGU acquired in the past through business combination.

5 c) Amortization of intangible assets with finite useful life:

	Franchise rights	Course Development Cost	Total
	QAR	QAR	QAR
Cost:			
Balance at September 01, 2022	115,306,000	-	115,306,000
Addition during the year (5 d)	-	4,858,798	4,858,798
Balance at August 31, 2023	**115,306,000**	**4,858,798**	**120,164,798**
Balance at August 31, 2024	**115,306,000**	**4,858,798**	**120,164,798**

5. INTANGIBLE ASSETS AND GOODWILL (CONTINUED):

5 c) Amortization of intangible assets with finite useful life (Continued):

	Franchise rights	Course Development Cost	Total
	QAR	QAR	QAR
Accumulated amortization:			
Balance at September 01, 2022	20,412,278	-	20,412,278
Amortization (Note 18)	2,635,937	47,549	2,683,486
Balance at August 31, 2023	**23,048,215**	**47,549**	**23,095,764**
Amortization (Note 18)	2,635,937	481,125	3,117,062
Balance at August 31, 2024	**25,684,152**	**528,674**	**26,212,826**
Carrying amounts:			
At August 31, 2023	92,257,785	4,811,249	97,069,034
At August 31, 2024	**89,621,848**	**4,330,124**	**93,951,972**

5 d) During the year 2023, the Group has capitalized the faculty visits for course developments paid to the University of Aberdeen as an intangible asset by ensuring that these amounts clearly meet the criteria set out in IAS 38, Paragraph 57, Development Phase.

5 e) During the year 2023, the Group re-measured the recognition of the Learner enrolments with net amount of QR 15,847,174 from cost model to revaluation model according to IAS 38.

6. LEASES:

6 a) Right-of-use-asset

	August 31,	
	2024	2023
	QAR	QAR
Cost:		
Balance at the beginning of the year	57,490,387	56,617,602
Additions during the year	8,320,856	14,330,242
Modidication during the year	-	(13,457,457)
Disposals during the year	(8,161,512)	-
Balance at the end of the year	**57,649,731**	**57,490,387**
Accumulated depreciation:		
Balance at the beginning of the year	26,825,906	22,681,667
Charge for the year (Note 18)	13,103,107	13,634,682
Modidication during the year	-	(9,490,443)
Disposals during the year	(8,161,515)	-
Balance at the end of the year	**31,767,498**	**26,825,906**
Net book value:		
Balance at the end of the year	**25,882,233**	**30,664,481**

6. LEASES (CONTINUED):

6 b) Lease liabilities

	August 31, 2024 QAR	August 31, 2023 QAR
Balance at the beginning of the year	32,804,116	35,171,726
Lease liabilities incurred during the year	7,730,277	14,330,242
Modification during the year	-	1,182,531
Interest expenses (Note 19)	2,037,112	2,180,373
Disposal during the year	-	(5,328,301)
Interest paid	(2,037,112)	(218,373)
Repayment of principle	(12,745,688)	(14,514,082)
Balance at the end of the year	**27,788,705**	**32,804,116**

6 c) The Group entered into a lease contract with a related party for the lease of college premises. These lease liabilities are repayable by a rental obligation which varies based on the terms of contracts, and usually for a period between 2 to 5 years, bears an implicit interest rate of 6% per annum, and is effectively secured as the right to the leased asset revert to the lessor in the event of default.

The lease liabilities are presented in the statement of financial position as follows:

	August 31, 2024 QAR	August 31, 2023 QAR
Non-current	14,276,200	21,552,653
Current	13,512,505	11,251,463
Total	**27,788,705**	**32,804,116**

7. INVENTORIES:

	August 31, 2024 QAR	August 31, 2023 QAR
Books and stationery	1,602,102	1,646,119
Total	**1,602,102**	**1,646,119**

8. ACCOUNTS RECEIVABLE AND OTHER DEBIT BALANCES:

	August 31, 2024 QAR	August 31, 2023 QAR
Accounts receivable		
Accounts receivable (Note 8 a)	5,390,166	15,004,973
Less: Allowance for impairment of receivables (Note 8 b)	(1,799,548)	(3,197,487)
Net accounts receivable	**3,590,618**	**11,807,486**
Other receivables		
Prepayments and advances	118,911	396,315
Refundable deposits	170,624	169,335
Other receivable	6,468,988	4,869,031
Total	**10,349,141**	**17,242,167**

8. ACCOUNTS RECEIVABLE AND OTHER DEBIT BALANCES (CONTINUED):

8 a) The aging of the accounts receivable is as follows:

		August 31,	
		2024	2023
		QAR	QAR
i)	Aging of neither past due nor impaired Up to 160 days	1,654,416	4,913,449
ii)	Aging of past due but not impaired 161 - 360 days	1,936,202	6,894,037
iii)	Aging of past due impaired Above 360 days	1,799,548	3,197,487
Total		5,390,166	15,004,973

8 b) Movement in allowance for impairment of receivables is presented as follows:

	August 31,	
	2024	2023
	QAR	QAR
Balance at the beginning of the year	3,197,487	3,197,487
Reversals for impairment of receivables during the year	(1,078,675)	-
Write off during the year	(319,264)	-
Balance at the end of the year	1,799,548	3,197,487

8 c) The Group always measures the loss allowance for accounts receivable at an amount equal to lifetime ECL using the simplified approach. The expected credit losses on accounts receivable are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. Accordingly, management believes that there is no further credit provision required in excess of the existing provision for doubtful debts. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

9. CASH AND BANK BALANCES:

		August 31,	
		2024	2023
		QAR	QAR
Cash in hand		292,337	526,512
Cash at bank	- Guarantee deposits	585,625	1,732,693
Cash at bank	- current accounts	3,929,066	5,255,854
Total		4,807,028	7,515,059

9 a) For the purpose of cash flows statement, the amount of cash and cash equivalents is presented as follows:

		August 31,	
		2024	2023
		QAR	QAR
Total cash and cash equivalents		4,807,028	7,515,059
Less: Bank overdraft		(6,357,601)	(2,966,051)
Less: Cash at bank	- Guarantee deposits	(503,000)	(503,000)
Net cash and cash equivalents		(2,053,573)	4,046,008

9 b) The Group used bank overdraft facilities from a local bank with an interest rate of 6.7%.

10. SHARE CAPITAL:

The Group's issued share capital and fully paid is QAR 240,000,000 (240 million ordinary shares of 1 QAR per share).

	August 31,	
	2024	2023
	QAR	QAR
Authorized and issued, 240,000,000 ordinary shares	240,000,000	240,000,000
	240,000,000	**240,000,000**

11. LEGAL RESERVE:

In accordance with Qatar Commercial Companies' Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021 and the Company's Articles of Association, 10% of net income for the year is required to be transferred to the legal reserve until the reserve equals 50% of the paid capital. This reserve is not available for distribution except in circumstances stipulated in the Commercial Companies Law.

12. PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS:

	August 31,	
	2024	2023
	QAR	QAR
Balance at the beginning of the year	3,488,399	2,933,684
Provision for the year	1,031,487	921,276
Payments made during the year	(488,567)	(366,561)
Balance at the end of the year	**4,031,319**	**3,488,399**

12 a) Provision for employees' end of service benefits for the year was presented in the consolidated statement of profit or loss and other comprehensive income as follows:

	Year ended August 31,	
	2024	2023
	QAR	QAR
Cost of operations (Note 16)	704,752	689,156
General and administrative expenses (Note 18)	326,735	232,120
Total	**1,031,487**	**921,276**

13. BANK LOANS AND BORROWING:

	August 31,	
	2024	2023
	QAR	QAR
Murabaha term loan (Note 13 a)	-	2,602,590
Murabaha term loan (Note 13 b)	2,653,565	4,940,211
Term loan (Note 13 c)	226,710	1,007,551
Term loan (Note 13 d)	1,063,138	2,526,725
Term loan (Note 13 e)	-	3,224,057
Term loan (Note 13 f)	12,930,000	-
Total	**16,873,413**	**14,301,134**

13 a) In 2020, Doha Academy W.L.L., a subsidiary, obtained a term loan from a local bank for working capital management which carries profit rate of 4.50% per annum. The loan is repayable in 24 equal instalments and the last instalment payment date is May 05, 2023, In 2023 the Company has rescheduled the loan to August 29, 2024.The loan secured by the personal guarantee of the Chairperson and fully settled during the year.

13. BANK LOANS AND BORROWING (CONTINUED):

13 b) In 2019, Doha Academy W.L.L. a subsidiary, obtained a term loan from a local bank for working capital management which carries profit rate at 6.50% per annum. The loan is repayable in 60 equal instalments and the last instalment payment date is December 23, 2024. The parties extended the maturity to September 23, 2025 with monthly instalment of QAR 212,059 commencing on December 23, 2021.The loan secured by the personal guarantee of the Chairperson.

13 c) In 2018, Doha Academy W.L.L., a subsidiary obtained a term loan from a local bank for working capital management which carries interest at 6.25% per annum. The loan is repayable in 60 equal instalments and the last instalment payment date is February 15, 2025.The loan secured by the personal guarantee of the Chairperson.

13 d) In 2017, Doha Academy W.L.L., a subsidiary obtained a term loan from a local bank for working capital management which carries interest at 6.00% per annum. The loan is repayable in 66 equal instalments and the last instalment payment date is February 29, 25. The loan secured by the personal guarantee of the Chairperson.

13 e) In 2015, Doha Academy W.L.L., a subsidiary obtained a loan from a local bank to finance the construction of the building which carries profit rate at 4% per annum. The loan is repayable in 24 equal instalments and the last instalment payment date is November 29, 2022, during the year the company has reschedule the loan till April 30,2024 .The loan secured by the personal guarantee of the Chairperson and fully settled during the year.

13 f) In 2024, Doha Academy W.L.L., a subsidiary obtained a term loan from a local bank which carries interest at 7.25% per annum. The loan is repayable in 23 equal quarterly instalments . This loan is secured by the personal guarantee of the Chairperson.

13 g) The interest-bearing borrowings are presented in the consolidated statement of financial position as follows:

	August 31,	
	2024	2023
	QAR	QAR
Non-current	12,472,373	2,653,566
Current	4,401,040	11,647,568
Total	**16,873,413**	**14,301,134**

14. ACCOUNTS PAYABLE AND OTHER CREDIT BALANCES:

	August 31,	
	2024	2023
	QAR	QAR
Advances received from customers	14,577,572	21,819,749
Accounts payable	6,908,258	13,432,485
Other taxes payable	1,661,578	1,661,558
Other credit balances	1,093,086	90,694
Accrued expenses	1,079,717	963,165
Social and sports fund payables	310,212	300,523
Staff payable	218,353	-
Royalty payable	-	12,144,959
Total	**25,848,776**	**50,413,133**

15. REVENUE:

	Year ended August 31,	
	2024	2023
	QAR	QAR
Tuition fee	100,440,040	105,702,207
Books	7,808,235	4,809,701
International examination	1,905,225	2,344,488
Registration	1,434,300	871,100
Transport	603,057	1,546,512
Entrance examination	223,000	123,500
Application	77,600	-
Others	17,010	206,043
Total	**112,508,467**	**115,603,551**

16. COST OF OPERATIONS:

	Year ended August 31,	
	2024	2023
	QAR	QAR
Staff costs	33,720,349	35,914,207
Royalty and visitng (Note 16 a)	12,706,090	12,861,455
Amortization of intangible assets with finite useful life (Note 5)	3,117,062	2,683,486
Short term rent	2,738,800	396,400
Charges in books	2,505,589	1,466,923
Depreciation of property and equipment (Note 4 a)	1,847,857	1,650,209
Provision for employees' end of service benefits (Note 12)	704,752	689,156
Other	157,475	-
Discounts offered on tuition fee	-	2,350,733
Total	**57,497,974**	**58,012,569**

16 a) The Group entered into a licensing agreement with the University of Aberdeen wherein the Group used the latest learning materials, resources, and curriculum for AFG College. In exchange, the Group will pay 25% of the fee income of the AFG College as royalty and additional charges for faculty visits. This includes the withholding tax related to the royalty expense.

17. OTHER INCOME:

	Year ended August 31,	
	2024	2023
	QAR	QAR
Revesal of impairement provision	1,078,675	-
Foreign exchange gain	1,132,917	790,216
Other miscellaneous income	162,328	139,939
Sponsorship income	80,000	158,600
Graduation income	41,030	107,208
Sale of books	14,535	33,629
Reversal of old balances payables	-	226,217
Total	**2,509,485**	**1,455,809**

18. GENERAL AND ADMINISTRATIVE EXPENSES:

	Year ended August 31,	
	2024	2023
	QAR	QAR
Staff costs	16,139,496	16,105,847
Depreciation of right-of-use assets (Note 6)	13,103,107	13,634,682
Legal and professional fees	3,047,762	2,505,240
Cleaning and facility management expenses	2,856,881	1,011,681
Others expenses	1,272,279	896,756
Bank charges	823,630	774,689
Depreciation of property and equipment (Note 4)	779,007	724,951
Advertisement expenses	636,105	845,519
Graduation expenses	603,425	669,849
Utilities expenses	598,285	457,453
Examination expenses	576,987	1,004,535
Repairs and maintenance expenses	473,206	1,089,902
Provision for employees' end of service benefits (Note 12)	326,735	232,120
Communication expenses	184,460	720,757
Printing and stationery expenses	172,150	468,780
Insurance expenses	154,144	406,113
Short term rent expenses	-	1,682,225
Travelling expenses	-	170,429
Total	**41,747,659**	**43,401,528**

19. NET FINANCE COST:

	Year ended August 31,	
	2024	2023
	QAR	QAR
Interest expenses on Lease liability (Note 6 b)	2,037,112	2,180,373
Interest expenses on Loans and borrowings	1,040,591	1,116,274
Total	**3,077,703**	**3,296,647**

20. BASIC EARNINGS PER SHARE:

	Year ended August 31,	
	2024	2023
	QAR	QAR
Profit attributable to the shareholders of the Company	12,403,607	12,020,920
Weighted average number of shares as at August 31,	240,000,000	240,000,000
Basic earnings per share	**0.052**	**0.050**

21. COMMITMENTS AND CONTINGENCIES:

There are no material commitments and contingencies existing as of the reporting date, except for the following:

	August 31,	
	2024	2023
	QAR	QAR
Capital commitment	-	1,205,715
Payment guarantee	503,000	503,000
Post dated cheques payable	8,262,000	8,578,500

22. FINANCIAL RISK MANAGEMENT:

The Group has exposure to the following risks arising from financial instruments:

22 a) Credit risk
22 b) Liquidity risk
22 c) Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements. Management has the overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analysed the risks faced by the Group and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

22 a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. The carrying amount of financial assets represents the maximum credit exposure.

The tables below detail the credit exposure of the Group's financial assets:	August 31,	
	2024	**2023**
	QAR	**QAR**
Account receivables and other debit balances (Note 8)	10,230,230	16,845,852
Cash at banks (Note 9)	3,929,066	5,255,854
Total	**14,159,296**	**22,101,706**

The Group limits its exposure to credit risk from trade receivables by:

i) Evaluating the creditworthiness of each counter-party prior to entering into contracts;
ii) Establishing sale limits for each customer, which are reviewed regularly;
iii) Establishing maximum payment periods for each customer, which are reviewed regularly; and
iv) Periodically reviewing the collectability of its trade receivables for identification of any impaired amounts.

Measurement of ECLs

The table in note 8 a) to the financial statments provides information about exposure to credit risk and ECL for trade and other debit balances as at August 31, 2024 and 2023.

Cash at banks

The Group's cash at bank is held with banks that are independently rated by credit rating agencies.

	August 31,	
	2024	**2023**
	QAR	**QAR**
Cash at banks (Note 9)	3,929,066	5,255,854

The Group's bank deposits are held with credit worthy and reputable banks with high credit ratings. As a result, management believes that credit risk in respect of these balances is immaterial.

22. FINANCIAL RISK MANAGEMENT (CONTINUED):

22 b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Management's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The table below summarizes the contractual undiscounted maturities of the Group's financial liabilities at the reporting date.

August 31, 2024	**Contractual cash flows**		
	Gross carrying amount	**Within one year**	**1-5 years**
	QAR	**QAR**	**QAR**
Non-derivative financial liabilities			
Bank overdrafts (Note 9 a)	6,357,601	6,357,601	-
Bank loans and borrowings (Note 13 a)	16,873,413	4,401,040	12,472,373
Lease liabilities (Note 6 c)	27,788,705	13,512,505	14,276,200
Account and other payables excluding advances (Note 14)	11,271,204	11,271,204	-
Total	**62,290,923**	**35,542,350**	**26,748,573**

August 31, 2023	**Contractual cash flows**		
	Gross carrying amount	**Within one year**	**1-5 years**
	QAR	**QAR**	**QAR**
Non-derivative financial liabilities			
Bank overdrafts (Note 9 a)	2,966,051	2,966,051	-
Bank loans and borrowings (Note 13 a)	14,301,134	11,647,568	2,653,566
Lease liabilities (Note 6 c)	32,804,116	11,251,463	21,552,653
Account and other payables excluding advances (Note 14)	28,593,384	28,593,384	-
Total	**78,664,685**	**54,458,466**	**24,206,219**

22 c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

23. CAPITAL RISK MANAGEMENT:

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of invested capital. The capital structure of the Group consists of equity, comprising share capital, capital contribution, legal reserves and retained earnings.

24. EVENTS AFTER THE REPORTING PERIOD:

There have been no material events occurring after the reporting date that require adjustments to or disclosure in the consolidated financial statements.

25. FAIR VALUES OF FINANCIAL INSTRUMENTS:

Financial instruments include financial assets and liabilities.

Financial assets consist of bank balances and cash, account receivable and other debit balances. Financial liabilities consist of accounts payable and other credit balances, accrued expenses and bank loans and borrowing.

The fair values of financial instruments are not materially different from their carrying values.

26. COMPARATIVE FIGURES:

Certain amounts in the comparative figures of the consolidated financial statements and notes to the consolidated financial statements have been reclassified to conform to the current year's presentation. Management believes that reclassification resulted to a better presentation of accounts and did not have any significant impact on prior year's

27. SEGMENT INFORMATION:

August 31, 2024	Kindergarten	School	College	Others	Adjustments and eliminations	Total
	QAR	QAR	QAR	QAR	QAR	QAR
Operating income						
External customers	1,988,701	62,334,225	48,184,916	625	-	112,508,467
Inter-segment	-	-	-	7,500,000	(7,500,000)	-
Total operating income	**1,988,701**	**62,334,225**	**48,184,916**	**7,500,625**	**(7,500,000)**	**112,508,467**
(Total expenses)/ other income	(1,466,665)	(54,212,660)	(38,221,330)	(3,567,669)	(2,636,536)	(100,104,860)
Segment results	**522,036**	**8,121,565**	**9,963,586**	**3,932,956**	**(10,136,536)**	**12,403,607**
Assets and liabilities						
Segment assets	1,673,298	98,555,577	36,200,061	310,351,212	(102,562,902)	344,217,246
Segment liabilities	4,739,836	54,096,566	23,313,860	45,591,105	(46,540,855)	81,200,511
Other segment information						
Capital expenditures	20,700	1,761,818	182,631	-	-	1,965,149
Tangibles assets	223,709	38,840,537	7,686,700	-	31,296,321	78,047,267
Deprecition	37,726	1,750,742	838,396	-	-	2,626,864
Amortization	-	-	481,125	-	2,635,937	3,117,062

27. SEGMENT INFORMATION (CONTINUED):

August 31, 2023	Kindergarten	School	College	Others	Adjustments and eliminations	Total
	QAR	QAR	QAR	QAR	QAR	QAR
Operating income						
External customers	1,077,620	65,341,131	49,184,800	-	-	115,603,551
Inter-segment	-	-	-	7,500,000	(7,500,000)	-
Total operating income	**1,077,620**	**65,341,131**	**49,184,800**	**7,500,000**	**(7,500,000)**	**115,603,551**
(Total expenses)/ other income	(2,156,015)	(56,708,091)	(38,970,398)	(3,350,162)	(2,397,965)	(103,582,631)
Segment results	**(1,078,395)**	**8,633,040**	**10,214,402**	**4,149,838**	**(9,897,965)**	**12,020,920**
Assets and liabilities						
Segment assets	933,374	100,887,729	59,059,533	310,798,932	(109,256,222)	362,423,346
Segment liabilities	4,521,948	62,987,283	50,336,918	34,971,156	(48,516,776)	104,300,529
Other segment information						
Capital expenditures	94,720	513,018	1,089,120	-	-	1,696,858
Tangibles assets	240,735	38,829,461	8,342,465	-	31,296,321	78,708,982
Deprecition	28,617	1,547,749	798,794	-	-	2,375,160
Amortization	-	-	47,549	-	2,635,937	2,683,486