

ASOCIACIÓN ESCUELAS LINCOLN

NOTES TO THE FINANCIAL STATEMENTS

As of July 31, 2022 comparative with the previous year
In constant currency- pesos (Note 2.2.)

1. CORPORATE PURPOSE OF THE ASSOCIATION

Asociación Escuelas Lincoln (Lincoln School) is an entity engaged in teaching activities, offering elementary, middle, and high education. It is located in La Lucila, Province of Buenos Aires.

2. BASES OF PREPARATION OF THE FINANCIAL STATEMENTS

The most significant accounting standards applied by the Association in the financial statements corresponding to the reporting period were the following:

2.1. Applicable professional accounting standards and use of estimates

These financial statements have been prepared in accordance with the General Law of Companies No. 19,550, the regulations of the General Inspection of Justice and the professional accounting regulations in force in the Autonomous City of Buenos Aires, Argentine Republic.

The preparation of the financial statements, in accordance with said standards, requires the consideration, by the Board of Directors of the Association, of estimates and assumptions that impact the reported balances of assets and liabilities, the exposure of assets and contingent liabilities to the date of said statements, as well as the amounts of income and expenses of each one of the fiscal years. Final results and actual amounts could differ from these estimates.

2.2. REPORTING CURRENCY

These financial statements have been prepared in constant currency as of July 31, 2022, fully recognizing the effects of inflation in accordance with the provisions of Technical Resolution (RT) No. 6, by virtue of having determined the existence of a context of high inflation that makes the restated of the financial statements necessary.

Since the entry into force of the Technical Resolution N° 39 approved by the Professional Council of Economic Sciences of the Autonomous City of Buenos Aires (C.P.C.E.C.A.B.A.) by Resolution of the Directive Council No. 20/2014, which modified the rules on the unit of measurement of the Technical Resolution N° 17, the need to restate the financial statements to reflect the changes in the purchasing power of the currency is indicated by the existence or not of an inflation context such as to qualify the economy as highly inflationary.

To identify the existence of an inflationary economic environment, Interpretation No. 8 approved by the C.P.C.E.C.A.B.A. Through Resolution of the Board of Directors No. 115/2014, a quantitative guide is provided, which is a necessary condition for updating the figures in the financial statements.

This guideline consists in that the accumulated rate of inflation in three years, considering the Internal Wholesale Price Index (IPIM) prepared by the National Institute of Statistics and Census (I.N.D.E.C.), reaches or exceeds 100% among other factors. During the first semester of 2018, several macroeconomic factors produced a significant acceleration of inflation, resulting in indices that exceeded 100% accumulated in three years, in inflation projections that confirmed this trend. As a consequence, the Governing.

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with our report dated 27/10/2022
BECHER Y ASOCIADOS S.R.L.
C.P.C.E.C.A.B.A. - T° I - F° 21

Pablo F. Olocco
Account reviewer

Silvina Irene Beziuk (Socia)
Public Accountant (U.B.A)
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President

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In constant currency - pesos (Note 2.2.)

2. BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS (Continued)

2.2. Reporting currency (Continued)

Board of the Argentine Federation of Professional Councils of Economic Sciences (FACPCE) issued Resolution No. 539/2018 approved by the Professional Council of Economic Sciences of the Autonomous City of Buenos Aires (CPCECABA) by Resolution of Board of Directors No. 107/2018, indicating that the context of high inflation was configured and that the financial statements corresponding to annual or intermediate periods closed as of July 1, 2018, should be adjusted to reflect changes in purchasing power of the currency.

The application of the inflation adjustment had been discontinued on March 28, 2003 due to the validity of Decree No. 664/03 of the National Executive Power (PEN), which instructed certain comptroller organizations not to receive inflation-adjusted financial statements as of March 1, 2003. As determined by the FACPCE Governing Board Through its Resolution No. 287/03, and by the Board of Directors of the CPCECABA, through its Resolution No. 41/03, the discontinuation of the application of the adjustment for inflation would have corresponded from October 1, 2003. However, the changes in the purchasing power of the currency that occurred between February 28, 2003 and September 30, 2003 were not significant. The aforementioned Decree 664/03 was repealed after the enactment of Law 27,468 on December 3, 2018. Likewise, on December 28, 2018, the General Inspectorate of Justice issued its resolution No. 10/2018 that regulated the entry in force of the application of Technical Resolution No. 6 and repealed the prohibition to present financial statements adjusted for inflation.

The application of the restatement process established in RT No. 6 allows the recognition of gains and losses derived from the maintenance of assets and liabilities exposed to changes in the purchasing power of the currency throughout the year. Such gains and losses are disclosed in the financial and holding results caption, including the result of exposure to changes in the purchasing power of the currency (R.E.C.P.A.M.) of the revenue and expenses statement. Consequently, these financial statements as of July 31, 2022, and the comparative information as of July 31, 2021 are expressed in homogeneous currency.


2.3. Disclosure standards

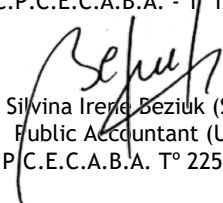
Financial statements are disclosed in accordance to Technical Resolutions N° 6, 8, 9 and 11 (with the modifications introduced by Technical Resolutions No. 19 and 25) of the Argentine Federation of Professional Councils of Economic Science (Federación Argentina de Consejos Profesionales de Ciencias Económicas), as approved by Resoltion N. 93/ 05 of the Professional Council in Economic Science of the Autonomous City of Buenos Aires (Consejo Profesional de Ciencias Económicas de la Ciudad Autónoma de Buenos Aires, C.P.C.E.C.A.B.A., for its acronym in Spanish.).

The Association has adapted the exposure of certain items in relation to the prior year for comparative purposes, without this implying any change in the decisions adopted on them.

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NOTES TO THE FINANCIAL STATEMENTS

As of July 31, 2022 comparative with the previous year
In constant currency - pesos (Note 2.2.) (Continued)

2. BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS (Continued)

2.4. Valuation criteria

The following are the main accounting valuation criteria used to prepare the financial statements:

a) Monetary assets and liabilities in local currency

Monetary assets and liabilities in local currency have been valued at their nominal cost, including, when applicable, the financial results accrued as of year-end. The resulting values, thus, do not differ significantly from those which would have resulted from applying prevailing accounting standards, which establish that these are to be valued based on the best estimate of the discounted amounts receivable and payable, respectively, using a rate which reflects the time value of money and the specific risks of the transaction.

b) Assets and liabilities in foreign currency

Assets and liabilities in foreign currency have been valued at nominal value by adding or deducting, if applicable, the financial components as at the closing of the period. The amounts thus determined have been translated at the exchange rates of the corresponding currencies prevailing as of year-end. Exchange differences have been charged against the result of each year.

c) Short term investment

Bonds, shares and mutual funds in foreign currency are stated at the quoted price and exchange rate prevailing at year-end.

d) Inventories

Materials are valued at replacement cost and advances to suppliers are valued at cost incurred. The book value of inventories does not exceed their recoverable value.

e) Fixed assets

Fixed assets have been valued at its restated cost in accordance with the details provided in Note 2.2., less the corresponding accumulated depreciations. The depreciation has been calculated through the straight line method, by applying sufficient annual rates to cancel their values as of the end of the estimated useful life. The value of fixed assets does not exceed its recoverable value as of the closing of each year.


f) Allowances

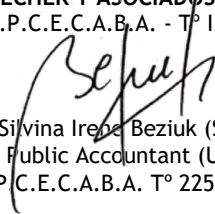
Deducted from assets:

For bad debts: it was calculated based on the individual analysis of receivables overdue at year end.

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NOTES TO THE FINANCIAL STATEMENTS

As of July 31, 2022 comparative with the previous year
In constant currency - pesos (Note 2.2.) (Continued)

2. BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS (Continued)

2.4. Valuation criteria (Continued)

f) Allowances (Continued)

Included in liabilities:

For lawsuits and contingencies: it was set up to meet potential liabilities and claims determined based on information received from the legal advisors of the Association at year end.

g) Revenue recognition

The Associations' revenues are recognized in the statement of revenues and expenses based on the accrual of the tuition payments made at year end.

The line Resources for specific purposes of the statement of revenues and expenses includes annual tuition fees accrued for investments in capital assets (Exhibit VI)

h) Income tax

The Association is considered tax exempt under the Income Tax Law.

i) Accounts from Equity

The net equity balances adjusted at the beginning of the year were restated at the end of the year by applying the coefficients mentioned in 2.2.

The share capital and the share premium were restated in the closing currency, as established in Note 2.2. The difference with the nominal value is presented as "Capital adjustment".

Reserved earnings and unallocated results are restated in the closing currency, as established in Note 2.2.

j) Revenues and expenses accounts

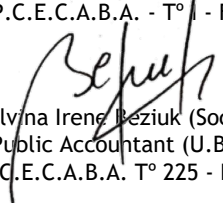
The original values were restated in closing currency, except for:

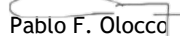
Depreciation: charges for depreciation were calculated based on the values determined in Note 2.4.e).

Financial and holding results (including the result of the change in the purchasing power of the currency): it is determined by difference between the final result of the year and the subtotal of the items of the statement of income restated in constant currency and includes: i) the result of the change in the purchasing power of the currency; ii) financial and holding results.

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NOTES TO THE FINANCIAL STATEMENTS

As of July 31, 2022 comparative with the previous year
In constant currency - pesos (Note 2.2.) (Continued)


2. BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS (Continued)

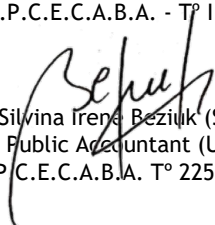
2.5. Additional Information on the Statement of Cash Flows

Cash and cash equivalents from the Statement of Cash Flows include the cash and Banks balances and highly liquid investments, according to the following breakdown:

	<u>07/31/2022</u>	<u>07/31/2021</u>
Cash - local currency	70.997	189.812
Banks - local currency	11.003.121	1.755.958
Cash - foreign currency	1.946.390	2.450.255
Banks - foreign currency	767.423.193	1.019.526.412
	<u>780.443.701</u>	<u>1.023.922.437</u>

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In constant currency - pesos (Note 2.2.) (Continued)

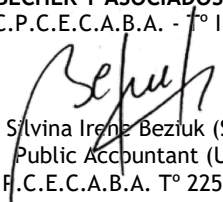
3. BREAKDOWN OF THE MAIN BALANCE SHEET ACCOUNTS


	<u>07/31/2022</u>	<u>07/31/2021</u>
3.1. Cash and banks		
<i>In local currency</i>		
Cash	70.997	189.812
Banks	11.003.121	1.755.958
	<u>11.074.118</u>	<u>1.945.770</u>
<i>In foreign currency (Exhibit IV):</i>		
Cash	1.946.390	2.450.255
Banks	767.423.193	1.019.526.412
	<u>769.369.583</u>	<u>1.021.976.667</u>
	<u>780.443.701</u>	<u>1.023.922.437</u>
3.2. Investments (Exhibit I)		
<i>In foreign currency (Exhibit IV):</i>		
Low risk securities	1.096.880.068	1.488.585.597
Mutual funds	1.369.549.476	1.735.547.480
	<u>2.466.429.544</u>	<u>3.224.133.077</u>
3.3. Receivables		
<i>In local currency</i>		
Tuition fees owed	31.247.866	21.483.040
Allowances for bad debts (Exhibit III)	(10.528.417)	(9.096.640)
	<u>20.719.449</u>	<u>12.386.400</u>
<i>In foreign currency (Exhibit IV):</i>		
Tuition fees owed	37.088.103	17.572.617
Checks to be deposited	4.233.115	5.328.948
Allowances for bad debts (Exhibit III)	(12.850.028)	(8.333.849)
	<u>28.471.190</u>	<u>14.567.716</u>
	<u>49.190.639</u>	<u>26.954.116</u>
3.4. Other receivables		
<i>Current</i>		
Expenses to be accrued	5.007.247	6.859.223
Sundry	5.254.531	3.678.530
Insurance and other expenses to accrued	7.085.605	14.480.722
Taxes to be recovered	537.237	5.901.067
	<u>17.884.620</u>	<u>30.919.542</u>
<i>Non current</i>		
Security deposits	6.751.532	7.311.651

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In constant currency - pesos (Note 2.2.) (Continued)

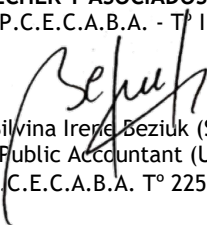
3. BREAKDOWN OF THE MAIN BALANCE SHEET ACCOUNTS (Continued)

	<u>07/31/2022</u>	<u>07/31/2021</u>
3.5. Inventories		
<i>In local currency</i>		
Materials	2.901.283	3.656.698
<i>In foreign currency (Exhibit IV):</i>		
Advanced payments to suppliers	16.708.696	12.737.523
	<u>19.609.979</u>	<u>16.394.221</u>
3.6. Accounts payables		
<i>In local currency</i>		
Ordinary	18.220.306	35.332.552
Provision for expenses	11.725.426	21.778.373
Others	1.781.749	262.186
Tuition fees collected in advance	30.045.164	14.615.551
	<u>61.772.645</u>	<u>71.988.662</u>
<i>In foreign currency (Exhibit IV):</i>		
Ordinary	-	859.267
Tuition fees collected in advance	25.854.338	21.548.599
	<u>25.854.338</u>	<u>22.407.866</u>
	<u>87.626.983</u>	<u>94.396.528</u>
3.7. Taxes payable		
Income tax withholdings to be deposited	19.105.790	35.872.207
Turnover tax withholdings to be deposited	310.306	65.600
Other withholdings to be deposited	584.370	-
	<u>20.000.466</u>	<u>35.937.807</u>
3.8. Payroll and social security charges		
Payroll and social security contributions payable	24.704.555	59.118.180
Provisions for thirteenth month salary, vacations and social contributions payable	33.346.831	22.283.988
	<u>58.051.386</u>	<u>81.402.168</u>
3.9. Allowances		
Allowances for lawsuits and contingencies (Exhibit III)	51.640.454	18.527.475

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NOTES TO THE FINANCIAL STATEMENTS

As of July 31, 2022 comparative with the previous year
In constant currency - pesos (Note 2.2.) (Continued)

4. BREAKDOWN OF INVESTMENTS, RECEIVABLES AND PAYABLES

a) Breakdown according to the estimated collection or payment term:

	Current assets	Non current assets	Current liabilities	Non current liabilities
No term	2.471.436.791	-	-	51.640.454
Overdue	-	-	-	-
To become due on				
up to 3 months	53.589.306	-	103.402.378	-
4 to 6 months	4.935.903	-	26.969.876	-
7 to 9 months	1.771.401	-	26.969.874	-
10 to 12 months	1.771.402	-	8.336.707	-
more than a year	-	6.751.532	-	-
Totals	2.533.504.803	6.751.532	165.678.835	51.640.454

b) Information on accrual of interests:

	Current Assets	Non current assets	Current liabilities	Non current liabilities
Accruing interests	1.369.549.476	-	-	-
Not accruing interests	1.163.955.327	6.751.532	165.678.835	51.640.454
Totals	2.533.504.803	6.751.532	165.678.835	51.640.454


5. GLOBAL HEALTH EMERGENCY

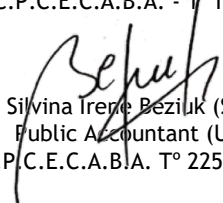
On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency due to a new strain of coronavirus originating in Wuhan, China ("COVID-19") and the risks to the international community that the virus will spread globally beyond its point of origin. On March 11, 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in global exposure. On March 19, 2020, the National Government, due to the speed of the worsening of the epidemiological situation on an international scale, required the adoption of immediate measures to deal with this emergency. Therefore, through the decree of necessity and urgency 297/2020, the measure of "social, preventive and mandatory isolation" was established for all people who live in the country or are in it temporarily, which was in force from March 20 to November 29, 2020, inclusive.

Nowadays, through the decree of necessity and urgency 867/2021, the National Government established preventive measures in order to protect public health in all the national territory.

COVID-19 situation is still evolving and as a consequence of this it is uncertain as to the full extent that the pandemic will have on the Association's economic and financial condition, liquidity and future results of operations.

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NOTES TO THE FINANCIAL STATEMENTS

As of July 31, 2022 comparative with the previous year
In constant currency - pesos (Note 2.2.) (Continued)

5. GLOBAL HEALTH EMERGENCY (Continued)

At the time of issuing of these financial statements, the Association did not suffer significant impact from these situations on its economic and financial condition, liquidity and future results of operations. The Board of Governances do not expect any significant impact in the near future to at least maintain the current state of business.

6. TAX EXEMPTIONS

The Association based on its articles is a non-profit business, and as a consequence of this the Association is income tax exempt due to the provisions of section 20. f) of Law No. 20628, the Association is income tax exempt, this situation is certified annually by the National Administration.

Regarding the turnover tax, the Association is registered in the Province of Buenos Aires, and it is tax exempt in accordance with the provisions of subsection I), section 166 of the Tax Code, under resolution of the Tax Bureau of the Province of Buenos Aires dated May 5, 2020, effective as from October 21, 1996.

According to Article No. 177 section L of the Law No. 10.297, the Associations properties used only in regards of the teaching activities are real estate tax exempt.

7. RESTRICTED ASSETS


A lien of \$ 8.591.171 was levied on real property owned by the Association because of a tax claim consequence of an exemption not being valid as per the provincial tax authority. The Board of Governors did answer this administrative and judicial act, claiming the total validity of the former tax exemption to normalize this situation. As of July 31, 2022, and July 31, 2021 there are no other restricted assets.

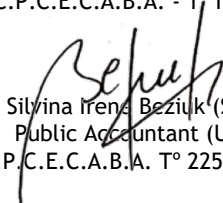
8. FINANCIAL ECONOMIC CONTEXT IN ARGENTINA

The current economic-financial context in Argentina, in which the Association operates, is complex and highly volatile, including high inflation, a strong depreciation of the Argentine peso against the US dollar, and high nominal interest rates, albeit negative in real terms. Likewise, during 2021, the Argentine economy experienced a significant recovery in the level of economic activity after a strong decrease in 2020 (mainly due to the COVID-19 pandemic).

After the significant devaluation of the Argentine peso in August 2019, the National Government has imposed some measures that affected the economic context, such as price controls and certain exchange restrictions, including the obligation to obtain prior authorization from the Central Bank of the Argentine Republic (BCRA) to access the Free Exchange Market (*Mercado Único y Libre de Cambios - MULC*).

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In constant currency - pesos (Note 2.2.) (Continued)

8. FINANCIAL ECONOMIC CONTEXT IN ARGENTINA (Continued)

On June 27, 2022, the BCRA issued Communication "A" 7532 regarding access to the foreign currency exchange market, in relation to modifications to the "Foreign and foreign currency exchange" rule, these modifications established new impediments to pay imports.


On July 21, 2022, the BCRA issued Communication "A" 7553 regarding foreign currency access, establishing that in addition to the amount provided for in Communication "A" 7532 point 2.1., financial entities may give clients access to the foreign currency exchange market to make payments for imports of goods to the extent that, in addition to the remaining applicable requirements, all of certain conditions are verified.

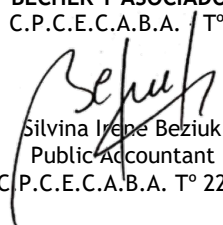
During July 2022 changes in the Economy Ministry were made. As of the date of issuance of these financial statements, the context of volatility and uncertainty continues. The Association's Management permanently monitors the evolution of the variables that may affect its activity, to define its course of action and identify the potential impacts on its patrimonial and financial situation. Consequently, these financial statements of the Association must be read considering these circumstances.

9. SUBSEQUENT EVENTS

No events or transactions have occurred from year-end to the date of issuance of these financial statements that would have a material effect on the financial position of the Association or its revenues and expenses at year-end.

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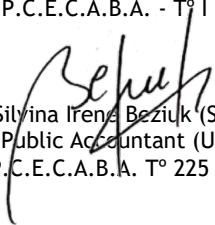
INVESTMENTS

As of July 31, 2022 comparative with the previous year
In constant currency - pesos (Note 2.2.)

Concept	Total at 07/31/2022	Total at 07/31/2021
	\$	\$
<u>Current:</u>		
<u>Short term investments</u>		
Low risk securities	1.096.880.068	1.488.585.597
Mutual funds	1.369.549.476	1.735.547.480
Total Current Investments	2.466.429.544	3.224.133.077
Totals as of 07/31/2022	2.466.429.544	
Totals as of 07/31/2021		3.224.133.077

Signed for the purposes of its identification
with our report dated 27/10/2022
BECHER Y ASOCIADOS S.R.L.
C.P.C.E.C.A.B.A. - T° I - F° 21


Pablo F. Olocco
Account reviewer


Silvina Irene Beziuk (Socia)
Public Accountant (U.B.A)
C.P.C.E.C.A.B.A. T° 225 - F° 219


Douglas Albrecht
President


ASOCIACIÓN ESCUELAS LINCOLN

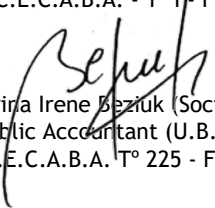
FIXED ASSETS

As of July 31, 2022, comparative with the previous year
In constant currency - pesos (Note 2.2.)

Concept	Original Values					Depreciation					Net residual value 07/31/2022	Net residual value 07/31/2021
	At beginning of the fiscal year	Additions	Transfers	Disposals	At the end of year-end	Accumulated as of the beginning of the fiscal year	Disposals	The exercise		Accumulated as of end of year-end		
								Aliquot %	To the statement of resources and expenses			
Land	159.400.922	-	-	-	159.400.922	-	-	-	-	-	159.400.922	159.400.922
Buildings	2.109.790.427	-	-	-	2.109.790.427	1.526.196.441	-	2%	21.627.828	1.547.824.269	561.966.158	583.593.986
Improvements to facilities	1.045.799.728	-	13.557.891	-	1.059.357.619	726.393.672	-	7%	33.685.337	760.079.009	299.278.610	319.406.056
Work in progress	74.952.508	24.640.939	(13.557.891)	-	86.035.556	-	-	-	-	-	86.035.556	74.952.508
Fences and pavements	32.054.803	-	-	-	32.054.803	32.054.803	-	20%	-	32.054.803	-	-
Facilities	318.681.957	2.777.578	-	-	321.459.535	308.645.934	-	10 y 20%	5.982.877	314.628.811	6.830.724	10.036.023
Scientific equipment	2.303.119	-	-	-	2.303.119	2.303.119	-	20%	-	2.303.119	-	-
Devices and sports related items	5.253.457	-	-	-	5.253.457	5.253.457	-	20%	-	5.253.457	-	-
Teaching related items	35.173.452	-	-	-	35.173.452	35.173.452	-	20%	-	35.173.452	-	-
Furniture and fixture	325.112.119	3.097.913	519.565	-	328.729.597	300.710.351	-	20%	15.290.259	316.000.610	12.728.987	24.401.768
MS and household items	576.747	-	-	-	576.747	576.747	-	20%	-	576.747	-	-
Machinery and tools	35.860.258	-	-	-	35.860.258	33.132.457	-	20%	1.075.514	34.207.971	1.652.287	2.727.801
Computers	381.309.974	1.508.850	10.109.560	59.033	392.869.351	338.489.814	42.880	33%	17.084.900	355.531.834	37.337.517	42.820.160
Vehicles	27.416.085	-	-	4.721.619	22.694.466	27.338.031	4.721.619	20%	38.876	22.655.288	39.178	78.054
Advanced payments to suppliers in local currency	519.565	2.053.254	(519.565)	-	2.053.254	-	-	-	-	-	2.053.254	519.565
Advanced payments to suppliers in foreign currency	9.482.083	5.573.932	(10.109.560)	-	4.946.455	-	-	-	-	-	4.946.455	9.482.083
Total as of 07/31/2022	4.563.687.204	39.652.466	-	4.780.652	4.598.559.018	3.336.268.278	4.764.499		94.785.591	3.426.289.370	1.172.269.648	-
Total as of 07/31/2021	4.528.268.097	51.860.528	-	16.441.421	4.563.687.204	3.231.105.863	250.661		105.413.076	3.336.268.278	-	1.227.418.926

Signed for the purposes of its identification
with our report dated 27/10/2022
BECHER Y ASOCIADOS S.R.L.
C.P.C.E.C.A.B.A. - T° I/- F° 21


Pablo F. Olocco
Account reviewer


Silvina Irene Beziuk (Socia)
Public Accountant (U.B.A)
C.P.C.E.C.A.B.A. T° 225 - F° 219


Douglas Albrecht
President

ASOCIACIÓN ESCUELAS LINCOLN

ALLOWANCES

As of July 31, 2022, comparative with the previous year
In constant currency - pesos (Note 2.2.)

Concept	Balance at the beginning of the year	Results due to exposure to inflation	Increases	Decreases	Applied	Balance at the end of the year
Deducted from assets:						
Current						
Allowance for bad debts (Note 3.3.)	(9.096.640)	3.777.044	(a) (12.319.505)	(a) 3.580.566	3.530.118	(10.528.417)
Allowance for bad debts in foreign currency (Note 3.3.)	(8.333.849)	3.460.323	(a) (13.271.000)	(a) 4.692.145	602.353	(12.850.028)
Included in liabilities						
Allowance for lawsuits and contingencies (Note 3.9)	18.527.475	(7.692.850)	(b) 42.293.599	(c) (1.425.222)	(62.548)	51.640.454
Balances as of 07/31/2022	1.096.986	(455.483)	16.703.094	6.847.489	4.069.923	28.262.009
Balances as of 07/31/2021	21.769.849	(7.875.227)	34.887.575	-	(12.824.233)	35.957.964


(a) The charge is disclosed in Financial and holding results including RECPAM

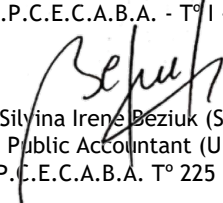
(b) The charge is disclosed in General administrative expenses (Exhibit V)

(c) The recovery is disclosed in Other income and expenses

Signed for the purposes of its identification
with our report dated 27/10/2022

BECHER Y ASOCIADOS S.R.L.
C.P.C.E.C.A.B.A. - T° I - F° 21


Pablo F. Olocco
Account reviewer


Silvina Irene Beziuk (Socia)
Public Accountant (U.B.A)
C.P.C.E.C.A.B.A. T° 225 - F° 219


Douglas Albrecht
President

ASOCIACIÓN ESCUELAS LINCOLN

ASSETS AND LIABILITIES IN FOREIGN CURRENCY

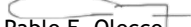
For the year ended July 31, 2022, comparative with the previous year
In constant currency - pesos (Note 2.2.)

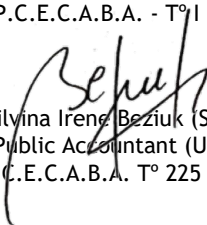
Concepto	07/31/2022			07/31/2021		
	Foreign Currency		Exchange rate as of year-end	Amount in Argentine currency	Amount in foreign currency	Amount in Argentina currency
	Class	Amount				
Assets						
Current Assets						
<i>Cash and banks (Note 3.1.)</i>						
Cash	USD	14.850	131,07	1.946.390	14.850	2.450.255
Banks	USD	5.855.064	131,07	767.423.193	6.178.938	1.019.526.412
<i>Investments (Note 3.2.)</i>						
Low risk securities	USD	8.368.658	131,07	1.096.880.068	10.518.453	1.488.585.597
Mutual funds	USD	10.448.993	131,07	1.369.549.476	9.021.716	1.735.547.480
<i>Receivables (Note 3.3.)</i>						
Tuition fees owed	USD	282.964	131,07	37.088.103	106.501	17.572.617
Checks to be deposited	USD	32.297	131,07	4.233.115	32.297	5.328.948
Allowances for bad debts (Exhibit III)	USD	(98.039)	131,07	(12.850.028)	(50.508)	(8.333.849)
<i>Inventories (Note 3.5.)</i>						
Advanced payments to suppliers	USD	127.479	131,07	16.708.696	77.197	12.737.523
Total current assets				3.280.979.013		4.273.414.983
Non current Assets						
<i>Fixed assets (Exhibit II)</i>						
Advanced payments to suppliers	USD	37.739	131,07	4.946.455	57.467	9.482.083
Total non current assets				4.946.455		9.482.083
TOTAL ASSETS				3.285.925.468		4.282.897.066
LIABILITIES						
Current Liabilities						
<i>Trade debts (Note 3.6.)</i>						
Ordinary	USD	-	131,27	-	5.197	859.267
Tuition collected in advance	USD	196.955	131,27	25.854.338	130.327	21.548.599
Total current liabilities				25.854.338		22.407.866
TOTAL LIABILITIES				25.854.338		22.407.866

USD = US Dollars

Signed for the purposes of its identification
with our report dated 27/10/2022

BECHER Y ASOCIADOS S.R.L.
C.P.C.E.C.A.B.A. - T° I - F° 21


Pablo F. Olocco
Account reviewer


Silvina Irene Beziuk (Socia)
Public Accountant (U.B.A)
C.P.C.E.C.A.B.A. T° 225 - F° 219


Douglas Albrecht
President

ASOCIACIÓN ESCUELAS LINCOLN


EXPENSES

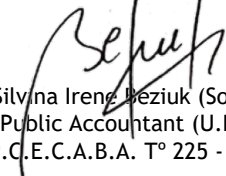
For the year ended July 31, 2022, comparative with the previous year
In constant currency - pesos (Note 2.2.)

Items	Overhead and administrative	Specific sectors				Totals as of 07/31/2022	Totals as of 07/31/2021
		National programs	Professional development	Elementary and middle school	High school		
Payroll and social security contributions	348.253.567	33.699.987	22.837.920	725.345.795	645.398.918	1.775.536.187	2.105.789.901
Professional fees	17.486.735	-	243.315	363.211	172.303	18.265.564	55.579.667
Conferences and courses	519.390	-	-	2.105.232	3.186.639	5.811.261	1.243.759
Development and certifications	16.863.019	-	2.896.645	146.892	3.302.343	23.208.899	25.371.482
Documentation of foreign personnel	153.386.518	-	-	-	-	153.386.518	187.208.423
Insurance	11.103.249	-	-	-	-	11.103.249	16.445.744
Teaching related items	7.153	77.602	822.270	15.199.892	9.909.683	26.016.600	32.715.870
Bank expenses	19.575.954	-	-	-	-	19.575.954	16.432.476
Others	8.693.755	-	-	181.189	-	8.874.944	4.397.850
Lawsuits and contingencies (Exhibit III)	42.293.599	-	-	-	-	42.293.599	17.957.739
Stationery and printing	4.520.595	-	-	1.003.768	1.022.221	6.546.584	7.517.842
Maintenance and cleaning service	122.071.335	-	-	1.065.864	1.591.601	124.728.800	104.545.899
Sports related items	11.169	-	-	-	4.648.312	4.659.481	4.662.237
Medicines	1.500.051	-	-	-	-	1.500.051	1.126.809
Other employee benefits	71.994.538	210.406	107.152	2.568.212	600.865	75.481.173	87.676.371
Security and vigilance	59.231.790	-	-	-	-	59.231.790	50.849.084
Utilities	39.336.914	-	-	-	-	39.336.914	33.586.012
Data systems	38.279.582	-	-	-	-	38.279.582	48.094.818
Transportation and snack	106.945.314	929.597	163.011	11.411.321	6.151.440	125.600.683	94.739.992
Totals as of 07/31/2022	1.062.074.227	34.917.592	27.070.313	759.391.376	675.984.325	2.559.437.833	
Totals as of 07/31/2021	1.093.779.162	101.427.231	48.789.933	882.746.084	769.199.565		2.895.941.975

Signed for the purposes of its identification
with our report dated 27/10/2022

BECHER Y ASOCIADOS S.R.L.
C.P.C.E.C.A.B.A. - T° 1 - F° 21


Pablo F. Olocco
Account reviewer


Silvana Irene Beziuk (Socia)
Public Accountant (U.B.A)
C.P.C.E.C.A.B.A. T° 225 - F° 219


Douglas Atbrecht
President

ASOCIACIÓN ESCUELAS LINCOLN

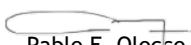
REVENUES

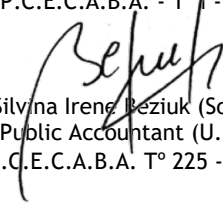
For the year ended July 31, 2022, comparative with the previous year
In constant currency - pesos (Note 2.2.)

Items	For general purposes, net	For specific purposes	Others	Totals as of 07/31/2022	Totals as of 07/31/2021
For teaching services	1.880.251.882	-	-	1.880.251.882	2.636.315.861
For transportation services	57.999.249	-	-	57.999.249	23.123.821
For dining services	38.238.343	-	-	38.238.343	-
For investments in capital assets	-	257.449.882	-	257.449.882	245.734.461
Various	-	11.496.951	1.705.185	13.202.136	23.734.780
Totals as of 07/31/2022	1.976.489.474	268.946.833	1.705.185	2.247.141.492	
Totals as of 07/31/2021	2.659.439.682	269.100.638	368.603		2.928.908.923

Signed for the purposes of its identification
with our report dated 27/10/2022

BECHER Y ASOCIADOS S.R.L.
C.P.C.E.C.A.B.A. - T° - F° 21


Pablo F. Olocco
Account reviewer


Silvana Irene Beziuk (Socia)
Public Accountant (U.B.A)
C.P.C.E.C.A.B.A. T° 225 - F° 219


Douglas Albrecht
President



INDEPENDENT AUDITORS' REPORT

To de Governing Board of
ASOCIACIÓN ESCUELAS LINCOLN
C.U.I.T. 30-52733523-6
Legal address: Av. Córdoba 1318, 8th floor
Autonomous City of Buenos Aires

Report on the Financial Statements

We have audited the financial statements of **Asociación Escuelas Lincoln** which comprise the Balance Sheet as of July 31, 2022, the Statement of Revenues and Expenses, the Statement of Changes in Shareholders' Equity and the Statement of Cash Flows for the year ending on that date and a summary of significant accounting policies and other explanatory information included in the notes 1 to 9 and Exhibits I to VI.

The figures and other information corresponding to the fiscal year ended July 31, 2021, on which other auditor issued an unqualified report on October 20, 2021, are an integral part of the financial statements mentioned above and are presented for the purpose that they be interpreted exclusively in relation to the figures and information for the current financial year.

Management`s responsibility for the financial statements

The Governing Board is responsible for the preparation and fair presentation of the accompanying financial statements in accordance with Argentine GAAP, and the internal control that management deems necessary to permit the preparation of financial statements free from material misstatement.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the audit standards set out in the Technical Resolution No. 37 of the Argentine Federation of Professional Councils of Economic Science (*Federación Argentina de Consejos Profesionales de Ciencias Económicas*) approved by Resolution N° 60/13 of the Profesional Council of Economic Science of the City of Buenos Aires

Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements. In making those risk assessments, the auditor considers internal control relevant to the preparation by the entity's financial statements 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 internal control of the entity. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management of the entity, as well as evaluating of the presentation of the financial statements as a whole.

We consider that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements of **Asociación Escuelas Lincoln** present fairly, in all material aspects, the financial position of the Association as of 31 July 2022, the results of its transactions, the changes in the shareholders' equity and the cash flows for the year then ended, in accordance with Argentine professional accounting standards.

Information about other legal and regulatory requirements

- a) We inform that the accounting statements referred to in 1., are in the process of transcription to the legal books at the date of issuance of this report.
- b) We have applied all procedures in respect of the Prevention of Money Laundering and Financing of Terrorism established in the relevant professional standards issued by C.P.C.E.C.A.B.A.
- c) As of 31 July 2022, there are debts accrued in favor of the Argentine Integrated Social Security System for the amount of \$13.143.347 not being overdue as of July 31, 2022

Autonomous City of Buenos Aires, October 27, 2022.

BECHER Y ASOCIADOS S.R.L.

C.P.C.E.C.A.B.A. T° I - F° 21


Silvina Irene Beziuk (Socia)
Public Accountant (U.B.A.)

C.P.C.E.C.A.B.A. - T° 225 - F° 219

INTERNAL CONTROLLERS' COMMITTEE REPORT


To the Members of

Asociación Escuelas Lincoln

Av. Córdoba 1318, 8th floor (1055)

City of Buenos Aires

1. We have examined the inventory, the balance sheet of Asociación Escuelas Lincoln as of July 31, 2022, and the related statements of revenues and expenses, changes in equity and cash flows for the fiscal year then ended, as well as the supplementary information, notes 1 to 9 and exhibits I to VI, which have been submitted to us by the Association for consideration. Additionally, we have reviewed the Letter to Members of the Association issued by the Governing Board for the year. The preparation and issuance of the aforementioned financial statements is the responsibility of the Association.
2. Our examination was conducted in accordance with the rules applicable to supervisory auditor's duties in force in the Republic of Argentina, based on the similar duties met by the internal controller. Those standards require that the financial statements be examined in conformity with the auditing standards in force in the Republic of Argentina, including the verification of the consistency of the documents examined with the information on corporate decisions recorded in the minutes of the Governing Board and Members' meetings as well as the compliance of such decisions with the law and the articles of association in their formal and documentary aspects. To perform our professional task, we have reviewed the work performed by the external auditors of Asociación Escuelas Lincoln, BDO, who issued an unqualified report on October 27, 2022. An audit requires that the auditor plans and performs the procedures to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the disclosures in the financial statements, as well as evaluating the accounting principles used, the significant estimates made by the Governing Board, and the overall presentation of the financial statements. We have not assessed the operating management criteria, since they are the exclusive responsibility of the Governing Board and Members at meeting.
3. Additionally, we have examined the Letter to Members of the Association dated October 27, 2022, for the fiscal year ended July 31, 2022 and, having obtained the information and explanations we considered necessary, we have no observations.
4. Based on the work performed, with the scope described in the paragraphs above, we report that:
 - a) In our opinion, the financial statements of Asociación Escuelas Lincoln present fairly, in all material respects, the financial position of the Association as of July 31, 2022, the results of its operations, the changes in equity and cash flows for the year then ended, in conformity with professional accounting principles in force in the City of Buenos Aires, Republic of Argentina.
 - b) As far as it relates to our area of responsibility, we have no observations to make in connection with the Letter to Members of the Association.


City of Buenos Aires, October 27, 2022

Pablo F. Olocco

By the Internal Controllers' Committee