

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED

England & Wales · Charity number 1126291

Details

Status Registered

Legal form Charitable company

Company number [06553433](#)

Registered 2008-10-14

Register [View on the Charity Commission register](#)

Contact

Address Pre-de-la-Bichette 1
1202
Genève

Phone +41223092524

Email legal@ibo.org

Website www.ibo.org

Activities

Objects: THE OBJECTS OF THE CHARITY ("THE OBJECTS") ARE:3.1 THE ADVANCEMENT OF EDUCATION FOR THE BENEFIT OF THE PUBLIC BY:A) THE DEVELOPMENT AND PROMOTION OF PROGRAMMES OF EDUCATION FOR STUDENTS AT DIFFERENT LEVELS WITHIN SCHOOLS (PRIMARY, MIDDLE AND UPPER SECONDARY LEVELS OR SUCH OTHER LEVELS AS MAY BY RELEVANT OVERSEAS) FOR ADOPTION BY AUTHORISED SCHOOLS IN ALL COUNTRIES;B) THE DEVELOPMENT, ADMINISTRATION AND PROMOTION OF AN INTERNATIONAL EXAMINATION FOR AUTHORISED SCHOOLS GIVING ACCESS TO HIGHER EDUCATION IN ALL COUNTRIES; ANDC) SUCH OTHER MEANS AS THE TRUSTEES OF THE CHARITY MAY DETERMINE; AND3.2 SUCH OTHER EXCLUSIVELY CHARITABLE PURPOSES AS THE TRUSTEES MAY IN THEIR ABSOLUTE DISCRETION DETERMINE.

Activities: The advancement of education by the development, administration and promotion of:a) programmes of education for students at different levels within schools (primary, middle and upper secondary school levels) for adoption by authorised schools in all countries;b) international examination for authorised schools giving access to higher education in all countries.

Classification

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

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE NATIONAL
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£26,731,296	£26,692,987	£20,364,593	396
2024-06-30	£25,665,166	£25,616,257	£20,499,006	354
2023-06-30	£17,730,800	£16,917,400	£21,922,600	335
2022-06-30	£17,730,800	£16,917,400	£21,922,600	283
2021-06-30	£17,297,300	£16,490,200	£18,823,200	283
2020-06-30	£16,865,800	£16,051,100	£20,244,500	258

Trustees

Name	Role	Appointed
Andrea Smith		2021-09-01
Charlotte Ruth ELLWOOD ARIS		2023-09-10
David Ralph Homer		2019-06-01
Olli-Pekka Heinsonen		2021-05-01
William Henry Oldreive		2020-04-01

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED

England & Wales - Charity number 1126291

Accounts

Registered number: 06553433
Charity number: 1126291

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025



**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees and Advisers	1
Trustees' Report	2 - 8
Trustees' Responsibilities Statement	9
Independent Auditors' Report on the Financial Statements	10 - 13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 - 31

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2025**

Trustees	David Ralph Homer William Henry Oldreive Olli-Pekka Heinonen Andrea Smith Charlotte Ruth Ellwood Aris
Company registered number	06553433
Charity registered number	1126291
Registered office	Fusion Point One Dumballs Road Cardiff CF10 5BF
Independent auditors	Bishop Fleming Audit Limited Chartered Accountants 10 North Place Cheltenham GL50 4DW
Bankers	HSBC Bank PLC Cardiff CF10 1LF
Solicitors	Withers Bergman LLP 16 Old Bailey London EC4M 7EG

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

The Trustees present their annual report together with the audited financial statements of the Company for the 1 July 2024 to 30 June 2025. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

The Company also trades under the names International Baccalaureate Organization (UK) Limited.

Structure, governance and management

a. Constitution

The Charity is constituted under a memorandum of association dated 2 April 2008 and is a registered Charity, number 1126291.

International Baccalaureate Organisation (UK) Limited (the Charity) is a company limited by guarantee which was registered in the United Kingdom on 2 April 2008, and is governed by its Memorandum and Articles of Association dated 2 April 2008 (that contain an asset lock for charitable purposes and a bar on distribution of dividends). The company was registered as a charity on 14 October 2008. Consequently, the directors are referred to herein as Trustees, being charity trustees for the purpose of the Charities Act 2011, as the person is having the general control and management of the charity.

The controlling party of the Charity is International Baccalaureate Organisation (the IB) which is an independent non-profit-making foundation registered in Switzerland. It was founded on 28 October 1968 under the name of 'Organization du Baccalaureat International' and functions according to the requirements of the Swiss Civil Code. The IB is the recognised leader in the field of education, encouraging students to be active learners, well rounded individuals and engaged world citizens..

b. Methods of appointment or election of Trustees

Under the articles of association, the Trustees of the Charity are appointed by the IB. The minimum number of trustees is two; there is no maximum. Of the five current trustees, one (Olli-Pekka Heinonen) is the Director General of the IB, and three are independent of the IB, and bring a mixture of business and legal skills, as well as knowledge of the not-for-profit sector and international issues, to the Board.

c. Organisational structure and decision-making policies

The Charity relies on IB's robust governance framework, with the Board of Governors, and its committees representing governance and policy best practices. The remit of the Board of Governors and committees covers all of the activities of the IB's entities, including the Charity, contributing expert advice, and providing independent scrutiny of the IB, as a whole.

d. Policies adopted for the induction and training of Trustees

Trustees are given a document 'Introductory Operational Guide for the Board of International Baccalaureate Organisation (UK) limited', last updated on the 5 February 2010. In addition, Trustees are invited to attend Board meetings of the Charity, either in the IB's Cardiff office, or online. External Trustees also have the opportunity of discussion with the IB Board colleagues and are provided with a detailed updated report on the Assessment activities and presentations on the IB's state of affairs, at least twice a year. The Charity has five trustees, two of whom are employees of IB and three are external trustees. Of the internal trustees, one is remunerated through IB's Foundation Office in Geneva.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

Structure, governance and management (CONTINUED)

e. Remuneration statement

In order to be successful in all respects, we need to be able to attract and retain staff of the wide variety of skills, knowledge and experience, some of which is highly specialised.

We aim, therefore, to be competitive in the different recruitment markets where we compete for talent, and to take a balanced and responsible approach to the use of the Charity's funds.

In accordance with SORP FRS102, we disclose:

- All payments to trustees (no trustee receives "pay")
- The number of staff in receipt of more than £60,000 (in bands of £10,000)
- Pensions and other benefits

f. Risk management and Internal Control

The Trustees confirm that, on a regular basis, major risks to which the Charity is exposed, as identified by the trustees, are reviewed, and that systems have been established to manage those risks. Identified potential risks include the non-compliance with legal & taxation requirements, exposure to IT system failures, and incomplete billing of income. This has been done in consultation with the IB, with the activities and operations of the Charity included as part of a comprehensive risk framework adopted by the IB. Internal controls are designed to provide reasonable, but not absolute, assurance against material misstatement or loss and include:

- An annual budget
- Consideration by trustees of financial results, and variance from budget
- Delegation of authority and segregation of duties

The Charity leverages on the risk management and internal audit processes of the IB. This is conducted across IB by an in-house team to a plan agreed with the Finance, Audit and Risk Management Committee (FARMC) and is reviewed annually..

g. Investment policy

The Charity follows the investment policy of the IB. The IB's investment policy was revised in September 2024 and remains risk averse. The surplus cash is invested in short term fixed deposits and bonds to secure optimal short to mid-term interest income. The IB does not invest in equities or any other investment that is subject to capital fluctuations. The IB has sufficient cash resources to avoid the need to borrow funds.

h. Trustees' indemnities

The Charity has insurance policies in place which indemnify the Charity against losses arising from the negligence or default of the Trustees and Officers.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

Plans for future periods

The IB will work to ensure that more students can benefit from an IB education; and that its education continues to meet the challenging need of students, teachers, universities, and employers. Our focus on innovation, service and community in our strategy not only helps us achieve this; but it also aims to ensure that the services we provide our community are high-quality, innovative and excellent.

The trustees have been, and will continue to be, closely concerned in consultation with the IB, with the implications for the Charity of its future development plans, and in monitoring and adapting in response to them to ensure that they continue to deliver the Charity's objectives.

Objectives and activities

a. Policies and objectives

The Charity has charitable objects that reflect the charitable purposes of the International Baccalaureate Organisation (IB). These are the advancement of education by:

- a) the development and promotion of programmes of education for students at different levels within schools (primary, middle and upper secondary school levels or such other levels as may be relevant overseas) for adoption by authorised schools in all countries;
- b) the development, administration and promotion of an international examination for authorised schools giving access to higher education in all countries;
- c) such other means as the Trustees of the Charity may determine; and
- d) such other exclusively charitable purposes as the Trustees of the Charity may in their absolute discretion determine.

The Charity achieves these objects and delivers public benefit by providing services to the IB in support of the IB's work with schools, governments and international organisations to develop challenging programmes of international education and rigorous assessment that encourage students across the world to become active, compassionate and lifelong learners who help to create a better and more peaceful world through intercultural understanding and respect. The following are particular areas of the Charity's work:

- Assessment
- Information and communications technology
- Payroll and human resources

An operating agreement exists between the Charity and the IB and provides that, to the extent permitted by law, the Charity will carry out its functions in a manner consistent with the relevant corporate principles, policies, standards, systems and procedures of the IB. This includes responding accordingly to the plans of the IB for its future operation, with regard to its aim to develop inquiring, knowledgeable and caring young people who help to create a better and more peaceful world through intercultural understanding and respect.

In carrying out the functions described above in order to further the Charity's aims, the Trustees have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

Strategic report

Achievements and performance

a. Main achievements of the Charity

During this reporting period the Charity has continued to provide core support to the IB in the following areas of development:

The Assessment division delivers two sessions per year. The features of a session include but not limited to exam creation (authoring), administration of the examinations (dispatch and return of scripts), moderation, standardization, marking, grade awarding, access and inclusion, release of results and enquiry upon results.

Diploma programme

In the **November 2024** examination session:

As in the May 2024 session, religious observances were considered when establishing the examination schedule for the November 2024 session and as a result examinations were not held on 31 October and 1 November. In future examination sessions, this approach will no longer be adopted. However, schools will be able to request rescheduling of examinations for religious observances.

This was the first November session the IB will issue results from 21.00 (GMT) on 16 December 2024. All assessment processes were planned to be completed in readiness for the new issue date.

The non-exam contingency remained available for those schools that were unable to open and hold examinations or for those students impacted by an adverse circumstance when no other adverse mitigation was appropriate.

16 new schools were added to the portfolio, bringing 221 candidates.

Overall, there was a 7.6% increase in the total number of candidates registered for the N24 session.

In the **May 2025** session:

The May 2025 examination session was a challenging session due to a number of adverse circumstances occurring during the examination period. All schools were supported by the adverse team and business as usual mitigations were applied.

The non-exam contingency measure remained available for those schools that were unable to open and hold examinations or for those students impacted by an adverse circumstance when no other adverse mitigation was appropriate.

The development to support the introduction of the third exam zone variant was completed, and an additional 154 examination papers were produced to support this implementation. This further expansion resulted in increased activity through multiple session workstreams from session set-up to grade award.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

Strategic report (CONTINUED)

Achievements and performance (CONTINUED)

For the first time, the IB recognized the 1 May public holiday in its scheduling of examinations. From the May 2025 session, examinations will not be held on this date.

Six new courses were introduced: biology, chemistry, physics, language and culture, philosophy and systems transformation pilot.

In addition to managing the complexities of business-as-usual activities, the several pilots and projects were supported.

Overall, there was a 4.8% increase in the total number of students registered for the May 2025 session (5.8% increase in the number of students registering for the full Diploma Programme (DP), 3.4% increase in Course students and 8% increase in the number of students registering for the Career-related Programme (CP). 132 new schools were added to the portfolio, bringing 1,979 DP students and 79 CP students.

The IB successfully delivered 1161 examinations (an increase of 15%) to 202,012 candidates in 3,355 schools.

Middle Years Programme

In the **November 2024** examination session:

The IB continued to recognize that there may have been circumstances where some individual students, groups of students or the entire school were unable to sit exams due to physical absence caused by adverse/medical reasons and in those cases, schools were able to request for a student to take the full on-screen assessment from school within one week of the original on-screen examination date.

There were 1298 registrations for the on-screen examinations, a decrease of 4.7% on the previous year, and 297 registrations for the e-portfolio subjects a decrease of 11.1%.

5,425 candidates registered for the Personal Project a decrease of 3.3% on the previous year.

In the **May 2025** session:

The May 2025 examination session was a challenging session due to a number of adverse circumstances occurring during the examination period. Where some individual students, groups of students or the entire school were unable to sit exams due to physical absence caused by adverse/medical reasons, schools were able to request for a student to take the full on-screen assessment from school, within one week of the original on-screen examination date.

Emergency rescheduling was put in place for three schools in India and Pakistan due to the conflict and approved for 55 individual students over the course of the session.

Portuguese language acquisition (LA) and Portuguese language and literature (LAL) were available for the first time this session. Schools requested integrated humanities, chemistry and physics on-screen examinations in Spanish for the first time this session.

Overall, there was a 4.48% increase in the total number of students registered for the May 2025 session (5.54% increase in the number of students registering for the full MYP Certificate and a 4.36% increase in the number of students registering as MYP Course students). 105 new schools were added to the portfolio, bringing 5,244 additional students. Benin, Burundi, Congo, Cyprus, El Salvador, Madagascar, Malta, Namibia and Somalia registered students for the first time

There were 77,250 registrations for the on-screen examinations, an increase of 15.61% on the previous year, and 21,583 registrations for the e-portfolio subjects an increase of 16.12%.

102,976 candidates registered for the Personal Project an increase of 4.45% on the previous year.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

Strategic report (CONTINUED)

Financial review

a. Going concern

The service fee the Charity receives for Assessment Services provided is calculated using a direct recharge on costs incurred. In the light of this construction the Trustees consider that any financial uncertainties on the Charity will be negligible.

After making appropriate enquiries, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The Trustees consider an amount equal to one year of operational expenditure to be the Charity's target short term free reserves, a figure of £20m. Given the recharge nature of the business, this is considered appropriate. The trustees will review the situation annually to ensure that the policy protects the Charity from any significant event that would impact its financial position.

c. Funds policy

Within the Charity's books, all funds are held as unrestricted. Currently there is a surplus, totalling £20.4m (2024: £20.5m). This represents the Charity's free funds.

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Charity carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Charity has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Charity's equal opportunities policy, the Charity has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Charity's offices.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

Disclosure of information to auditors

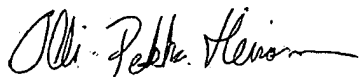
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Bishop Fleming Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Olli-Pekka Heinonen

Trustee

Date: 13 January 2026

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 30 JUNE 2025**

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE
ORGANISATION (UK) LIMITED**

Opinion

We have audited the financial statements of International Baccalaureate Organisation (UK) Limited (the 'charitable company') for the year ended 30 June 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE
ORGANISATION (UK) LIMITED (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We have considered the nature of the sector, control environment, and financial performance;
- We have considered the results of enquiries with management and trustees in relation to their own identification and assessment of the risk of irregularities within the entity; and
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Charity. In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of revenue, specifically grants, with a particular focus around year-end cut off; and

In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

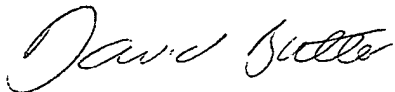
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE
ORGANISATION (UK) LIMITED (CONTINUED)**

increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



David Butler FCA DChA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming Audit Limited
Chartered Accountants
Statutory Auditors
10 North Place
Cheltenham
GL50 4DW

Date: 28 January 2026

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:				
Charitable activities	4	25,829,020	25,829,020	25,178,474
Investments	5	902,276	902,276	486,692
Total income		26,731,296	26,731,296	25,665,166
Expenditure on:				
Charitable activities		26,692,987	26,692,987	25,616,257
Total expenditure		26,692,987	26,692,987	25,616,257
Net income before net losses on investments		38,309	38,309	48,909
Unrealised exchange loss on translation		(172,722)	(172,722)	(481,154)
Net movement in funds		(134,413)	(134,413)	(432,245)
Reconciliation of funds:				
Total funds brought forward		20,499,006	20,499,006	20,931,251
Net movement in funds		(134,413)	(134,413)	(432,245)
Total funds carried forward		20,364,593	20,364,593	20,499,006

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 31 form part of these financial statements.

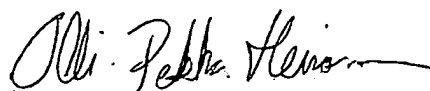
INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:06553433

BALANCE SHEET
AS AT 30 JUNE 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	11	3,714,166	612,421
		<u>3,714,166</u>	<u>612,421</u>
Current assets			
Debtors	12	844,717	684,206
Cash at bank and in hand		22,586,702	22,618,934
		<u>23,431,419</u>	<u>23,303,140</u>
Current liabilities			
Creditors: amounts falling due within one year	13	(5,246,744)	(1,983,494)
Net current assets		<u>18,184,675</u>	<u>21,319,646</u>
Total assets less current liabilities		<u>21,898,841</u>	<u>21,932,067</u>
Creditors: amounts falling due after more than one year	14	(160,701)	-
Provisions for liabilities	15	(1,373,547)	(1,433,061)
Total net assets		<u><u>20,364,593</u></u>	<u><u>20,499,006</u></u>
Charity funds			
Restricted funds	16	-	-
Unrestricted funds	16	20,364,593	20,499,006
Total funds		<u><u>20,364,593</u></u>	<u><u>20,499,006</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Olli-Pekka Heinonen

Trustee

Date: 13 January 2026

The notes on pages 17 to 31 form part of these financial statements.

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	18	3,518,955	21,308,075
Cash flows from investing activities			
Purchase of tangible fixed assets		(3,551,187)	(430,208)
Net cash used in investing activities		(3,551,187)	(430,208)
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		(32,232)	20,877,867
Cash and cash equivalents at the beginning of the year		22,618,934	1,741,067
Cash and cash equivalents at the end of the year	19	22,586,702	22,618,934

The notes on pages 17 to 31 form part of these financial statements

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

1. GENERAL INFORMATION

International Baccalaureate Organization (UK) Limited is a private company limited by shares, registered in England & Wales, registered number 06553433 and a registered charity, number 1126291. Its registered office, and that of the subsidiary, is Fusion Point One, Dumballs Road, Cardiff, CF10 5BF.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

International Baccalaureate Organisation (UK) LimitedInternational Baccalaureate Organisation (UK) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The presentation currency of the financial statements is GBP which is the functional currency of the Charity and they are rounded to the nearest pound. The financial information relates to the year ended 30 June 2025 and the comparative information relates to the year ended 30 June 2024.

2.2 GOING CONCERN

The financial statements are prepared on a going concern basis, based on continuing support from the parent undertaking, International Baccalaureate Organisation, and the expectation of continued growth in the assessment services in the future.

The going concern basis is dependent on the going concern of its parent entity, International Baccalaureate Organisation.

2.3 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

The service recharge between the Charity and the IB is for all establishment, payroll and other business costs and expenses. The income for this is recognised in line with the corresponding expenditure.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

2. ACCOUNTING POLICIES (continued)

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

2.6 FOREIGN CURRENCIES

The Charity's income and cash flows are primarily generated in pound sterling. The functional currency of the Charity is pound sterling.

Foreign currency transactions are translated into pounds using the spot exchange rate prevailing on the date of the transactions. Exchange gains and losses resulting from the settlement of foreign currency transactions and revaluation of monetary assets and liabilities at the balance sheet date are recorded in the income statement. Monetary assets and liabilities denominated in foreign currencies are translated into pounds at the exchange rate prevailing at the balance sheet date.

2.7 INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on the following basis:

Computer software	- 20 % per annum
-------------------	------------------

At each balance sheet date, the Charity reviews the carrying amount of its intangible fixed assets to determine whether any assets have suffered an impairment loss. Any impairment loss is recognised in the statement of financial activities in the year in which it occurs.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

2. ACCOUNTING POLICIES (continued)

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property - 10% per annum

2.9 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 LIABILITIES

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.12 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.13 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

2. ACCOUNTING POLICIES (continued)

2.14 PENSIONS

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.15 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

There are judgements made in determining whether provisions are required and at what value. A dilapidations provision is held relating to the estimated cost of repairs to the Cardiff offices at the end of the lease, based on anticipated future costs. Given that the timing of lease exit is uncertain, with potential for lease extension, the value and timing of the resulting payments is also uncertain. There have been no actual costs to compare the estimate to however. A dilapidations provision of £1.0m is held at the year end.

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2025 £	Total funds 2025 £
Service Recharge	25,829,020	25,829,020

	Unrestricted funds 2024 £	Total funds 2024 £
Service Recharge	25,178,474	25,178,474

5. INVESTMENT INCOME

	Unrestricted funds 2025 £	Total funds 2025 £
Interest Income	902,276	902,276

	Unrestricted funds 2024 £	Total funds 2024 £
Interest Income	486,692	486,692

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Office communications, IT & other supplies	906,113	-	906,113
Realised exchange losses/(gains)	783	-	783
Wages and salaries	18,580,120	-	18,580,120
Other staff costs	453,223	-	453,223
Temporary staff/contractors	217,948	-	217,948
Depreciation	7,846	-	7,846
Support costs - see below for details	-	5,764,843	5,764,843
Other	762,111	-	762,111
	<u>20,928,144</u>	<u>5,764,843</u>	<u>26,692,987</u>

Activities undertaken directly relate solely to provision of International Baccalaureate services.

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Office communications, IT & other supplies	905,662	-	905,662
Realised exchange losses/(gains)	10,527	-	10,527
Wages and salaries	17,010,168	-	17,010,168
Other staff costs	365,819	-	365,819
Temporary staff/contractors	374,217	-	374,217
Depreciation	387,204	-	387,204
Support costs - see below for details	-	6,112,088	6,112,088
Other	450,572	-	450,572
	<u>19,504,169</u>	<u>6,112,088</u>	<u>25,616,257</u>

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Support costs 2025 £	Total funds 2025 £
Staff costs	3,640,178	3,640,178
Management	241,354	241,354
Finance	48,829	48,829
Human Resources	96,849	96,849
Information Technology	782,225	782,225
Facilities	910,648	910,648
Governance	44,760	44,760
	5,764,843	5,764,843

	Support costs 2024 £	Total funds 2024 £
Staff costs	2,775,225	2,775,225
Management	75,880	75,880
Finance	40,933	40,933
Human Resources	226,833	226,833
Information Technology	661,834	661,834
Facilities	1,092,537	1,092,537
IBO UK donation to IBO	1,193,546	1,193,546
Governance	45,300	45,300
	6,112,088	6,112,088

7. GOVERNANCE COSTS

	2025 £	2024 £
Fees payable to the auditors for:		
- audit of the financial statements	25,500	23,900

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

8. STAFF COSTS

	2025 £	2024 £
Wages and salaries	18,457,848	16,585,968
Social security costs	2,064,762	1,708,048
Contribution to defined contribution pension schemes	1,697,688	1,491,377
	<u>22,220,298</u>	<u>19,785,393</u>

The average number of persons employed by the Company during the year was as follows:

	2025 No.	2024 No.
Employees	<u>396</u>	<u>354</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025 No.	2024 No.
In the band £60,001 - £70,000	37	32
In the band £70,001 - £80,000	12	12
In the band £80,001 - £90,000	9	5
In the band £90,001 - £100,000	5	5
In the band £100,001 - £110,000	3	2
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	1
In the band £130,001 - £140,000	1	-
In the band £140,001 - £150,000	-	2
In the band £150,001 - £160,000	-	1
In the band £160,001 - £170,000	2	1
In the band £180,001 - £190,000	1	-

Provisions for termination benefits are recognised only when the company is demonstrably committed to terminate the employment of an employee or of a group of employees before their normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. Termination costs are recognised when paid through payroll. The total termination payments in the year were £18,504 (2024: £152,476).

The Charity considers its key management personnel to comprise of the Trustees, Department Heads and the Chief Strategy and Transformation Officer. The total employment benefits including employer pension contributions of the key management personnel were £2,573,192 to 25 employees (2024: £2,139,419 to 19 employees).

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

9. TRUSTEES' REMUNERATION AND EXPENSES

The Charity has five Trustees, two of whom are employees of IB and three are external Trustees. Of the internal Trustees, one is remunerated through IB's Foundation Office in Geneva and one through the Charity. The latter is disclosed in Note 8. David Homer and Charlotte Ellwood Aris (external Trustees) received fees from the IB for their work as examiners.

During the year ended 30 June 2025, expenses were reimbursed or paid directly to 1 Trustee (2024 - to 2 Trustees) broken down as follows:

	2025 £	2024 £
David Homer	2,902	9,210
Charlotte Ellwood Aris	-	414
	<u>2,902</u>	<u>9,624</u>

10. INTANGIBLE ASSETS

	Computer software £
COST	
At 1 July 2024	24,305
At 30 June 2025	<u>24,305</u>
AMORTISATION	
At 1 July 2024	24,305
At 30 June 2025	<u>24,305</u>
NET BOOK VALUE	
At 30 June 2025	<u>-</u>
At 30 June 2024	<u>-</u>

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

11. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Assets under construction £	Computer equipment £	Total £
COST OR VALUATION				
At 1 July 2024	10,964,316	-	4,345,201	15,309,517
Additions	-	2,631,082	920,105	3,551,187
Disposals	-	-	(261,725)	(261,725)
At 30 June 2025	10,964,316	2,631,082	5,003,581	18,598,979
DEPRECIATION				
At 1 July 2024	10,962,701	-	3,734,395	14,697,096
Charge for the year	218	-	445,850	446,068
On disposals	-	-	(258,351)	(258,351)
At 30 June 2025	10,962,919	-	3,921,894	14,884,813
NET BOOK VALUE				
At 30 June 2025	1,397	2,631,082	1,081,687	3,714,166
At 30 June 2024	1,615	-	610,806	612,421

Assets Under Construction relate to the Cardiff office relocation referenced in the Provision in note 15.

12. DEBTORS

	2025 £	2024 £
DUE WITHIN ONE YEAR		
Other debtors	19,303	6,358
Prepayments and accrued income	825,414	677,848
	844,717	684,206

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade creditors	723,153	198,934
Amounts owed to group undertakings	3,351,396	653,848
Other creditors	6,406	212,148
Accruals and deferred income	1,165,789	918,564
	<u>5,246,744</u>	<u>1,983,494</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025 £	2024 £
Other creditors	<u>160,701</u>	<u>-</u>

15. PROVISIONS

	Dilapidation provision £	Employee benefit liability £	Total £
At 1 July 2024	1,116,334	316,727	1,433,061
Additions	-	32,835	32,835
Amounts used	(92,349)	-	(92,349)
	<u>1,023,985</u>	<u>349,562</u>	<u>1,373,547</u>

The dilapidations provision is a provision for the cost of repairs to the Cardiff offices at the end of the lease. Shortly after year end, the entity exited the lease. The entity began to incur costs in relation to the dilapidation provision before year end and have therefore began to release the provision.

The employee benefit liability relates to the IBO Anniversary Awards, which provide financial benefits for staff members based upon years of service delivered.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

16. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 July 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 June 2025 £
UNRESTRICTED FUNDS					
General Funds - all funds	<u>20,499,006</u>	<u>26,731,296</u>	<u>(26,692,987)</u>	<u>(172,722)</u>	<u>20,364,593</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 July 2023 £	Income £	Expenditure £	Balance at 30 June 2024 £
UNRESTRICTED FUNDS				
Reserves	<u>20,931,251</u>	<u>25,665,166</u>	<u>(26,097,411)</u>	<u>20,499,006</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	3,714,166	3,714,166
Current assets	23,431,419	23,431,419
Creditors due within one year	(5,246,744)	(5,246,744)
Creditors due in more than one year	(160,701)	(160,701)
Provisions for liabilities and charges	(1,373,547)	(1,373,547)
TOTAL	<u>20,364,593</u>	<u>20,364,593</u>

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	612,421	612,421
Current assets	23,303,140	23,303,140
Creditors due within one year	(1,983,494)	(1,983,494)
Provisions for liabilities and charges	(1,433,061)	(1,433,061)
TOTAL	20,499,006	20,499,006

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net expenditure for the year (as per Statement of Financial Activities)	(134,413)	(432,245)
ADJUSTMENTS FOR:		
Depreciation charges	446,068	1,096,317
Loss/(profit) on the sale of fixed assets	3,374	2,595
Decrease/(increase) in debtors	(160,511)	19,776,469
Increase in creditors	4,527,298	809,999
Increase in provisions	(59,514)	54,940
NET CASH PROVIDED BY OPERATING ACTIVITIES	4,622,302	21,308,075

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025 £	2024 £
Cash in hand	22,586,702	22,618,934
TOTAL CASH AND CASH EQUIVALENTS	22,586,702	22,618,934

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

20. ANALYSIS OF CHANGES IN NET DEBT

	At 1 July 2024	Cash flows	At 30 June 2025
	£	£	£
Cash at bank and in hand	22,618,934	(32,232)	22,586,702
	<u>22,618,934</u>	<u>(32,232)</u>	<u>22,586,702</u>

21. PENSION COMMITMENTS

The Charity operates money purchase pension schemes with Scottish Equitable and Standard Life for United Kingdom based employees of the IB. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £1.7m (2024: £1.5m).

22. OPERATING LEASE COMMITMENTS

At 30 June 2025 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Not later than 1 year	756,426	954,059
Later than 1 year and not later than 5 years	2,632,644	2,466,434
Later than 5 years	2,623,325	2,862,490
	<u>6,012,395</u>	<u>6,282,983</u>

This includes land and building amounts payable.

23. EMPLOYEE DEFINED BENEFIT PLAN

The IBO Anniversary Awards provide financial benefits for staff members based upon years of service delivered.

International Baccalaureate Organisation (UK) Limited has not previously recognised a net defined benefit liability for Anniversary Awards. Initial recognition of the liability at 30 June 2024 is reflected as a past service cost.

The liability held in International Baccalaureate Organisation (UK) Limited at 30 June 2025 totalled £349,562, held within creditors on the balance sheet, classified as an other long-term employee benefit under IAS 19 with remeasurements of the net defined benefit liability recognised in profit and loss.

Further disclosures have been made in the consolidated International Baccalaureate Organisation financial statements.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

24. RELATED PARTY TRANSACTIONS

The Charity earned a service fee from its parent company of £25.8m (2024: £25.2m) for assessment services provided. At the year end the Charity made a donation to the parent company of £Nil (2024: £1.2m). At the year end, the Charity had an outstanding intercompany balance of £3.4m (2024: £0.7m) to the ultimate parent undertaking.

25. CONTROLLING PARTY

The Trustees regard Swiss Foundation, International Baccalaureate Organisation (IBO), an independent non-profit based at Rue du Pré-de-la-Bichette 1, 1202 Genève, Switzerland, registered charity number CHE-107.025.266, as the ultimate parent undertaking. IBO is deemed to exercise control as it has the right to appoint or remove a majority of the board to International Baccalaureate Organisation (UK) Limited.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED

England & Wales - Charity number 1126291

Accounts

Registered number: 06553433
Charity number: 1126291

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees and Advisers	1
Trustees' Report	2 - 8
Trustees' Responsibilities Statement	9
Independent Auditors' Report on the Financial Statements	10 - 13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 - 31

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2024**

Trustees	David Ralph Homer William Henry Oldreive Olli-Pekka Heinonen Andrea Smith Charlotte Ruth Ellwood Aris (appointed 10 September 2023)
Company registered number	06553433
Charity registered number	1126291
Registered office	Peterson House Malthouse Avenue Cardiff Gate Cardiff CF23 8GL
Independent auditors	Bishop Fleming LLP Chartered Accountants 10 North Place Cheltenham GL50 4DW
Bankers	HSBC Bank PLC Cardiff CF10 1LF
Solicitors	Withers Bergman LLP 16 Old Bailey London EC4M 7EG

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 July 2023 to 30 June 2024. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

The Company also trades under the names International Baccalaureate Organization (UK) Limited.

Structure, governance and management

a. Constitution

The Charity is constituted under a memorandum of association dated 02/04/2008 and is a registered Charity, number 1126291.

International Baccalaureate Organisation (UK) Limited (the Charity) is a company limited by guarantee which was registered in the United Kingdom on 2 April 2008, and is governed by its Memorandum and Articles of Association dated 2 April 2008 (that contain an asset lock for charitable purposes and a bar on distribution of dividends). The company was registered as a charity on 14 October 2008. Consequently, the directors are referred to herein as Trustees, being charity trustees for the purpose of the Charities Act 2011, as the person is having the general control and management of the charity.

The sole shareholder of the Charity is International Baccalaureate Organisation (the IB) which is an independent non-profit-making foundation registered in Switzerland. It was founded on 28 October 1968 under the name of 'Organisation du Baccalaureat International' and functions according to the requirements of the Swiss Civil Code. The IB is the recognised leader in the field of education, encouraging students to be active learners, well rounded individuals and engaged world citizens..

b. Methods of appointment or election of Trustees

Under the articles of association, the Trustees of the Charity are appointed by the IB. The minimum number of trustees is two; there is no maximum. Of the five current trustees, one (Olli-Pekka Heinonen) is the Director General of the IB, and three are independent of the IB, and bring a mixture of business and legal skills, as well as knowledge of the not-for-profit sector and international issues, to the Board.

c. Organisational structure and decision-making policies

The Charity relies on IB's robust governance framework, with the Board of Governors, and its committees representing governance and policy best practices. The remit of the Board of Governors and committees covers all of the activities of the IB's entities, including the Charity, contributing expert advice, and providing independent scrutiny of the IB, as a whole.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024**

Structure, governance and management (CONTINUED)

d. Policies adopted for the induction and training of Trustees

Trustees are given a document 'Introductory Operational Guide for the Board of International Baccalaureate Organisation (UK) limited', last updated on the 5 February 2010. In addition, Trustees are invited to attend Board meetings of the Charity, either in the IB's Cardiff office, or in the IB's global centre in The Hague where they can meet with senior members of staff representing all of the IB's activities. External Trustees also have the opportunity of discussion with the IB Board colleagues and are provided with a detailed updated report on the Assessment activities and presentations on the IB's state of affairs, at least twice a year. The Charity has five trustees, two of whom are employees of IB and three are external trustees. Of the internal trustees, one is remunerated through IB's Foundation Office in Geneva and one through the Charity. The latter is disclosed in the notes to the accounts.

e. Remuneration statement

In order to be successful in all respects, we need to be able to attract and retain staff of the wide variety of skills, knowledge and experience, some of which is highly specialised.

We aim, therefore, to be competitive in the different recruitment markets where we compete for talent, and to take a balanced and responsible approach to the use of the Charity's funds.

In accordance with SORP FRS102, we disclose:

- All payments to trustees (no trustee receives "pay")
- The number of staff in receipt of more than £60,000 (in bands of £10,000)
- Pensions and other benefits

f. Risk management and Internal Control

The Trustees confirm that, on a regular basis, major risks to which the Charity is exposed, as identified by the trustees, are reviewed, and that systems have been established to manage those risks. Identified potential risks include the non-compliance with legal & taxation requirements, exposure to IT system failures, and incomplete billing of income. This has been done in consultation with the IB, with the activities and operations of the Charity included as part of a comprehensive risk framework adopted by the IB. Internal controls are designed to provide reasonable, but not absolute, assurance against material misstatement or loss and include:

- An annual budget
- Consideration by trustees of financial results, and variance from budget
- Delegation of authority and segregation of duties

The Charity leverages on the risk management and internal audit processes of the IB. This is conducted across IB by an in-house team to a plan agreed with the Finance, Audit and Risk Management Committee (FARMC) and is reviewed annually..

g. Investment policy

The Charity follows the investment policy of the IB. The IB's investment policy was revised in September 2023 and remains risk averse. The surplus cash is invested in short term fixed deposits and bonds to secure optimal short to mid-term interest income. The IB does not invest in equities or any other investment that is subject to capital fluctuations. The IB has sufficient cash resources to avoid the need to borrow funds.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024**

Structure, governance and management (CONTINUED)

h. Trustees' indemnities

The Charity has insurance policies in place which indemnify the Charity against losses arising from the negligence or default of the Trustees and Officers.

Plans for future periods

The IB will work to ensure that more students can benefit from an IB education; and that its education continues to meet the challenging need of students, teachers, universities, and employers. Our focus on innovation, service and community in our strategy not only helps us achieve this; but it also aims to ensure that the services we provide our community are high-quality, innovative and excellent.

The trustees have been, and will continue to be, closely concerned in consultation with the IB, with the implications for the Charity of its future development plans, and in monitoring and adapting in response to them to ensure that they continue to deliver the Charity's objectives.

Objectives and activities

a. Policies and objectives

IBO (UK), hereinafter referred to as "the Charity" has charitable objects that reflect the charitable purposes of the International Baccalaureate Organisation, hereinafter referred to as the IB. These are the advancement of education by:

- a) the development and promotion of programmes of education for students at different levels within schools (primary, middle and upper secondary school levels or such other levels as may be relevant overseas) for adoption by authorised schools in all countries;
- b) the development, administration and promotion of an international examination for authorised schools giving access to higher education in all countries;
- c) such other means as the Trustees of the Charity may determine; and
- d) such other exclusively charitable purposes as the Trustees of the Charity may in their absolute discretion determine.

The Charity achieves these objects and delivers public benefit by providing services to the IB in support of the IB's work with schools, governments and international organisations to develop challenging programmes of international education and rigorous assessment that encourage students across the world to become active, compassionate and lifelong learners who help to create a better and more peaceful world through intercultural understanding and respect. The following are particular areas of the Charity's work:

- Assessment
- Information and communications technology
- Payroll and human resources

An operating agreement exists between the Charity and the IB and provides that, to the extent permitted by law, the Charity will carry out its functions in a manner consistent with the relevant corporate principles, policies, standards, systems and procedures of the IB. This includes responding accordingly to the plans of the IB for its future operation, with regard to its aim to develop inquiring, knowledgeable and caring young people who help to create a better and more peaceful world through intercultural understanding and respect.

In carrying out the functions described above in order to further the Charity's aims, the Trustees have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Strategic report

Achievements and performance

a. Main achievements of the Charity

During this reporting period the Charity has continued to provide core support to the IBO in the following areas of development:

The Assessment division delivers two sessions per year. The features of a session include but not limited to exam creation (authoring), administration of the examinations (dispatch and return of scripts), moderation, standardization, marking, grade awarding, access and inclusion, release of results and enquiry upon results.

Diploma programme

In the **November 2023** examination session:

As in the May 2023 examination session, the November 2023 examination session saw a return to the full assessment model for all DP/CP subjects and awarding standards moved to align with established pre pandemic standards.

The impact of this return to a full assessment model meant:

- Return to moderation of teacher marking for Internal Assessment (IA) from external marking
- Additional examination papers or assessment tasks for students compared with last year
- Overall lower student outcomes (grades) expected

Despite this return to pre pandemic expectations, Assessment continued to support a small number of individual students (43) with adverse circumstances (COVID 19 and non COVID 19).

The IB introduced time zoned examination papers for the first time in a November session 44 additional examination papers were created as part of the Time Zone project. The first cohort of Korean students studying the Dual Language Diploma were registered for the session.

23 new schools were added to the portfolio, bringing 521 candidates.

Overall, there was a 12.7% increase in the total number of candidates registered for the N23 session.

In the **May 2024** session:

In May 2024, the IB introduced a trial approach where religious observances were considered when establishing the examination schedule. The start date of the examination schedule was brought forward to achieve this, and examinations were not held on 29/30 April and 3 May. However, based on valuable feedback from schools and a comprehensive investigation conducted by the IB, it was evident that maintaining a longer examination period due to these observances is not feasible. For future examination sessions, the IB has confirmed that examinations will not be held on 1 May (public holiday in a number of countries) and schools will be able to request rescheduling of examinations for religious observances (aligned with the rescheduling policy).

The non exam contingency remained available for those schools that were unable to open and hold examinations or for those students impacted by an adverse circumstance when no other adverse mitigation was appropriate.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024**

Strategic report (CONTINUED)

Achievements and performance (CONTINUED)

The IB increased the number of time zoned examination papers, 93 additional examination papers were created. However, due to delays in the time zone project implementation the IB was not able to introduce the third variant of papers. The full implementation of the time zone project will be complete for the May 2025 session.

Overall, there was a 7.2% increase in the total number of students registered for the May 2024 session (4.9% increase in the number of students registering for the full Diploma Programme (DP), 9.5% increase in Course students and 29.6% increase in the number of students registering for the Career related Programme (CP). 142 new schools were added to the portfolio, bringing 2,398 DP students and 60 CP students. For the first time students were registered in a school in Kosovo.

The IB successfully delivered 1007 examinations (an increase of 10%) to 192,775 candidates in 3,283 schools.

Middle Years Programme

In the **November 2023** examination session:

As in the May 2023 examination session, MYP assessment returned to the published model for all subjects, and all students undertaking the MYP were required to complete the full suite of assessments outlined in programme and subject documents. Schools were expected to make all reasonable efforts to administer the on screen examinations. Mitigations that had previously been in place were no longer available.

However, the IB recognized that there may have been circumstances where some students were unable to sit exams due to physical absence caused by, for example, COVID 19 or other adverse/medical reasons (illness, quarantine, mandated school closure or legal right to remote education), and in those cases schools were able to request for a student to take the full on screen assessment from home or school, within one week of the original on screen examination date. Adapted Partially Completed Unit Planners (PCUPs) were available on request for schools that had prolonged closures. These mitigations were not requested by any schools this session.

There were 1362 registration for the on screen examinations, up 37.7%, and 334 registrations for the e portfolio subjects (up 51,1%).

5,611 candidates registered for the Personal Project a decrease of 3.6% on the previous year.

In the **May 2024** session:

The May 2024 MYP examination session was a stable session with no new courses introduced. Three students were supported with emergency rescheduling of examinations due to adverse circumstances. May 2024 was the first session we used the alternative venue procedure for MYP where an MYP student (based in India) sat a proportion of their on screen exams at ISEF (International Science and Engineering Fair) in Los Angeles.

Overall, there was a 3.62% increase in the total number of students registered for the May 2024 session (13.74% increase in the number of students registering for the full MYP Certificate and a 2.61% increase in the number of students registering as MYP Course students). 62 new schools were added to the portfolio, bringing 3,409 additional students. Iceland registered students for the first time.

In total 66,821 candidates sat on screen examinations, 18,587 ePortfolios and 98,587 candidates registered for the Personal Project.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Strategic report (CONTINUED)

Financial review

a. Going concern

The service fee the Charity receives for Assessment Services provided is calculated using a mark-up on costs incurred. In the light of this construction the Trustees consider that any financial uncertainties on the Charity will be negligible.

After making appropriate enquiries, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The Trustees consider an amount equal to one year of operational expenditure to be the Charity's target short term free reserves. Given the recharge nature of the business, this is considered appropriate. The trustees will review the situation annually to ensure that the policy protects the Charity from any significant event that would impact its financial position.

c. Funds policy

Within the Charity's books, all funds are held as unrestricted. Currently there is a surplus, totalling £20.5m (2023: £20.9m). This represents the Charity's free funds.

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Company carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Charity has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Charity's equal opportunities policy, the Charity has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Charity's offices.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024**

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Olli-Pekka Heinonen

Trustee

Date: 7.2.2025

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 30 JUNE 2024**

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:



Olli-Pekka Heinonen

Trustee

Date:

7.2.2025

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE
ORGANISATION (UK) LIMITED**

Opinion

We have audited the financial statements of International Baccalaureate Organisation (UK) Limited (the 'charitable company') for the year ended 30 June 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE
ORGANISATION (UK) LIMITED (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We have considered the nature of the sector, control environment, and financial performance;
- We have considered the results of enquiries with management and trustees in relation to their own identification and assessment of the risk of irregularities within the entity; and
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Charity. In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of revenue, specifically grants, with a particular focus around year-end cut off; and

In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE
ORGANISATION (UK) LIMITED (CONTINUED)**

misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



David Butler FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

10 North Place

Cheltenham

GL50 4DW

Date: 14 February 2025

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2024

	Note	Unrestricted funds 2024 £	Total funds 2024 £	As restated Total funds 2023 £
Income from:				
Charitable activities	4	25,665,166	25,665,166	22,591,556
Total income		<u>25,665,166</u>	<u>25,665,166</u>	<u>22,591,556</u>
Expenditure on:				
Charitable activities		25,616,257	25,616,257	23,444,236
Total expenditure		<u>25,616,257</u>	<u>25,616,257</u>	<u>23,444,236</u>
Net income/(expenditure) before net losses on investments		48,909	48,909	(852,680)
Unrealised exchange loss on translation		(481,154)	(481,154)	(16,223)
Net movement in funds		<u>(432,245)</u>	<u>(432,245)</u>	<u>(868,903)</u>
Reconciliation of funds:				
Total funds brought forward		20,931,251	20,931,251	21,800,154
Net movement in funds		(432,245)	(432,245)	(868,903)
Total funds carried forward		<u>20,499,006</u>	<u>20,499,006</u>	<u>20,931,251</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 31 form part of these financial statements.

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:06553433

BALANCE SHEET
AS AT 30 JUNE 2024

	Note	2024 £	As restated 2023 £
Fixed assets			
Tangible assets	10	612,421	1,281,125
		<u>612,421</u>	<u>1,281,125</u>
Current assets			
Debtors	11	684,206	20,460,675
Cash at bank and in hand		22,618,934	1,741,067
		<u>23,303,140</u>	<u>22,201,742</u>
Creditors: amounts falling due within one year	12	(1,983,494)	(1,300,304)
Net current assets		<u>21,319,646</u>	<u>20,901,438</u>
Total assets less current liabilities		<u>21,932,067</u>	<u>22,182,563</u>
Creditors: amounts falling due after more than one year	13	-	(189,918)
Provisions for liabilities	14	(1,433,061)	(1,061,394)
Net assets excluding pension asset		<u>20,499,006</u>	<u>20,931,251</u>
Total net assets		<u><u>20,499,006</u></u>	<u><u>20,931,251</u></u>
Charity funds			
Restricted funds	15	-	-
Unrestricted funds	15	20,499,006	20,931,251
Total funds		<u><u>20,499,006</u></u>	<u><u>20,931,251</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Olli-Pekka Heinonen

Trustee

Date: 7.2.2025

The notes on pages 17 to 31 form part of these financial statements.

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 £	As restated 2023 £
Cash flows from operating activities			
Net cash used in operating activities	17	21,308,075	274,036
Cash flows from investing activities			
Proceeds from the sale of tangible fixed assets		-	1,128
Purchase of tangible fixed assets		(430,208)	(376,329)
Net cash used in investing activities		(430,208)	(375,201)
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		20,877,867	(101,165)
Cash and cash equivalents at the beginning of the year		1,741,067	1,842,232
Cash and cash equivalents at the end of the year	18	22,618,934	1,741,067

The notes on pages 17 to 31 form part of these financial statements

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

1. GENERAL INFORMATION

International Baccalaureate Organization (UK) Limited is a private company limited by shares, registered in England & Wales, registered number 06553433 and a registered charity, number 1126291. Its registered office, and that of the subsidiary, is Peterson House, Malthouse Avenue, Cardiff Gate, Cardiff, CF23 8GL.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

International Baccalaureate Organisation (UK) LimitedInternational Baccalaureate Organisation (UK) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The presentation currency of the financial statements is GBP which is the functional currency of the Charity and they are rounded to the nearest pound. The financial information relates to the year ended 30 June 2024 and the comparative information relates to the year ended 30 June 2023.

PRIOR YEAR ADJUSTMENT

Previously the financial statements of the Charity have been prepared in US dollars in line with the reporting of the ultimate parent company, International Baccalaureate Organisation (IBO). However as the Charity transacts in pound sterling and is registered in the UK, the functional and presentational currencies of the Charity have always been pound sterling.

The financial statements for the current year have therefore been prepared in pound sterling to appropriately reflect the functional currency of the Charity and prior year balances have been restated accordingly.

As the restatement affects the presentation of the whole of the financial statements, it is not practicable to disclose here the translation adjustments for each financial statement line item affected.

2.2 GOING CONCERN

The financial statements are prepared on a going concern basis, based on continuing support from the parent undertaking, International Baccalaureate Organisation, and the expectation of continued growth in the assessment services in the future.

The going concern basis is dependent on the going concern of its parent entity, International Baccalaureate Organisation.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The service recharge between the Charity and the IB is for all establishment, payroll and other business costs and expenses. The income for this is recognised in line with the corresponding expenditure.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

2.6 FOREIGN CURRENCIES

The Charity's income and cash flows are primarily generated in pound sterling. The functional currency of the Charity is pound sterling. During the current year, the Charity has changed the currency in which it presents its financial statements from US dollars to pounds, in order to better reflect the performance of the Charity.

Foreign currency transactions are translated into pounds using the spot exchange rate prevailing on the date of the transactions. Exchange gains and losses resulting from the settlement of foreign currency transactions and revaluation of monetary assets and liabilities at the balance sheet date are recorded in the income statement. Monetary assets and liabilities denominated in foreign currencies are translated into pounds at the exchange rate prevailing at the balance sheet date.

2.7 INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on the following basis:

Computer software	- 20 % per annum
-------------------	------------------

At each balance sheet date, the Charity reviews the carrying amount of its intangible fixed assets to determine whether any assets have suffered an impairment loss. Any impairment loss is recognised in the statement of financial activities in the year in which it occurs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

2. ACCOUNTING POLICIES (continued)

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property - 10% per annum

2.9 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 LIABILITIES

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.12 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.13 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

2. ACCOUNTING POLICIES (continued)

2.14 PENSIONS

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.15 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

There are judgements made in determining whether provisions are required and at what value. A dilapidations provision is held relating to the estimated cost of repairs to the Cardiff offices at the end of the lease, based on anticipated future costs. Given that the timing of lease exit is uncertain, with potential for lease extension, the value and timing of the resulting payments is also uncertain. There have been no actual costs to compare the estimate to however. A dilapidations provision of £1.1m is held at the year end.

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £	Total funds 2024 £
Service Recharge	25,665,166	25,665,166
	Unrestricted funds 2023 £	Total funds 2023 £
Service Recharge	22,591,556	22,591,556

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Office communications, IT & other supplies	905,662	-	905,662
Realised exchange losses/(gains)	10,527	-	10,527
Wages and salaries	17,010,168	-	17,010,168
Other staff costs	365,819	-	365,819
Temporary staff/contractors	374,217	-	374,217
Depreciation	387,204	-	387,204
Support costs	-	6,112,088	6,112,088
Other	450,572	-	450,572
	19,504,169	6,112,088	25,616,257

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

	As restated Activities undertaken directly 2023 £	As restated Support costs 2023 £	As restated Total funds 2023 £
Office communications, IT & other supplies	913,926	-	913,926
Realised exchange losses/(gains)	(7,991)	-	(7,991)
Wages and salaries	14,227,588	-	14,227,588
Other staff costs	310,081	-	310,081
Temporary staff/contractors	516,411	-	516,411
Depreciation	596,019	-	596,019
Support costs	-	6,186,286	6,186,286
Governance costs	46,613	-	46,613
Profit/loss on sale of fixed assets	(4,158)	-	(4,158)
Other	659,461	-	659,461
	<u>17,257,950</u>	<u>6,186,286</u>	<u>23,444,236</u>

ANALYSIS OF SUPPORT COSTS

	Support costs 2024 £	Total funds 2024 £
Staff costs	2,775,225	2,775,225
Management	75,880	75,880
Finance	40,933	40,933
Human Resources	226,833	226,833
Information Technology	661,834	661,834
Facilities	1,092,537	1,092,537
IBO UK donation to IBO	1,193,546	1,193,546
Governance	45,300	45,300
	<u>6,112,088</u>	<u>6,112,088</u>

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS (continued)

	As restated Support costs 2023 £	As restated Total funds 2023 £
Staff costs	2,187,318	2,187,318
Management	77,494	77,494
Finance	48,368	48,368
Human Resources	128,172	128,172
Information Technology	744,191	744,191
Facilities	1,386,499	1,386,499
IBO UK donation to IBO	1,614,244	1,614,244
	<u>6,186,286</u>	<u>6,186,286</u>

6. GOVERNANCE COSTS

	2024 £	2023 £
Fees payable to the Company's auditor and its associates in respect of:		
The auditing of accounts of associates of the Company	<u>23,900</u>	<u>23,000</u>

7. STAFF COSTS

	2024 £	As restated 2023 £
Wages and salaries	16,585,968	14,249,163
Social security costs	1,708,048	1,317,842
Contribution to defined contribution pension schemes	1,491,377	847,901
	<u>19,785,393</u>	<u>16,414,906</u>

The average number of persons employed by the Company during the year was as follows:

	2024 No.	2023 No.
Employees	<u>354</u>	<u>310</u>

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

7. STAFF COSTS (CONTINUED)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
	No.	No.
In the band £60,001 - £70,000	32	19
In the band £70,001 - £80,000	12	8
In the band £80,001 - £90,000	5	5
In the band £90,001 - £100,000	5	5
In the band £100,001 - £110,000	2	2
In the band £110,001 - £120,000	1	1
In the band £120,001 - £130,000	1	-
In the band £140,001 - £150,000	2	-
In the band £150,001 - £160,000	1	-
In the band £160,001 - £170,000	1	1

Provisions for termination benefits are recognised only when the company is demonstrably committed to terminate the employment of an employee or of a group of employees before their normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. Termination costs are recognised when paid through payroll. The total termination payments in the year were £152,476 (2023: £NIL).

The Charity considers its key management personnel to comprise of the Trustees, Department Heads and the Chief Strategy and Transformation Officer. The total employment benefits including employer pension contributions of the key management personnel were £2,139,419 to 19 employees (2023: £1,302,250 to 14 employees).

8. TRUSTEES' REMUNERATION AND EXPENSES

The Charity has five Trustees, two of whom are employees of IB and three are external Trustees. Of the internal Trustees, one is remunerated through IB's Foundation Office in Geneva and one through the Charity. The latter is disclosed in Note 7. David Homer and Charlotte Ellwood Aris (external Trustees) received fees from the IB for their work as examiners.

	2024	2023
	£	£
David Homer	9,210	2,801
Charlotte Ellwood Aris	414	-
	9,624	2,801

During the year ended 30 June 2024, expenses were incurred by 1 Trustee totalling £11,939 (2023: £NIL).

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

9. INTANGIBLE ASSETS

	Computer software £
COST	
At 1 July 2023	24,305
At 30 June 2024	24,305
AMORTISATION	
At 1 July 2023	24,305
At 30 June 2024	24,305
NET BOOK VALUE	
At 30 June 2024	-
At 30 June 2023	-

10. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Computer equipment £	Total £
COST OR VALUATION			
At 1 July 2023	10,964,316	4,041,323	15,005,639
Additions	-	430,208	430,208
Disposals	-	(126,330)	(126,330)
At 30 June 2024	10,964,316	4,345,201	15,309,517
DEPRECIATION			
At 1 July 2023	10,200,086	3,524,428	13,724,514
Charge for the year	762,615	333,702	1,096,317
On disposals	-	(123,735)	(123,735)
At 30 June 2024	10,962,701	3,734,395	14,697,096

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

10. TANGIBLE FIXED ASSETS (CONTINUED)

	Long-term leasehold property £	Computer equipment £	Total £
NET BOOK VALUE			
At 30 June 2024	1,615	610,806	612,421
At 30 June 2023	764,230	516,895	1,281,125

11. DEBTORS

	2024 £	As restated 2023 £
DUE WITHIN ONE YEAR		
Amounts owed by group undertakings	-	19,959,024
Other debtors	6,358	39,606
Prepayments and accrued income	677,848	462,045
	684,206	20,460,675

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	As restated 2023 £
Trade creditors	198,934	367,022
Amounts owed to group undertakings	653,848	-
Other creditors	212,148	9,295
Accruals and deferred income	918,564	923,987
	<u>1,983,494</u>	<u>1,300,304</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024 £	As restated 2023 £
Other creditors	-	189,918
	<u>-</u>	<u>189,918</u>

14. PROVISIONS

	Dilapidation provision £	Employee benefit liability £	Total £
At 1 July 2023	1,061,394	-	1,061,394
Additions	54,940	316,727	371,667
	<u>1,116,334</u>	<u>316,727</u>	<u>1,433,061</u>

The dilapidations provision is a provision for the cost of repairs to the Cardiff offices at the end of the lease. Given the timing of lease exit is uncertain, the value and timing of the resulting payments is also uncertain. The movement this year relates to the building up of the provision over time.

The employee benefit liability relates to the IBO Anniversary Awards, which provide financial benefits for staff members based upon years of service delivered. Initial recognition of the liability is at 30 June 2024, with the prior year liability recognised in accruals.

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

15. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	As restated Balance at 1 July 2023 £	Income £	Expenditure £	Balance at 30 June 2024 £
UNRESTRICTED FUNDS				
Reserves	20,931,251	25,665,166	(26,097,411)	20,499,006

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 July 2022 £	Income £	Expenditure £	Balance at 30 June 2023 £
UNRESTRICTED FUNDS				
Reserves	21,816,377	22,591,556	(23,476,682)	20,931,251

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	612,421	612,421
Current assets	23,303,140	23,303,140
Creditors due within one year	(2,300,221)	(2,300,221)
Provisions for liabilities and charges	(1,116,334)	(1,116,334)
TOTAL	20,499,006	20,499,006

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	1,281,125	1,281,125
Current assets	22,201,742	22,201,742
Creditors due within one year	(1,300,304)	(1,300,304)
Creditors due in more than one year	(189,918)	(189,918)
Provisions for liabilities and charges	(1,061,394)	(1,061,394)
TOTAL	20,931,251	20,931,251

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net expenditure for the period (as per Statement of Financial Activities)	(432,245)	(868,903)
ADJUSTMENTS FOR:		
Depreciation charges	1,096,317	1,580,333
Loss/(profit) on the sale of fixed assets	2,595	(426)
Decrease/(increase) in debtors	19,776,469	(425,676)
Increase/(decrease) in creditors	809,999	(411,623)
Increase in provisions	54,940	147,761
Foreign exchange differences on translation	-	252,570
NET CASH PROVIDED BY OPERATING ACTIVITIES	21,308,075	274,036

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash in hand	22,618,934	1,741,067
TOTAL CASH AND CASH EQUIVALENTS	22,618,934	1,741,067

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

19. ANALYSIS OF CHANGES IN NET DEBT

	At 1 July 2023	Cash flows	At 30 June 2024
	£	£	£
Cash at bank and in hand	1,741,067	20,877,867	22,618,934
	<u>1,741,067</u>	<u>20,877,867</u>	<u>22,618,934</u>

20. PENSION COMMITMENTS

The Charity operates money purchase pension schemes with Scottish Equitable and Standard Life for United Kingdom based employees of the IB. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £1.5m (2023: £1.0m).

21. OPERATING LEASE COMMITMENTS

At 30 June 2024 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	954,059	885,262
Later than 1 year and not later than 5 years	2,466,434	273,445
Later than 5 years	2,862,490	-
	<u>6,282,983</u>	<u>1,158,707</u>

This includes land and building amounts payable.

22. EMPLOYEE DEFINED BENEFIT PLAN

The IBO Anniversary Awards provide financial benefits for staff members based upon years of service delivered.

International Baccalaureate Organisation (UK) Limited has not previously recognised a net defined benefit liability for Anniversary Awards. Initial recognition of the liability at 30 June 2024 is reflected as a past service cost.

The liability held in International Baccalaureate Organisation (UK) Limited at 30 June 2024 totalled £316,727, held within creditors on the balance sheet, classified as an other long-term employee benefit under IAS 19 with remeasurements of the net defined benefit liability recognised in profit and loss.

Further disclosures have been made in the consolidated International Baccalaureate Organisation financial statements.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

23. RELATED PARTY TRANSACTIONS

The Charity earned a service fee from its parent company of £25.2m (2023: £22.6m) for assessment services provided. At the year end the Charity was owed £Nil (2023: £20.0m) by the ultimate parent undertaking and made a donation to the parent company of £1.2m (2023: £1.6m). At the year end, the Charity had an outstanding loan of £0.7m (2023: £Nil) to the ultimate parent undertaking.

24. CONTROLLING PARTY

The Trustees regard Swiss Foundation, International Baccalaureate Organisation (IBO), an independent non-profit based at Rue du Pré-de-la-Bichette 1, 1202 Genève, Switzerland, registered charity number CHE-107.025.266, as the ultimate parent undertaking. IBO is deemed to exercise control as it has the right to appoint or remove a majority of the board to International Baccalaureate Organisation (UK) Limited.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED

England & Wales - Charity number 1126291

Accounts

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONTENTS

	Page
Reference and administrative details of the Company, its Trustees and advisers	1
Trustees' report	2 - 10
Independent auditors' report on the financial statements	11 - 14
Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Notes to the financial statements	18 - 30

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2023**

Trustees	David Ralph Homer William Henry Oldreive Olli-Pekka Heinonen Sabine Anna Chalmers (resigned 20 January 2023) Andrea Smith Charlotte Ruth Ellwood Aris (appointed 10 September 2023)
Company registered number	06553433
Charity registered number	1126291
Registered office	Peterson House Malthouse Avenue Cardiff Gate Cardiff CF23 8GL
Independent auditors	Bishop Fleming LLP Chartered Accountants 10 Temple Back Bristol BS1 6FL
Bankers	HSBC Bank PLC Cardiff CF10 1LF
Solicitors	Withers Bergman LLP 16 Old Bailey London EC4M 7EG

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 July 2022 to 30 June 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

a. Policies and objectives

IBO (UK), hereinafter referred to as "the Charity" has charitable objects that reflect the charitable purposes of the International Baccalaureate Organisation, hereinafter referred to as the IB. These are the advancement of education by:

- a) the development and promotion of programmes of education for students at different levels within schools (primary, middle and upper secondary school levels or such other levels as may be relevant overseas) for adoption by authorised schools in all countries;
- b) the development, administration and promotion of an international examination for authorised schools giving access to higher education in all countries;
- c) such other means as the Trustees of the Charity may determine; and
- d) such other exclusively charitable purposes as the Trustees of the Charity may in their absolute discretion determine.

The Charity achieves these objects and delivers public benefit by providing services to the IB in support of the IB's work with schools, governments and international organisations to develop challenging programmes of international education and rigorous assessment that encourage students across the world to become active, compassionate and lifelong learners who help to create a better and more peaceful world through intercultural understanding and respect. The following are particular areas of the Charity's work:

- Assessment
- Information and communications technology
- Payroll and human resources

An operating agreement exists between the Charity and the IB and provides that, to the extent permitted by law, the Charity will carry out its functions in a manner consistent with the relevant corporate principles, policies, standards, systems and procedures of the IB. This includes responding accordingly to the plans of the IB for its future operation, with regard to its aim to develop inquiring, knowledgeable and caring young people who help to create a better and more peaceful world through intercultural understanding and respect.

In carrying out the functions described above in order to further the Charity's aims, the Trustees have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

Strategic report

Achievements and performance

a. Review of activities

During this reporting period the Charity has continued to provide core support to the IBO in the following areas of development:

The Assessment division delivers two sessions per year. The features of a session include, but not limited to, exam creation (authoring), administration of the examinations (dispatch and return of scripts), moderation, standardisation, marking, grade awarding, access & inclusion and release of results.

Diploma programme

In the **November 2022** examination session:

Covid-19 mitigations remained in place for the November 2022 session which included the reduced assessment model and the non-exam contingency measure for any schools that were unable to open and hold examinations, or for a student impacted by Covid-19 or an adverse circumstance. The majority of schools were fully open or in hybrid mode and were able to hold examinations. All schools, regardless of route, were required to upload all internal assessment work for external marking. This facilitated changes to routing that were necessary at a late stage and to assist in assuring comparability of standards between the routes.

The November 2022 grade distributions are midway between 2019 and 2021. A return to established awarding standards will protect the reputation of IB qualifications and continued acceptance of them by universities around the world.

31 new schools were added to the portfolio, bringing 433 candidates.

Overall, there was a 7% increase in the total number of candidates registered for the N22 session. There was a sharp increase in the number of resit students after the dramatic drop in N21. The N21 figure was almost certainly due to the generous outcomes in May 20.

In the **May 2023** session:

The May 2023 examination session saw a return to the full assessment model for all DP/CP subjects and awarding standards moved to align with established pre-pandemic standards. This approach was communicated to all schools via several direct communications from August 2021 through to November 2022. In addition, a series of webinars was provided to support schools in readiness for the session and general information for all IB stakeholders was published on the IB public website. To further support schools, various resources were published on the Programme Resource Centre.

The impact of this return to full assessment model means:

- Return to moderation of teacher marking for Internal Assessment (IA) from external marking
- Additional examination papers or assessment tasks for students compared with last year
- Overall lower student outcomes (grades) expected

Despite this return to pre-pandemic expectations, Assessment continued to support individual students with adverse circumstances (Covid, legacy from Covid and non-Covid). A small number of countries in the world have indicated they believe they have not recovered from the impact of Covid on teaching. In May 2022 a dual route approach was offered to DP/CP schools, an exam route was taken by 2,954 schools (168,877 candidates) and a non-exam route was taken by 136 schools (5,015 candidates).

To maintain confidence with university and governmental stakeholders in the integrity and security of the assessment results and implementation of the programmes, the IB introduced changes to the examination

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

Strategic report (CONTINUED)

Achievements and performance (CONTINUED)

schedule. Each school was allocated to one of three exam zones and provided with specific start times for the morning and afternoon examinations based on their geographical area. This ensured that all students in an exam zone started an exam at the same time, rather than some students starting after others had finished. To support the integrity of the session, all students were required to be supervised until the end of their examination. This increased confidence that students did not gain early sight of examination questions from those who had already sat the examination.

To further support this approach, the IB increased the number of time-zoned examination papers. 40 additional examination papers were created against a significantly reduced development and delivery timeline for May 2023, increasing the total to $819 + 40 = 859$ assessments (4.8% increase). 22 additional staff members were recruited, trained, and onboarded to further support the roll-out of the efforts in producing additional assessment materials towards a full increase by 2025: 1080 total assessments (32% increase).

Due to sanctions and the inability to distribute examination material via a major courier company, all schools (24 compared to 9 in May 2022) in the Russian Federation conducted examinations via a bespoke process. To maintain the integrity of the examination session, the examination timetable was amended for schools in the Russian Federation. All examinations were conducted 24 hours later than published on the standard examination schedule. The IB securely transferred all examination question paper files to schools at 7am (Moscow Standard Time) on the day of each examination, schools downloaded the files and printed the required number of examination question papers in advance of the examinations on that day. On-site inspections were arranged for six of the schools by an IBEN from the Russian Federation, with a further three schools inspected remotely. 3,750 responses across 135 components were marked using an exception process. Schools were reminded that examination scripts must always be stored securely at the school and remain accessible in case of queries or issues.

Overall, there was a 3.4% increase in the total number of students registered for the May 2023 session (3.1% increase in the number of students registering for the full Diploma Programme (DP) but a 2.2% decrease in the number of students registering for the Career-related Programme (CP). 140 new schools were added to the portfolio, bringing 2,046 students. No new courses were introduced for the session.

The IB successfully delivered 914 examinations (an increase of 22%) to 179,806 candidates in 3,186 schools.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

Strategic report (CONTINUED)

Achievements and performance (CONTINUED)

Middle Years Programme

In the **November 2022** examination session:

The IB continued to offer mitigations it had in place for previous MYP sessions to support schools and students impacted by Covid-19:

- An alternative to on-screen examinations was made available to allow students to complete an assessment even if the on-screen examinations could not be facilitated within their school.
- Adapted Partially Completed Unit Planners (PCUPs) were provided for use by schools whose candidates were unable to complete the Arts, Design and PHE ePortfolios due to the Covid-19 pandemic. These adapted PCUPs excluded the criteria that could not be completed remotely.
- The submission deadlines for ePortfolios and the Personal Project were extended and the pre-release materials for Interdisciplinary Learning (ID) were published a month earlier than usual to support candidates impacted by the pandemic.

The impact of Covid-19 during the November 2022 session was less profound than in previous sessions as evidenced by only five candidates taking alternative tasks and no schools opting to follow the Partially Completed Unit Planners (PCUPs).

There were 989 registration for the on-screen examinations, up 72%, while 221 registrations for the e-portfolio subjects (up 54,5%).

5,819 candidates registered for the Personal Project a decrease of 21.8% on the previous year.

In the **May 2023** session:

In the May 2023 examination session, MYP assessment returned to the published model for all subjects and all students undertaking the MYP were required to complete the full suite of assessments outlined in programme and subject documents. Schools were expected to make all reasonable efforts to administer the on-screen examinations. Mitigations that had previously been in place were no longer available

Kiswahili Language and Literature assessments were offered for the first time.

Overall, there was a 6.91% increase in the total number of students registered for the May 2023 session (11.54% increase in the number of students registering for the full MYP Certificate and a 6.42% increase in the number of students registering as MYP Course students). 71 new schools were added to the portfolio, bringing 3,365 additional students. Luxembourg, the Republic of North Macedonia and Rwanda registered students for the first time

In total candidates sat 61,391 on-screen examinations, 16,894 ePortfolios and 95,177 candidates registered for the Personal Project.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023**

Strategic report (CONTINUED)

Financial review

a. Going concern

The service fee the Charity receives for Assessment Services provided is calculated using a mark-up on costs incurred. In the light of this construction the Trustees consider that any financial uncertainties on the Charity will be negligible

b. Reserves policy

The Trustees consider an amount equal to one year of operational expenditure to be the Charity's target short term free reserves. Given the recharge nature of the business, this is considered appropriate. The trustees will review the situation annually to ensure that the policy protects the Charity from any significant event that would impact its financial position.

c. Funds policy

Within the Charity's books, all funds are held as unrestrictive. Currently there is a surplus, totalling USD 26m (2022: USD 27m). This represents the Charity's free funds.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023**

Structure, governance and management

a. Constitution

The Charity is constituted under a memorandum of association dated 02/04/2008 and is a registered Charity, number 1126291.

International Baccalaureate Organisation (UK) Limited (the Charity) is a company limited by shares which was registered in the United Kingdom on 2 April 2008, and is governed by its Memorandum and Articles of Association dated 2 April 2008 (that contain an asset lock for charitable purposes and a bar on distribution of dividends). The company was registered as a charity on 14 October 2008. Consequently, the directors are referred to herein as Trustees, being charity trustees for the purpose of the Charities Act 2011, as the person is having the general control and management of the charity.

The sole shareholder of the Charity is International Baccalaureate Organisation (the IB) which is an independent non-profit-making foundation registered in Switzerland. It was founded on 28 October 1968 under the name of 'Organization du Baccalaureat International' and functions according to the requirements of the Swiss Civil Code. The IB is the recognised leader in the field of education, encouraging students to be active learners, well rounded individuals and engaged world citizens.

b. Methods of appointment or election of Trustees

Under the articles of association, the Trustees of the Charity are appointed by the IB. The minimum number of trustees is two; there is no maximum. Of the four current trustees, one (Olli-Pekka Heinonen) is the Director General of the IB, and two are independent of the IB, and bring a mixture of business and legal skills, as well as knowledge of the not-for-profit sector and international issues, to the Board.

c. Organisational structure and decision-making policies

The Charity relies on IB's robust governance framework, with the Board of Governors, and its committees representing governance and policy best practices. The remit of the Board of Governors and committees covers all of the activities of the IB's entities, including the Charity, contributing expert advice, and providing independent scrutiny of the IB, as a whole.

d. Policies adopted for the induction and training of Trustees

Trustees are given a document 'Introductory Operational Guide for the Board of International Baccalaureate Organisation (UK) limited', last updated on the 5 February 2010. In addition, Trustees are invited to attend Board meetings of the Charity, either in the IB's Cardiff office, or in the IB's global centre in The Hague where they can meet with senior members of staff representing all of the IB's activities. External Trustees also have the opportunity of discussion with the IB Board colleagues and are provided with a detailed updated report on the Assessment activities and presentations on the IB's state of affairs, at least twice a year. The Charity has four trustees, two of whom are employees of IB and two are external trustees. Of the internal trustees, one is remunerated through IB's Foundation Office in Geneva and one through the Charity. The latter is disclosed in Note 7.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

Structure, governance and management (CONTINUED)

e. Remuneration statement

In order to be successful in all respects, we need to be able to attract and retain staff of the wide variety of skills, knowledge and experience, some of which is highly specialised.

We aim, therefore, to be competitive in the different recruitment markets where we compete for talent, and to take a balanced and responsible approach to the use of the Charity's funds.

In accordance with SORP FRS102, we disclose:

- All payments to trustees (no trustee receives "pay")
- The number of staff in receipt of more than USD 76,250 (in bands of USD 10,000)
- Pensions and other benefits

f. Risk management and Internal Control

The Trustees confirm that, on a regular basis, major risks to which the Charity is exposed, as identified by the trustees, are reviewed, and that systems have been established to manage those risks. Identified potential risks include the non-compliance with legal & taxation requirements, exposure to IT system failures, and incomplete billing of income. This has been done in consultation with the IB, with the activities and operations of the Charity included as part of a comprehensive risk framework adopted by the IB. Internal controls are designed to provide reasonable, but not absolute, assurance against material misstatement or loss and include:

- An annual budget
- Consideration by trustees of financial results, and variance from budget
- Delegation of authority and segregation of duties

The Charity leverages on the risk management and internal audit processes of the IB. This is conducted across IB by an in-house team to a plan agreed with the Finance, Audit and Risk Management Committee (FARMC) and is reviewed annually.

g. Trustees' indemnities

The Charity has insurance policies in place which indemnify the Charity against losses arising from the negligence or default of the Trustees and Officers.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023**

Structure, governance and management (CONTINUED)

h. Key Management personnel employed at the Global Centre (Cardiff)

Name	Designation
Andrea Smith	Chief Strategy and Transformation Officer
Matthew Glanville	Director of Assessment
Harpreet Varanitch (<i>wef 21 Nov 2022</i>)	Global HR Director
Amy Parker Dixon (<i>wef 5 Dec 2022</i>)	Communications and Marketing Director
Gary Wood	Head of IT Operations
Oksana Jajecznik	Head of Capacity
Eleonore Kromhout	Head of Assessment Development and Delivery
Jon Tomkinson	Head of Privacy (Global)
Paul Teulon	Head of Global Recognition
Maria Krainova Holt	Head of Business Change
Adrian Langton	Head of HR UK
Marc Neesam (<i>wef 5 June 2023</i>)	Head of Academic Collaboration
Tracey Edwards (<i>wef 9 May 2023</i>)	Head of Compensation & Benefits
Sarah Perry	Head of Assessment Operations

Plans for future periods

The IB will work to ensure that more students can benefit from an IB education; and that its education continues to meet the challenging need of students, teachers, universities, and employers. Our focus on innovation, service and community in our strategy not only helps us achieve this; but it also aims to ensure that the services we provide our community are high-quality, innovative and excellent.

The trustees have been, and will continue to be, closely concerned in consultation with the IB, with the implications for the Charity of its future development plans, and in monitoring and adapting in response to them to ensure that they continue to deliver the Charity's objectives.

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Company carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Company has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Company's equal opportunities policy, the Company has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Company's offices.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Olli-Pekka Heinonen
Trustee
Date: 24 January 2024



**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED

OPINION

We have audited the financial statements of International Baccalaureate Organisation (UK) Limited (the 'charitable company') for the year ended 30 June 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE
ORGANISATION (UK) LIMITED (CONTINUED)**

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We have considered the nature of the sector, control environment, and financial performance;
- We have considered the results of enquiries with management and trustees in relation to their own identification and assessment of the risk of irregularities within the entity; and
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Charity. In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of revenue, specifically grants, with a particular focus around year-end cut off; and

In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE
ORGANISATION (UK) LIMITED (CONTINUED)**

misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



David Butler FCA DChA (Senior statutory auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date: 31 January 2024

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2023

	Note	Unrestricted funds 2023 USD	Total funds 2023 USD	Total funds 2022 USD
Income from:				
Charitable activities	4	27,598,281	27,598,281	23,738,816
Total income		27,598,281	27,598,281	23,738,816
Expenditure on:				
Charitable activities		28,259,067	28,259,067	22,649,779
Total expenditure		28,259,067	28,259,067	22,649,779
Net (expenditure)/income before net losses on investments		(660,786)	(660,786)	1,089,037
Net losses on investments		(19,512)	(19,512)	(501,758)
Net movement in funds		(680,298)	(680,298)	587,279
Reconciliation of funds:				
Total funds brought forward		26,657,554	26,657,554	26,070,275
Net movement in funds		(680,298)	(680,298)	587,279
Total funds carried forward		25,977,256	25,977,256	26,657,554

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 30 form part of these financial statements.

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:06553433

BALANCE SHEET
AS AT 30 JUNE 2023

	Note	2023 USD	2022 USD
Fixed assets			
Tangible assets	10	1,575,515	3,033,883
		<u>1,575,515</u>	<u>3,033,883</u>
Current assets			
Debtors	11	25,417,657	24,876,690
Cash at bank and in hand		2,134,729	2,240,117
		<u>27,552,386</u>	<u>27,116,807</u>
Creditors: amounts falling due within one year	12	(1,635,886)	(837,241)
Net current assets		<u>27,492,015</u>	<u>29,313,449</u>
Total assets less current liabilities		<u>27,492,015</u>	<u>29,313,449</u>
Creditors: amounts falling due after more than one year	13	(174,627)	(1,503,544)
Provisions for liabilities		(1,340,132)	(1,152,351)
Total net assets		<u><u>25,977,256</u></u>	<u><u>26,657,554</u></u>
Charity funds			
Unrestricted funds	15	25,977,256	26,657,554
Total funds		<u><u>25,977,256</u></u>	<u><u>26,657,554</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Olli- Pekka Heinonen
Trustee
Date: 24 January 2024

The notes on pages 18 to 30 form part of these financial statements.

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	2023 USD	2022 USD
Cash flows from operating activities		
Net cash used in operating activities	340,193	(59,740,128)
Cash flows from investing activities		
Proceeds from the sale of intangible assets	1,434	-
Purchase of tangible fixed assets	(447,015)	(266,678)
Net cash used in investing activities	(445,581)	(266,678)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(105,388)	(60,006,806)
Cash and cash equivalents at the beginning of the year	2,240,117	62,246,923
Cash and cash equivalents at the end of the year	2,134,729	2,240,117

The notes on pages 18 to 30 form part of these financial statements

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. GENERAL INFORMATION

International Baccalaureate Organization (UK) Limited is a private company limited by shares, registered in England & Wales, registered number 06553433 and a registered charity, number 1126291. Its registered office, and that of the subsidiary, is Peterson House, Malthouse Avenue, Cardiff Gate, Cardiff, CF23 8GL.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

International Baccalaureate Organisation (UK) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The presentation currency of the financial statements is USD which is the functional currency of the Charity and they are rounded to the nearest dollar. The financial information relates to the year ended 30 June 2023 and the comparative information relates to the year ended 30 June 2022.

2.2 GOING CONCERN

The financial statements are prepared on a going concern basis, based on continuing support from the parent undertaking, International Baccalaureate Organisation, and the expectation of continued growth in the assessment services in the future.

The going concern basis is dependent on the going concern of its parent entity, International Baccalaureate Organisation.

2.3 INCOME

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The service recharge between the Charity and the IB is for all establishment, payroll and other business costs and expenses. The income for this is recognised in line with the corresponding expenditure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

2. ACCOUNTING POLICIES (continued)

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure, including termination benefits, is accounted for on an accruals basis. Costs are apportioned between expenditure categories in a manner which reflects the allocation of resources to these areas. Costs of activities in furtherance of charitable activities are educational and assessment-related in nature. Support costs have been allocated between these items. Governance costs comprise the costs involved in the governance of the Charity, its compliance with constitutional and statutory requirements and its accountability to the public.

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

2.6 FOREIGN CURRENCIES

The Charity's income and cash flows are primarily generated in US dollars and management information is reported in US dollars. The functional currency of the Charity is US dollars. During the prior year, the Charity changed the currency in which it presents its financial statements from pounds to US dollars, in order to better reflect the performance of the Charity.

Foreign currency transactions are translated into US dollars using the spot exchange rate prevailing on the date of the transactions. Exchange gains and losses resulting from the settlement of foreign currency transactions and revaluation of monetary assets and liabilities at the balance sheet date are recorded in the income statement. Monetary assets and liabilities denominated in foreign currencies are translated into US dollars at the exchange rate prevailing at the balance sheet date.

2.7 INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are capitalised at cost, and amortised so as to write off the costs of fixed assets less estimated residual value over their estimated useful lives on a straight-line basis at the following annual rates.

Amortisation is provided on the following basis:

Computer software	- 20 % per annum
-------------------	------------------

At each balance sheet date, the Charity reviews the carrying amount of its intangible fixed assets to determine whether any assets have suffered an impairment loss. Any impairment loss is recognised in the statement of financial activities in the year in which it occurs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

2. ACCOUNTING POLICIES (continued)

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- 10% per annum
Fixtures and fittings	- 10 - 33% per annum

2.9 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 LIABILITIES

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.12 FINANCIAL INSTRUMENTS

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.13 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

2. ACCOUNTING POLICIES (continued)

2.14 PENSIONS

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2.15 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

There are judgements made in determining whether provisions are required and at what value. A dilapidations provision is held relating to the estimated cost of repairs to the Cardiff offices at the end of the lease, based on anticipated future costs. Given that the timing of lease exit is uncertain, with potential for lease extension, the value and timing of the resulting payments is also uncertain. There have been no actual costs to compare the estimate to however. A dilapidations provision of \$1.3m is held at the year end.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2023 USD	Total funds 2023 USD
Service Recharge	<u>27,598,281</u>	<u>27,598,281</u>
	Unrestricted funds 2022 USD	Total funds 2022 USD
Service Recharge	<u>23,738,816</u>	<u>23,738,816</u>

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

4. INCOME FROM CHARITABLE ACTIVITIES (CONTINUED)

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 USD	Support costs 2023 USD	Total funds 2023 USD
Office communications, IT & other supplies	1,117,576	-	1,117,576
Realised exchange losses/(gains)	(1,047)	-	(1,047)
Wages and salaries	17,120,525	-	17,120,525
Other staff costs	372,791	-	372,791
Temporary staff/contractors	622,787	-	622,787
Depreciation	713,469	-	713,469
Support costs	-	7,518,394	7,518,394
Governance costs	56,447	-	56,447
Profit/loss on sale of fixed assets	(4,854)	-	(4,854)
Other	742,979	-	742,979
	<u>20,740,673</u>	<u>7,518,394</u>	<u>28,259,067</u>

	Activities undertaken directly 2022 USD	Support costs 2022 USD	Total funds 2022 USD
Office communications, IT & other supplies	1,203,268	-	1,203,268
Realised exchange losses/(gains)	(46,815)	-	(46,815)
Wages and salaries	15,462,013	-	15,462,013
Other staff costs	79,481	-	79,481
Temporary staff/contractors	334,224	-	334,224
Depreciation	713,282	-	713,282
Support costs	-	4,216,710	4,216,710
Governance costs	51,031	-	51,031
Other	636,585	-	636,585
	<u>18,433,069</u>	<u>4,216,710</u>	<u>22,649,779</u>

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Support costs 2023 USD	Total funds 2023 USD
Management	93,203	93,203
Finance	77,684	77,684
Human Resources	154,155	154,155
Information Technology	895,053	895,053
Facilities	1,667,569	1,667,569
Staff costs	2,630,730	2,630,730
IBO UK donation to IBO	2,000,000	2,000,000
	7,518,394	7,518,394

	Support costs 2022 USD	Total funds 2022 USD
Management	21,662	21,662
Finance	53,293	53,293
Human Resources	6,005	6,005
Information Technology	931,702	931,702
Facilities	1,716,258	1,716,258
Staff costs	1,487,790	1,487,790
	4,216,710	4,216,710

6. Governance costs

	2023 USD	2022 USD
Auditors' remuneration	29,229	28,670
Fees payable to the Company's auditor and its associates in respect of:		
The auditing of accounts of associates of the Company	29,229	24,157
All assurance services not included above	-	2,265

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

7. STAFF COSTS

	2023 USD	2022 USD
Wages and salaries	17,141,758	14,349,817
Social security costs	1,588,906	1,534,894
Contribution to defined contribution pension schemes	1,020,591	1,065,092
	<u>19,751,255</u>	<u>16,949,803</u>

The average number of persons employed by the Company during the year was as follows:

	2023 No.	2022 No.
Staff	<u>335</u>	<u>286</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded USD60,000 was:

	2023 No.	2022 No.
In the band USD75,250 - USD85,000	19	-
In the band USD85,001 - USD95,000	8	-
In the band USD95,001 - USD105,000	5	2
In the band USD105,001 - USD115,000	5	-
In the band USD115,001 - USD125,000	2	7
In the band USD125,001 - USD135,000	1	-
In the band USD175,001 - USD185,000	2	-

Due to the functional currency being USD, the bands above have been converted from GBP to USD at the year end spot rate.

Provisions for termination benefits are recognised only when the company is demonstrably committed to terminate the employment of an employee or of a group of employees before their normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. Termination costs are recognised when paid through payroll. The total termination payments in the year were USD NIL (2022: USD115,271).

The Charity considers its key management personnel to comprise of the Trustees, Department Heads and the Chief Strategy and Transformation Officer. The total employment benefits including employer pension contributions of the key management personnel were USD1.22m (2022: USD1.14m).

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

8. TRUSTEES' REMUNERATION AND EXPENSES

The Charity has four Trustees, two of whom are employees of IB and two are external Trustees. Of the internal Trustees, one is remunerated through IB's Foundation Office in Geneva and one through the Charity. The latter is disclosed in Note 7. David Homer (an external Trustee), received fees from the IB for his work as an examiner.

		2023	2022
		USD	USD
David Ralph Homer	Fees	2,526	3,542

During the year ended 30 June 2023, no Trustee expenses have been incurred (2022 - USDNIL).

9. INTANGIBLE ASSETS

	Computer software USD
COST	
At 1 July 2022	29,555
At 30 June 2023	29,555
AMORTISATION	
At 1 July 2022	29,555
At 30 June 2023	29,555
NET BOOK VALUE	
At 30 June 2023	-
At 30 June 2022	-

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

10. TANGIBLE FIXED ASSETS

	Long-term leasehold property USD	Fixtures and fittings USD	Total USD
COST OR VALUATION			
At 1 July 2022	13,365,837	4,712,546	18,078,383
Additions	-	447,015	447,015
Transfers intra group	-	(1,769)	(1,769)
Disposals	-	(251,845)	(251,845)
At 30 June 2023	13,365,837	4,905,947	18,271,784
DEPRECIATION			
At 1 July 2022	11,001,714	4,042,787	15,044,501
Charge for the year	1,417,230	480,095	1,897,325
On disposals	-	(245,557)	(245,557)
At 30 June 2023	12,418,944	4,277,325	16,696,269
NET BOOK VALUE			
At 30 June 2023	946,893	628,622	1,575,515
At 30 June 2022	2,364,123	669,759	3,033,882

11. DEBTORS

	2023 USD	2022 USD
DUE WITHIN ONE YEAR		
Amounts owed by group undertakings	24,671,914	24,254,323
Other debtors	198,199	216,387
Prepayments and accrued income	547,544	405,980
	25,417,657	24,876,690

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 USD	2022 USD
Trade creditors	460,330	105,540
Other taxation and social security	11,636	10,646
Accruals and deferred income	1,163,920	721,055
	<u>1,635,886</u>	<u>837,241</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 USD	2022 USD
Amounts owed to group undertakings	-	1,066,977
Other creditors	174,627	436,567
	<u>174,627</u>	<u>1,503,544</u>

14. PROVISIONS

	Dilapidation provision USD
At 1 July 2022	1,152,351
Additions	187,781
	<u>1,340,132</u>

The dilapidations provision is a provision for the cost of repairs to the Cardiff offices at the end of the lease. Given the timing of lease exit is uncertain, the value and timing of the resulting payments is also uncertain. The movement this year relates to the building up of the provision over time.

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

15. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 July 2022 USD	Income USD	Expenditure USD	Balance at 30 June 2023 USD
UNRESTRICTED FUNDS				
Reserves	26,657,554	27,598,281	(28,278,579)	25,977,256

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 July 2021 USD	Income USD	Expenditure USD	Gains/ (Losses) USD	Balance at 30 June 2022 USD
UNRESTRICTED FUNDS					
General Funds - all funds	26,070,275	23,738,816	(22,649,779)	(501,758)	26,657,554

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 USD	Total funds 2023 USD
Tangible fixed assets	1,575,515	1,575,515
Current assets	27,552,386	27,552,386
Creditors due within one year	(1,635,886)	(1,635,886)
Creditors due in more than one year	(174,627)	(174,627)
Provisions for liabilities and charges	(1,340,132)	(1,340,132)
TOTAL	25,977,256	25,977,256

**INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 USD	Total funds 2022 USD
Tangible fixed assets	3,033,882	3,033,882
Current assets	27,116,807	27,116,807
Creditors due within one year	(837,241)	(837,241)
Creditors due in more than one year	(1,503,544)	(1,503,544)
Provisions for liabilities and charges	(1,152,351)	(1,152,351)
TOTAL	26,657,553	26,657,553

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 USD	2022 USD
Net income/expenditure for the year (as per Statement of Financial Activities)	(680,298)	587,279
ADJUSTMENTS FOR:		
Depreciation charges	1,897,325	1,907,776
Loss/(profit) on the sale of fixed assets	(541)	873
Increase in debtors	(540,967)	(24,100,774)
Decrease in creditors	(523,107)	(38,132,603)
Increase in provisions	187,781	(2,679)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	340,193	(59,740,128)

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 USD	2022 USD
Cash in hand	2,134,729	2,240,117
TOTAL CASH AND CASH EQUIVALENTS	2,134,729	2,240,117

INTERNATIONAL BACCALAUREATE ORGANISATION (UK) LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

19. ANALYSIS OF CHANGES IN NET DEBT

	At 1 July 2022 USD	Cash flows USD	At 30 June 2023 USD
Cash at bank and in hand	2,240,117	(105,388)	2,134,729
	<u>2,240,117</u>	<u>(105,388)</u>	<u>2,134,729</u>

20. PENSION COMMITMENTS

The Charity operates money purchase pension schemes with Scottish Equitable and Standard Life for United Kingdom based employees of the IB. The pension cost charge represents contributions payable by the Charity to the fund and amounted to USD1.141m (2022: USD1.065m).

21. OPERATING LEASE COMMITMENTS

At 30 June 2023 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 USD	2022 USD
Not later than 1 year	1,125,027	1,116,053
Later than 1 year and not later than 5 years	347,505	610,271
	<u>1,472,532</u>	<u>1,726,324</u>

This includes land and buildings amounts payable.

22. RELATED PARTY TRANSACTIONS

The Charity earned a service fee from its parent company of USD27.6m (2022: USD23.7m) for assessment services provided. At the year end the Charity was owed USD24.7m (2022: USD24.2m) by the ultimate parent undertaking and made a donation to the parent company of USD2.0m (2022: USDNIL). In the prior year, the Charity had an outstanding loan of USD1.0m to the ultimate parent undertaking. During the year, this loan has been settled in full.

23. CONTROLLING PARTY

The Trustees regard Swiss Foundation, International Baccalaureate Organization (IBO), an independent non-profit-making based at Rue du Pré-de-la-Bichette 1, 1202 Genève, Switzerland, registered charity number CHE-107.025.266, as the ultimate parent undertaking. IBO is deemed to exercise control as it has the right to appoint or remove a majority of the board of International Baccalaureate Organization (UK) Limited.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED

England & Wales - Charity number 1126291

Accounts

Registered number: 06553433
Charity number: 1126291

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Trustees' Report	2 - 7
Trustees' Responsibilities Statement	8
Independent Auditor's Report on the Financial Statements	9 - 12
Statement of Financial Activities	13
Balance Sheet	14
Statement of Cash Flows	15
Notes to the Financial Statements	16 - 30

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2022

Trustees	David Ralph Homer William Henry Oldreive Olli-Pekka Heinonen Sabine Anna Chalmers (appointed 1 September 2021) Andrea Smith (appointed 1 September 2021)
Company registered number	06553433
Charity registered number	1126291
Registered office	Peterson House Malthouse Avenue Cardiff Gate Cardiff CF23 8GL
Independent auditor	Mazars LLP Chartered Accountants 90 Victoria Street Bristol BS1 6DP
Bankers	HSBC Bank plc Cardiff CF10 1LF
Solicitors	Withers Bergman LLP 16 Old Bailey London EC4M 7EG

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2022

The Trustees present their annual report together with the audited financial statements of the Charity for the 1 July 2021 to 30 June 2022.

The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

a. Policies and objectives

The Charity has charitable objects that reflect the charitable purposes of the IB. These are the advancement of education by:

- a) the development and promotion of programmes of education for students at different levels within schools (primary, middle and upper secondary school levels or such other levels as may be relevant overseas) for adoption by authorised schools in all countries;
- b) the development, administration and promotion of an international examination for authorised schools giving access to higher education in all countries;
- c) such other means as the Trustees of the Charity may determine; and
- d) such other exclusively charitable purposes as the Trustees of the Charity may in their absolute discretion determine.

The Charity achieves these objects and delivers public benefit by providing services to the IB in support of the IB's work with schools, governments and international organizations to develop challenging programmes of international education and rigorous assessment that encourage students across the world to become active, compassionate and lifelong learners who help to create a better and more peaceful world through intercultural understanding and respect. The following are particular areas of the Charity's work:

- Assessment
- Information and communications technology
- Payroll and human resources

An operating agreement exists between the Charity and the IB and provides that, to the extent permitted by law, the Charity will carry out its functions in a manner consistent with the relevant corporate principles, policies, standards, systems and procedures of the IB. This includes responding accordingly to the plans of the IB for its future operation, with regard to its aim to develop inquiring, knowledgeable and caring young people who help to create a better and more peaceful world through intercultural understanding and respect.

In carrying out the functions described above in order to further the Charity's aims, the Trustees have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

Strategic report

Achievements and performance

a. Review of activities

Diploma programme

In the **November 2021** examination session:

In November 2021 a dual route session was offered to schools due to the Covid-19 pandemic. Of the 914 schools with registered candidates, 14.4% (132) opted for the non-examination route.

The IB successfully delivered 311 examinations to 16,869 candidates in 914 schools.

Overall, there was a 14.5% decrease in the total number of candidates registered for the November 21 session. A significant decrease was seen in the number of retake candidates (-50.2%) and anticipated candidate registrations were more in line with pre-pandemic levels. There was a 21.6% reduction in the number of schools registered for the November 2021 session. This is due to the withdrawal of public schools in Ecuador (68) and fewer May 2021 candidates registering for retakes in November 2021 (210 fewer May session schools registering candidates in November 21).

23 new schools were added to the portfolio, bringing 383 candidates.

In the **May 2022** session:

In May 2022 a dual route approach was offered to DP/CP schools, an exam route was taken by 2,954 schools (168,877 candidates) and a non-exam route was taken by 136 schools (5,015 candidates).

The IB successfully delivered 607 examinations (an increase of 16%) to 173,892 candidates in 2,954 schools across 140 countries.

Overall, there was a 1.89% increase in the total number of candidates registered for the May 2022 session (0.47% increase in the number of candidates registering for the full Diploma Programme (DP) and a 37.51% increase in the number of candidates registering for the Career-Related Programme (CP). 159 new schools were added to the portfolio, bringing 2,734 candidates.

Middle Years Programme

In the **November 2021** examination session:

In November 2021 the IB made the decision to continue to offer an alternative to on-screen examinations to allow MYP students to complete an assessment even if the on-screen examinations could not be facilitated within their school. The eAssessment on-screen exam route was taken by 58 schools (244 candidates) and the alternative task route was taken by 6 schools (21 candidates).

The IB successfully delivered 52 on-screen examinations for 265 students in 64 schools (81% more on-screen examinations were produced in May 2022 than in previous sessions to accommodate for the alternative tasks). 7,441 candidates registered for the Personal Project.

Nine new schools were added to the portfolio, bringing 683 additional candidates. All nine schools registered course candidates for the mandatory personal project only (no registrations for ePortfolio or on-screen examinations received for these schools).

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

Strategic report (continued)

Achievements and performance (continued)

In the **May 2022** session:

In May 2022 the IB made the decision to continue to offer an alternative to on-screen examinations to allow MYP students to complete an assessment even if the on-screen examinations could not be facilitated within their school. The eAssessment on-screen exam route was taken by 236 schools (9,649 candidates) and the alternative task route was taken by 8 schools and (111 candidates).

The IB successfully delivered 118 on-screen examinations for 9,649 students in 236 schools (78% more on-screen examinations were produced in May 2022 than in previous sessions to accommodate for the alternative tasks). In total 9,649 candidates sat 54,952 on-screen examinations and 89,072 candidates registered for the Personal Project.

83 new schools were added to the portfolio, bringing 4,028 additional candidates.

Financial review

a. Going concern

The service fee the Charity receives for Assessment Services provided is calculated using a mark-up on costs incurred. In the light of this construction the Trustees consider that any financial impact of COVID-19 on the Charity will be negligible.

b. Reserves policy

The Trustees consider an amount equal to about ten weeks' expenditure (\$4.6m) to be the Charity's target short term free reserves level (to cover payment terms with its customer). This would be built up over a period of years as the loan from the Charity's parent is repaid. The Trustees will review the situation annually to ensure that their policy protects the Charity from any significant event that would impact its financial position.

c. Funds policy

Within the Charity's books, all funds are held as unrestricted. Currently there is a surplus, totalling \$27m (2021: \$26m). This represents the Charity's free funds.

Structure, governance and management

a. Constitution

The Charity is constituted under a Memorandum of Association dated 2/4/2008 and is a registered charity number 1126291.

International Baccalaureate Organization (UK) Limited (the Charity) is a company limited by shares which was registered in the United Kingdom on 2 April, 2008, and is governed by its Memorandum and Articles of Association dated 2 April, 2008 (that contain an asset lock for charitable purposes and a bar on distribution of dividends). The company was registered as a charity on 14 October, 2008. Consequently, the directors are referred to herein as Trustees, being charity trustees for the purposes of the Charities Act 2011 as the persons having the general control and management of the Charity.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

Structure, governance and management (continued)

The sole shareholder of the Charity is International Baccalaureate Organization (the IB) which is an independent non-profit-making foundation registered in Switzerland. It was founded on 28 October, 1968 under the name of 'Organization du Baccalaureat International' and functions according to the requirements of the Swiss Civil Code. The IB is the recognised leader in the field of international education, encouraging students to be active learners, well-rounded individuals and engaged world citizens.

b. Methods of appointment or election of Trustees

Under the Articles of Association, the Trustees of the Charity are appointed by the IB. The minimum number of Trustees is two; there is no maximum. Of the five current Trustees, one (Olli-Pekka Heinonen) is the Director General of the IB, and two are independent of the IB, and bring a mixture of business and legal skills, as well as knowledge of the not for profit sector and international issues, to the Board.

c. Organisational structure and decision-making policies

The Charity relies on IB's robust governance framework, with the Board of Governors and its committees representing governance and policy best practices. The remit of the Board of Governors and committees covers all of the activities of the IB's entities, including the Charity, contributing expert advice and providing independent scrutiny of the IB as a whole.

d. Policies adopted for the induction and training of Trustees

Trustees are given a document "Introductory Operational Guide for the Board of International Baccalaureate Organization (UK) Limited", last updated on 5 February, 2010. In addition, Trustees are invited to attend Board meetings of the Charity either in the IB's Cardiff office, or in the IB's global centre in The Hague where they can meet with senior members of staff representing all of the IB's activities. External Trustees also have the opportunity of discussion with their IB Board colleagues and are provided with detailed updated reports on the Assessment activities and presentations on the IB's state of affairs at least twice a year. None of the Trustees received any remuneration or other benefit from the Charity.

e. Remuneration statement

In order to be successful in all respects, we need to be able to attract and retain staff with a wide variety of skills, knowledge and experience, some of which is highly specialised.

We aim, therefore, to be competitive in the different recruitment markets where we compete for talent and to take a balanced and responsible approach to the use of the Charity's funds.

In accordance with SORP FRS102, we disclose:

- All payments to trustees (no Trustees receive "pay")
- The number of staff in receipt of more than \$60,000 (in bands of \$10,000)
- Pensions and other benefits

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

Structure, governance and management (continued)

f. Risk management and Internal Control

The Trustees confirm that, on a regular basis, major risks to which the Group is exposed, as identified by the Trustees, are reviewed, and that systems have been established to manage those risks. Identified potential risks include the non-compliance with legal & taxation requirements, exposure to IT system failures, and incomplete billing of income. This has been done in consultation with the IB, with the activities and operation of the Group included as part of a comprehensive risk framework adopted by the IB. Internal controls are designed to provide reasonable, but not absolute, assurance against material misstatement or loss and include:

- an annual budget
- consideration by Trustees of financial results, and variance from budget
- delegation of authority and segregation of duties

Internal audit is conducted by an in-house team to a plan agreed with Trustees each year, taking into account any substantive changes in the Charity's processes.

g. Trustees' indemnities

The Charity has insurance policies in place which indemnify the Charity against losses arising from the negligence or default of the Trustees and Officers.

h. Key management personnel employed at the Global Centre (Cardiff)

Name	Designation
Andrea Smith (wef 01/06/2022)	Chief Strategy and Transformation Officer
Sarah Perry	Head of Assessment Operations
Gary Wood	Head of IT Operations
Matthew Glanville	Head of Assessment Principles and Practice
Eleonore Kromhout	Head of Assessment Development and Delivery
Jon Tomkinson	Head of Privacy (Global)
Paul Teulon	Head of Global Recognition
Maria Krainova Holt	Head of Business Change, Digital Assessment
Adrian Langton (wef 19/07/2021)	Head of HR UK
Oksana Jajeczyk (wef 01/05/2022)	Head of Programme
Roncie Briggs (resigned 31/08/2021)	Head of HR UK
Toby Courtney-Thomas (resigned 31/10/2021)	Head of IB Answers

Plans for future periods

The IB will work to ensure that more students can benefit from an IB education; and that this education continues to meet the changing needs of students, teachers, universities and employers. Our focus on innovation, service and community in our strategy not only helps us achieve this; but also aims to ensure that the services we provide our community are high quality, innovative and excellent.

The Trustees have been and will continue to be closely concerned, in consultation with the IB, with the implications for the Charity of its future development plans, and in monitoring and adapting in response to them to ensure that they continue to deliver the Charity's objectives.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management.

The Charity has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Charity's equal opportunities policy, the Charity has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Charity's offices.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, Mazars LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on

and signed on their behalf by:



Olli-Pekka Heinonen
Trustee

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 30 JUNE 2022

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED

(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED

Opinion

We have audited the financial statements of International Baccalaureate Organization (UK) Limited (the 'Charity') for the year ended 30 June 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 30 June 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Trustees' Report.

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

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

Responsibilities of Trustees'

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the Trustees' responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees' is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Charity and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation and the Companies Act 2006.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

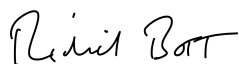
INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the Charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's members as a body for our audit work, for this report, or for the opinions we have formed.



Richard Bott (Senior statutory auditor)
for and on behalf of
Mazars LLP
Chartered Accountants and Statutory Auditor
90 Victoria Street
Bristol
BS1 6DP

Date: 15 December 2022

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2022

	Note	Unrestricted funds 2022 \$	Total funds 2022 \$	Total funds 2021 \$
Income from:				
Charitable activities	4	23,738,816	23,738,816	23,114,026
Total income		<u>23,738,816</u>	<u>23,738,816</u>	<u>23,114,026</u>
Expenditure on:				
Charitable activities		22,649,779	22,649,779	21,992,353
Other expenditure	8	-	-	43,302
Total expenditure		<u>22,649,779</u>	<u>22,649,779</u>	<u>22,035,655</u>
Net income before net (losses)/gains on investments		<u>1,089,037</u>	<u>1,089,037</u>	<u>1,078,371</u>
Net (losses)/gains on investments		(501,758)	(501,758)	322,616
Net movement in funds		<u>587,279</u>	<u>587,279</u>	<u>1,400,987</u>
Reconciliation of funds:				
Total funds brought forward		26,070,275	26,070,275	24,669,288
Net movement in funds		587,279	587,279	1,400,987
Total funds carried forward		<u>26,657,554</u>	<u>26,657,554</u>	<u>26,070,275</u>

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

BALANCE SHEET
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Fixed assets			
Tangible assets	13	3,033,883	4,675,854
		<u>3,033,883</u>	<u>4,675,854</u>
Current assets			
Debtors	14	24,876,690	775,916
Cash at bank and in hand		2,240,117	62,246,923
		<u>27,116,807</u>	<u>63,022,839</u>
Creditors: amounts falling due within one year	15	(837,241)	(38,821,530)
Net current assets		<u>26,279,566</u>	<u>24,201,309</u>
Total assets less current liabilities		<u>29,313,449</u>	<u>28,877,163</u>
Creditors: amounts falling due after more than one year	16	(1,503,544)	(1,651,858)
Provisions for liabilities		(1,152,351)	(1,155,030)
Net assets excluding pension asset		<u>26,657,554</u>	<u>26,070,275</u>
Total net assets		<u><u>26,657,554</u></u>	<u><u>26,070,275</u></u>
Charity funds			
Restricted funds	19	-	-
Unrestricted funds	19	26,657,554	26,070,275
Total funds		<u><u>26,657,554</u></u>	<u><u>26,070,275</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on _____ and signed on their behalf by:

Olli-Pekka Heinonen
Trustee

The notes on pages 16 to 30 form part of these financial statements.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$	2021 \$
Cash flows from operating activities		
Net cash used in operating activities	(59,740,128)	60,599,816
Cash flows from investing activities		
Purchase of intangible assets	-	(46)
Purchase of tangible fixed assets	(266,678)	(695,436)
Disposal of investments	-	1,613
Net cash used in investing activities	(266,678)	(693,869)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(60,006,806)	59,905,947
Cash and cash equivalents at the beginning of the year	62,246,923	2,340,976
Cash and cash equivalents at the end of the year	2,240,117	62,246,923

The notes on pages 16 to 30 form part of these financial statements

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. General information

International Baccalaureate Organization (UK) Limited is a private company limited by shares, registered in England & Wales, registered number 06553433 and a registered charity, number 1126291. Its registered office, and that of the subsidiary, is Peterson House, Malthouse Avenue, Cardiff Gate, Cardiff, CF23 8GL.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

International Baccalaureate Organization (UK) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The presentation currency of the financial statements is USD which is the functional currency of the Charity and they are rounded to the nearest dollar. The financial information relates to the year ended 30 June 2022 and the comparative information relates to the year ended 30 June 2021.

2.2 Going concern

The financial statements are prepared on the going concern basis, based on continuing support from the parent undertaking, International Baccalaureate Organization, and the expectation of continued growth in the assessment services in the future.

The going concern basis is dependent on the going concern of its parent entity, International Baccalaureate Organisation.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The service recharge between the Charity and the IB is for all establishment, payroll and other business costs and expenses. The income for this is recognised in line with the corresponding expenditure.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure, including termination benefits, is accounted for on an accruals basis. Costs are apportioned between expenditure categories in a manner which reflects the allocation of resources to these areas. Costs of activities in furtherance of charitable activities are educational and assessment-related in nature. Support costs have been allocated between these items. Governance costs comprise the costs involved in the governance of the Charity, its compliance with constitutional and statutory requirements and its accountability to the public.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

2.6 Foreign currencies

The Charity's income and cash flows are primarily generated in US dollars and management information is reported in US dollars. The functional currency of the Charity is US dollars. During the year, the Charity changed the currency in which it presents its financial statements from pounds to US dollars, in order to better reflect the performance of the Charity.

Foreign currency transactions are translated into US dollars using the spot exchange rate prevailing on the date of the transactions. Exchange gains and losses resulting from the settlement of foreign currency transactions and revaluation of monetary assets and liabilities at the balance sheet date are recorded in the income statement. Monetary assets and liabilities denominated in foreign currencies are translated into US dollars at the exchange rate prevailing at the balance sheet date.

2.7 Intangible assets and amortisation

Intangible assets are capitalised at cost, and depreciated so as to write off the costs of fixed assets less estimated residual value over their estimated useful lives on a straight-line basis at the following annual rates.

Amortisation is provided on the following basis:

Computer software	- 20 %	per annum
-------------------	--------	-----------

At each balance sheet date, the Charity reviews the carrying amounts of its intangible fixed assets to determine whether any assets have suffered an impairment loss. Any impairment loss is recognised in the statement of financial activities in the year in which it occurs.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	- 10% per annum
Fixtures and fittings	- 10 - 33 % per annum

At each balance sheet date, the Charity reviews the carrying amounts of its tangible fixed assets to determine whether any assets have suffered an impairment loss. Any impairment loss is recognised in the statement of financial activities in the year in which it occurs.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.12 Provisions

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2.13 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.14 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Accounting policies (continued)

2.15 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

There are judgements made in determining whether provisions are required and at what value. A dilapidations provision is held relating to the estimated cost of repairs to the Cardiff offices at the end of the lease, based on anticipated future costs. Given that the timing of lease exit is uncertain, with potential for lease extension, the value and timing of the resulting payments is also uncertain. There have been no actual costs to compare the estimate to however. A dilapidations provision of \$1.2m is held at the year end.

4. Income from charitable activities

	Unrestricted funds 2022 \$	Total funds 2022 \$
Assessment	<u>23,738,816</u>	<u>23,738,816</u>

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

4. Income from charitable activities (continued)

	Unrestricted funds 2021 \$	Total funds 2021 \$
Assessment	23,114,026	23,114,026

5. Charitable Activities

	Total 2022 \$	Total 2021 \$
Office communications, IT & other supplies	1,203,268	1,387,551
Realised exchange losses/(gains)	(46,815)	32,742
Other	636,585	562,927
Other staff costs	79,481	126,919
Temporary staff/contractors	334,224	-
Wages and salaries	15,462,013	15,144,785
Depreciation	713,282	714,059
Support costs (note 6)	4,216,710	3,970,543
Governance costs (note 7)	51,031	52,827
Total	22,649,779	21,992,353

6. Support costs

	2022 \$	2021 \$
Management	875,271	603,236
Finance	168,250	181,026
Human Resources	43,960	124,557
Information Technology	1,217,842	1,233,637
Facilities	1,911,387	1,828,087
	4,216,710	3,970,543

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

7. Governance costs

	2022 \$	2021 \$
Auditors' remuneration	51,031	52,827
	<u>51,031</u>	<u>52,827</u>

8. Other expenditure

	Total funds 2022 \$
Bank charges and interest	-
	<u>-</u>

	Unrestricted funds 2021 \$	Total funds 2021 \$
Bank charges and interest	43,302	43,302
	<u>43,302</u>	<u>43,302</u>

9. Auditor's remuneration

	2022 \$	2021 \$
Fees payable to the Charity's auditor and its associates for the audit of the Charity's annual accounts	28,670	28,670
Fees payable to the Charity's auditor and its associates in respect of:		
The auditing of accounts of associates of the Charity	24,157	24,157
All assurance services not included above	2,265	6,895
	<u>26,422</u>	<u>31,722</u>

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

10. Staff costs

	2022	2021
	\$	\$
Wages and salaries	14,349,817	14,009,323
Social security costs	1,534,894	1,345,975
Contribution to defined contribution pension schemes	1,065,092	1,016,533
	<u>16,949,803</u>	<u>16,371,831</u>

The average number of persons employed by the Charity during the year was as follows:

	2022	2021
	No.	No.
Staff	<u>286</u>	<u>283</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded \$60,000 was:

	2022	2021
	No.	No.
In the band \$87,501 - \$100,000	2	-
In the band \$100,001 - \$175,000	7	9
In the band \$220,001 - \$227,500	-	1
	-	-

Provisions for termination benefits are recognised only when the company is demonstrably committed to terminate the employment of an employee or of a group of employees before their normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. Termination costs are recognised when paid through the payroll. The total termination payments in the year were \$115,271 (2021: \$160,377).

The Charity considers its key management personnel to comprise the trustees, Department Heads and the Chief Strategy and Transformation Officer. The total employment benefits including employer pension contributions of the key management personnel were \$1.14m (2021: \$1.01m).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - \$NIL).

During the year ended 30 June 2022, expenses totalling \$NIL were reimbursed or paid directly to no Trustees (2021 - \$NIL to no Trustees). The expenses relate to travel and subsistence.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

12. Intangible assets

	Computer software \$
Cost	
At 1 July 2021	29,555
At 30 June 2022	<u>29,555</u>
Amortisation	
At 1 July 2021	29,555
At 30 June 2022	<u>29,555</u>
Net book value	
At 30 June 2022	<u>-</u>
At 30 June 2021	<u>-</u>

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

13. Tangible fixed assets

	Long-term leasehold property \$	Fixtures and fittings \$	Total \$
Cost or valuation			
At 1 July 2021	13,363,020	4,774,796	18,137,816
Additions	2,817	263,861	266,678
Disposals	-	(326,111)	(326,111)
At 30 June 2022	13,365,837	4,712,546	18,078,383
Depreciation			
At 1 July 2021	9,584,554	3,877,407	13,461,961
Charge for the year	1,417,160	490,616	1,907,776
On disposals	-	(325,236)	(325,236)
At 30 June 2022	11,001,714	4,042,787	15,044,501
Net book value			
At 30 June 2022	2,364,123	669,759	3,033,882
At 30 June 2021	3,778,466	897,388	4,675,854

14. Debtors

	2022 \$	2021 \$
Due within one year		
Amounts owed by group undertakings	24,254,323	-
Other debtors	216,387	48,552
Prepayments and accrued income	405,980	727,364
	24,876,690	775,916

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

15. Creditors: Amounts falling due within one year

	2022	2021
	\$	\$
Trade creditors	105,540	350,636
Amounts owed to group undertakings	-	37,299,929
Other taxation and social security	10,646	7,659
Accruals and deferred income	721,055	1,163,306
	<u>837,241</u>	<u>38,821,530</u>

16. Creditors: Amounts falling due after more than one year

	2022	2021
	\$	\$
Amounts owed to group undertakings	1,066,977	1,215,291
Other creditors	436,567	436,567
	<u>1,503,544</u>	<u>1,651,858</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2022	2021
	\$	\$
Repayable by instalments	-	643,528
	<u>-</u>	<u>643,528</u>

In 2009, IBO provided IBO (UK) Ltd with an interest free loan of GBP2.5 million to support it's working capital arrangements. The loan was being repaid at GBP125,000 per year. Since the balance sheet date, IBO (UK) Ltd has repaid the full remaining balance of the loan to IBO.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

17. Provisions

	Provision \$
At 1 July 2021	1,155,030
Movement in year	(2,679)
	<u>1,152,351</u>

Provision

The dilapidations provision is a provision for the cost of repairs to the Cardiff offices at the end of the lease. Given the timing of lease exit is uncertain, the value and timing of the resulting payments is also uncertain. The addition this year relates to the building up of the provision over time.

18. Share capital

	2022 \$	2021 \$
1 ordinary share of £1	<u>2</u>	<u>2</u>

The share has attached to it full voting, dividend and capital distribution (including on winding up) rights; it does not confer any rights of redemption.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

19. Statement of funds

Statement of funds - current year

	Balance at 1 July 2021	Income	Expenditure	Gains/ (Losses)	Balance at 30 June 2022
	\$	\$	\$	\$	\$
Unrestricted funds					
General Fund	26,070,275	23,738,816	(22,649,779)	(501,758)	26,657,554
	<u>26,070,275</u>	<u>23,738,816</u>	<u>(22,649,779)</u>	<u>(501,758)</u>	<u>26,657,554</u>

Statement of funds - prior year

	Balance at 1 July 2020	Income	Expenditure	Gains/ (Losses)	Balance at 30 June 2021
	\$	\$	\$	\$	\$
Unrestricted funds					
General Fund	24,669,288	23,114,026	(22,035,655)	322,616	26,070,275
	<u>24,669,288</u>	<u>23,114,026</u>	<u>(22,035,655)</u>	<u>322,616</u>	<u>26,070,275</u>

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds	Total funds
	2022	2022
	\$	\$
Tangible fixed assets	3,033,883	3,033,883
Current assets	27,116,807	27,116,807
Creditors due within one year	(837,241)	(837,241)
Creditors due in more than one year	(1,503,544)	(1,503,544)
Provisions for liabilities and charges	(1,152,351)	(1,152,351)
	<u>26,657,554</u>	<u>26,657,554</u>

Analysis of net assets between funds - prior period

	Unrestricted funds	Total funds
	2021	2021
	\$	\$
Tangible fixed assets	4,675,854	4,675,854
Current assets	63,022,839	63,022,839
Creditors due within one year	(39,258,097)	(39,258,097)
Creditors due in more than one year	(1,215,291)	(1,215,291)
Provisions for liabilities and charges	(1,155,030)	(1,155,030)
	<u>26,070,275</u>	<u>26,070,275</u>

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 \$	2021 \$
Net income for the year (as per Statement of Financial Activities)	587,279	1,400,987
Adjustments for:		
Depreciation charges	1,907,776	1,902,257
Amortisation charges	-	1,686
Loss on the sale of fixed assets	873	137,263
Decrease/(increase) in debtors	(24,100,774)	19,524,201
Increase/(decrease) in creditors	(38,132,603)	37,366,221
Increase in provisions	(2,679)	267,201
Net cash provided by/(used in) operating activities	(59,740,128)	60,599,816

22. Analysis of cash and cash equivalents

	2022 \$	2021 \$
Cash in hand	2,240,117	62,246,923
Total cash and cash equivalents	2,240,117	62,246,923

23. Analysis of changes in net debt

	At 1 July 2021 \$	Cash flows \$	At 30 June 2022 \$
Cash at bank and in hand	62,246,923	(60,006,806)	2,240,117

24. Contingent liabilities

The Charity has no contingent liabilities as at 30 June 2022 (2021: \$Nil).

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

25. Pension commitments

The Charity operates money purchase pension schemes with Scottish Equitable and Standard Life for United Kingdom based employees of the IB. The pension cost charge represents contributions payable by the Charity to the fund and amounted to \$1.065m (2021 - \$1.017m).

26. Operating lease commitments

At 30 June 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 \$	2021 \$
Land and buildings amounts payable:		
Within 1 year	915,407	1,042,630
Between 1 and 5 years	610,271	1,737,717
	<u>1,525,678</u>	<u>2,780,347</u>
	2022 \$	2021 \$
Other amounts payable:		
Within 1 year	200,646	482,331
Between 1 and 5 years	-	200,646
	<u>200,646</u>	<u>682,977</u>

27. Related party transactions

The Charity earned a service fee from its parent company of \$23.7m (2021: \$23.1m) for assessment services provided. At the year end the Charity owed £24.2m to (2021: \$37.3m by) the ultimate parent undertaking and had an outstanding loan of \$1.0m (2021: \$1.3m) to the ultimate parent undertaking.

28. Controlling party

The Trustees regard Swiss Foundation, International Baccalaureate Organization (IBO), an independent non-profit-making based at Route des Morillons, 15 Grand-Sacconex, Geneva, CH-1218 Switzerland, registered charity number CHE-107.025.266, as the ultimate parent undertaking. IBO is deemed to exercise control as it has the right to appoint or remove a majority of the board of International Baccalaureate Organization (UK) Limited.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED

England & Wales - Charity number 1126291

Accounts

Registered number: 06553433
Charity number: 1126291

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Trustees' Report	2 - 8
Trustees' Responsibilities Statement	9
Independent Auditor's Report on the Financial Statements	10 - 13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 - 34

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2021**

Trustees	Dr Datla Siva Kumari (resigned 31 March 2021) Sian Elizabeth Thornhill (resigned 1 July 2020) Paula Margaret Wilcock (resigned 3 October 2020) David Ralph Homer William Henry Oldreive Olli-Pekka Heinonen (appointed 1 May 2021)
Company registered number	06553433
Charity registered number	1126291
Registered office	Peterson House Malthouse Avenue Cardiff Gate Cardiff CF23 8GL
Independent auditor	Mazars LLP Chartered Accountants 90 Victoria Street Bristol BS1 6DP
Bankers	HSBC Bank plc Cardiff CF10 1LF
Solicitors	Withers Bergman LLP 16 Old Bailey London EC4M 7EG

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2021

The Trustees present their annual report together with the audited financial statements of the Charity for the 1 July 2020 to 30 June 2021.

The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

a. Policies and objectives

The Charity has charitable objects that reflect the charitable purposes of the IB. These are the advancement of education by:

- a) the development and promotion of programmes of education for students at different levels within schools (primary, middle and upper secondary school levels or such other levels as may be relevant overseas) for adoption by authorised schools in all countries;
- b) the development, administration and promotion of an international examination for authorised schools giving access to higher education in all countries;
- c) such other means as the Trustees of the Charity may determine; and
- d) such other exclusively charitable purposes as the Trustees of the Charity may in their absolute discretion determine.

The Charity achieves these objects and delivers public benefit by providing services to the IB in support of the IB's work with schools, governments and international organizations to develop challenging programmes of international education and rigorous assessment that encourage students across the world to become active, compassionate and lifelong learners who help to create a better and more peaceful world through intercultural understanding and respect. The following are particular areas of the Charity's work:

- Assessment
- Information and communications technology
- Payroll and human resources

An operating agreement exists between the Charity and the IB and provides that, to the extent permitted by law, the Charity will carry out its functions in a manner consistent with the relevant corporate principles, policies, standards, systems and procedures of the IB. This includes responding accordingly to the plans of the IB for its future operation, with regard to its aim to develop inquiring, knowledgeable and caring young people who help to create a better and more peaceful world through intercultural understanding and respect.

In carrying out the functions described above in order to further the Charity's aims, the Trustees have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED

(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Strategic report

Achievements and performance

a. Review of activities

Diploma programme

In the **November 2020** examination session:

In November 2020 a dual route session was offered to schools due to the Covid-19 pandemic. Of the 1,169 schools with registered candidates, 29.51% (345) opted for the non-examination route.

The IB successfully delivered 504 examinations (a 34% increase as a result of the decision to offer candidates the opportunity to sit May 2020 assessments not normally offered in November 2020) to 19,719 candidates in 1,166 schools across 116 countries.

Overall, there was a 2.9% increase in the number of candidates registered for the November 2020 session (across anticipated, retake and course candidate registrations). However, there was 1.2% reduction in the number of candidates registering for the full Diploma Programme (DP) but a 49% increase in the number of candidates registering for the Career-Related Programme (CP). 24 new schools were added to the portfolio, bringing 392 candidates.

In the **May 2021** session:

In May 2021 a dual route approach was offered to DP/CP schools, an exam route which was taken by 46% of schools and a non-exam route which was taken by 54% of schools.

The IB successfully delivered 607 examinations (a decrease of 31.7% due to the adjusted assessment model for the exam route) to 170,660 candidates in 3,072 schools across 153 countries.

Overall, there was a 2.18% decrease in the total number of candidates registered for the May 21 session. However, there was 0.75% increase in the number of candidates registering for the full Diploma Programme (DP) and a 16.21% increase in the number of candidates registering for the Career-Related Programme (CP). 144 new schools were added to the portfolio, bringing 2,444 candidates.

Middle Years Programme

In the **November 2020** examination session:

In November 2020 the IB made the decision to offer an alternative to on-screen examinations to allow MYP students to complete an assessment even if the on-screen examinations could not be facilitated within their school.

The IB successfully delivered 64 on-screen examinations (40% more on-screen examinations were produced in November 2020 than in previous sessions to accommodate potential retake candidates from the May 2020 session and alternative tasks) for 477 students in 17 schools. 7,207 candidates registered for the Personal Project.

Five new schools were added to the portfolio, bringing 466 additional candidates. All five schools registered course candidates for the mandatory personal project only (no registrations for ePortfolio or on-screen examinations received for these schools).

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

Strategic report (continued)

Achievements and performance (continued)

In the **May 2021** session:

In May 2021 the IB made the decision to offer an alternative to on-screen examinations to allow MYP students to complete an assessment even if the on-screen examinations could not be facilitated within their school. The eAssessment on-screen exam route was taken by 45% of schools and students and the alternative task route which was taken by 55% of schools and students.

The IB successfully delivered 66 on-screen examinations (100% more on-screen examinations were produced in May 2021 than in previous sessions to accommodate for the alternative tasks). In total 8,462 candidates sat 44,765 on-screen examinations, 8,059 candidates produced 13,898 ePortfolios and 83,246 candidates registered for the Personal Project. 80 new schools were added to the portfolio, bringing 4,939 additional candidates.

Project Aurora – the new Assessment Operations System (AOS)

In May 2018 the IB Board and Finance Committee approved a business case to replace the IB Information System (IBIS) with a full "ecosystem" of modular services based on a Microsoft Azure platform, to be known as the Assessment Operations System (AOS).

The project is in the delivery phase. IB has been working with two key external developers, with development and refinement taking place throughout the year. At the end of 30 June 2021, it is estimated that 57% of development work conducted by the first developer is complete and in user acceptance testing. The second developer is approximately 76% complete. Following a consultation on the integrated project plan, the timeline for delivery (release) is currently under review.

Financial review

a. Going concern

The service fee the Charity receives for Assessment Services provided is calculated using a mark-up on costs incurred. In the light of this construction the Trustees consider that any financial impact of COVID-19 on the Charity will be negligible.

b. Reserves policy

The Trustees consider an amount equal to about ten weeks' expenditure (\$3.9m) to be the Charity's target short term free reserves level (to cover payment terms with its customer). This would be built up over a period of years as the loan from the Charity's parent is repaid. The Trustees will review the situation annually to ensure that their policy protects the Charity from any significant event that would impact its financial position.

c. Funds policy

Within the Charity's books, all funds are held as unrestricted. Currently there is a surplus, totalling \$26m (2020: \$25m). This represents the Charity's free funds.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

Structure, governance and management

a. Constitution

The Charity is constituted under a Memorandum of Association dated 2/4/2008 and is a registered charity number 1126291.

International Baccalaureate Organization (UK) Limited (the Charity) is a company limited by shares which was registered in the United Kingdom on 2 April, 2008, and is governed by its Memorandum and Articles of Association dated 2 April, 2008 (that contain an asset lock for charitable purposes and a bar on distribution of dividends). The company was registered as a charity on 14 October, 2008. Consequently, the directors are referred to herein as Trustees, being charity trustees for the purposes of the Charities Act 2011 as the persons having the general control and management of the Charity.

The sole shareholder of the Charity is International Baccalaureate Organization (the IB) which is an independent non-profit-making foundation registered in Switzerland. It was founded on 28 October, 1968 under the name of 'Organization du Baccalaureat International' and functions according to the requirements of the Swiss Civil Code. The IB is the recognised leader in the field of international education, encouraging students to be active learners, well-rounded individuals and engaged world citizens.

b. Methods of appointment or election of Trustees

Under the Articles of Association, the Trustees of the Charity are appointed by the IB. The minimum number of Trustees is two; there is no maximum. Of the three current Trustees, one (Olli-Pekka Heinonen) is the Director General of the IB, and two are independent of the IB, and bring a mixture of business and legal skills, as well as knowledge of the not for profit sector and international issues, to the Board.

c. Organisational structure and decision-making policies

The Charity relies on IB's robust governance framework, with the Board of Governors and its committees representing governance and policy best practices. The remit of the Board of Governors and committees covers all of the activities of the IB's entities, including the Charity, contributing expert advice and providing independent scrutiny of the IB as a whole.

d. Policies adopted for the induction and training of Trustees

Trustees are given a document "Introductory Operational Guide for the Board of International Baccalaureate Organization (UK) Limited", last updated on 5 February, 2010. In addition, Trustees are invited to attend Board meetings of the Charity either in the IB's Cardiff office, or in the IB's global centre in The Hague where they can meet with senior members of staff representing all of the IB's activities. External Trustees also have the opportunity of discussion with their IB Board colleagues and are provided with detailed updated reports on the Assessment activities and presentations on the IB's state of affairs at least twice a year. None of the Trustees received any remuneration or other benefit from the Charity.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

Structure, governance and management (continued)

e. Remuneration statement

In order to be successful in all respects, we need to be able to attract and retain staff with a wide variety of skills, knowledge and experience, some of which is highly specialised.

We aim, therefore, to be competitive in the different recruitment markets where we compete for talent and to take a balanced and responsible approach to the use of the Charity's funds.

In accordance with SORP FRS102, we disclose:

- All payments to trustees (no Trustees receive "pay")
- The number of staff in receipt of more than \$60,000 (in bands of \$10,000)
- Pensions and other benefits

f. Risk management and Internal Control

The Trustees confirm that, on a regular basis, major risks to which the Group is exposed, as identified by the Trustees, are reviewed, and that systems have been established to manage those risks. Identified potential risks include the non-compliance with legal & taxation requirements, exposure to IT system failures, and incomplete billing of income. This has been done in consultation with the IB, with the activities and operation of the Group included as part of a comprehensive risk framework adopted by the IB. Internal controls are designed to provide reasonable, but not absolute, assurance against material misstatement or loss and include:

- an annual budget
- consideration by Trustees of financial results, and variance from budget
- delegation of authority and segregation of duties

Internal audit is conducted by an in-house team to a plan agreed with Trustees each year, taking into account any substantive changes in the Charity's processes.

g. Trustees' indemnities

The Charity has insurance policies in place which indemnify the Charity against losses arising from the negligence or default of the Trustees and Officers.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

Structure, governance and management (continued)

h. Key management personnel employed at the Global Centre (Cardiff)

Executive personnel:

Paula Wilcock - Chief Assessment Officer (resigned 02/10/2020)

Anton Béguin - Chief Assessment Officer (appointed 01/01/2021)

Assessment personnel:

Eleonore Kromhout - Head of Assessment Development and Delivery

Sarah Perry - Head of Assessment Operations

Matthew Glanville - Head of Assessment Principles and Practice

Support services:

Richard Jenkins - Head of Information Risk Management, Security and Governance (resigned 14/05/2021)

Gary Wood – Head of IT Operations

Roncie Briggs - Head of HR UK

Paul Teulon - Head of Global Recognition

Maria Krainova Holt - Head of Business Change, Digital Assessment (appointed 01/03/2021)

Miles Courtney-Thomas - Head of IB Answers

Plans for future periods

The IB will work to ensure that more students can benefit from an IB education; and that this education continues to meet the changing needs of students, teachers, universities and employers. Our focus on innovation, service and community in our strategy not only helps us achieve this; but also aims to ensure that the services we provide our community are high quality, innovative and excellent.

The Trustees have been and will continue to be closely concerned, in consultation with the IB, with the implications for the Charity of its future development plans, and in monitoring and adapting in response to them to ensure that they continue to deliver the Charity's objectives.

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management.

The Charity has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Charity's equal opportunities policy, the Charity has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Charity's offices.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, Mazars LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on **27-Oct-21** and signed on their behalf by:



Olli-Pekka Heinonen
Trustee

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 30 JUNE 2021

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE OF INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED

Opinion

We have audited the financial statements of International Baccalaureate Organization (UK) Limited (the 'Charity') for the year ended 30 June 2021 which comprise the Group Consolidated Statement of Financial Activities, , the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 30 June 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED

(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE OF INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED (CONTINUED)

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 9, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Charity'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 directors intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE OF INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation and employment regulation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to loss reserves, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE OF INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED (CONTINUED)

Use of the audit report

This report is made solely to the Charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Richard Bott (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
90 Victoria Street
Bristol
BS1 6DP

Date: 13/12/21

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2021

	Note	Unrestricted funds 2021 \$	Total funds 2021 \$	Total funds 2020 \$
Income from:				
Charitable activities	4	23,114,026	23,114,026	20,888,040
Other income	5	-	-	26,800
Total income		<u>23,114,026</u>	<u>23,114,026</u>	<u>20,914,840</u>
Expenditure on:				
Charitable activities		21,992,353	21,992,353	20,831,364
Other expenditure	9	43,302	43,302	43,815
Total expenditure		<u>22,035,655</u>	<u>22,035,655</u>	<u>20,875,179</u>
Net income before net gains/(losses) on investments		1,078,371	1,078,371	39,661
Net gains/(losses) on investments		322,616	322,616	(264,271)
		<u>1,400,987</u>	<u>1,400,987</u>	<u>(224,610)</u>
Net movement in funds				
Reconciliation of funds:				
Total funds brought forward		24,669,288	24,669,288	24,893,898
Net movement in funds		1,400,987	1,400,987	(224,610)
Total funds carried forward		<u>26,070,275</u>	<u>26,070,275</u>	<u>24,669,288</u>

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

BALANCE SHEET
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
Fixed assets			
Intangible assets	13	-	1,640
Tangible assets	14	4,675,854	6,019,938
Investments	15	-	1,613
		<u>4,675,854</u>	<u>6,023,191</u>
Current assets			
Debtors	16	775,916	20,300,117
Cash at bank and in hand		62,246,923	2,340,976
		<u>63,022,839</u>	<u>22,641,093</u>
Creditors: amounts falling due within one year	17	(38,821,530)	(1,208,917)
Net current assets		<u>24,201,309</u>	<u>21,432,176</u>
Total assets less current liabilities		<u>28,877,163</u>	<u>27,455,367</u>
Creditors: amounts falling due after more than one year	18	(1,651,858)	(1,898,250)
Provisions for liabilities		(1,155,030)	(887,829)
Net assets excluding pension asset		<u>26,070,275</u>	<u>24,669,288</u>
Total net assets		<u>26,070,275</u>	<u>24,669,288</u>
Charity funds			
Restricted funds	21	-	-
Unrestricted funds	21	26,070,275	24,669,288
Total funds		<u>26,070,275</u>	<u>24,669,288</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 27-Oct-2021 and signed on their behalf by:


Olli-Pekka Heinonen
Trustee

The notes on pages 17 to 34 form part of these financial statements.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	2021 \$	2020 \$
Cash flows from operating activities		
Net cash used in operating activities	60,599,816	829,700
Cash flows from investing activities		
Purchase of intangible assets	(46)	-
Purchase of tangible fixed assets	(695,436)	(536,569)
Disposal of investments	1,613	-
Net cash used in investing activities	(693,869)	(536,569)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	59,905,947	293,131
Cash and cash equivalents at the beginning of the year	2,340,976	2,047,845
Cash and cash equivalents at the end of the year	<u>62,246,923</u>	<u>2,340,976</u>

The notes on pages 17 to 34 form part of these financial statements

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. General information

International Baccalaureate Organization (UK) Limited is a private company limited by shares, registered in England & Wales, registered number 06553433 and a registered charity, number 1126291. Its registered office, and that of the subsidiary, is Peterson House, Malthouse Avenue, Cardiff Gate, Cardiff, CF23 8GL.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

International Baccalaureate Organization (UK) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The presentation currency of the financial statements is USD which is the functional currency of the Charity and they are rounded to the nearest dollar. The financial information relates to the year ended 30 June 2021 and the comparative information relates to the year ended 30 June 2020.

2.2 Going concern

The financial statements are prepared on the going concern basis, based on continuing support from the parent undertaking, International Baccalaureate Organization, and the expectation of continued growth in the assessment services in the future.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The service recharge between the Charity and the IB is for all establishment, payroll and other business costs and expenses. The income for this is recognised in line with the corresponding expenditure.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure, including termination benefits, is accounted for on an accruals basis. Costs are apportioned between expenditure categories in a manner which reflects the allocation of resources to these areas. Costs of activities in furtherance of charitable activities are educational and assessment-related in nature. Support costs have been allocated between these items. Governance costs comprise the costs involved in the governance of the Charity, its compliance with constitutional and statutory requirements and its accountability to the public.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

2.6 Foreign currencies

The Charity's income and cash flows are primarily generated in US dollars and management information is reported in US dollars. The functional currency of the Charity is US dollars. During the year, the Charity changed the currency in which it presents its financial statements from pounds to US dollars, in order to better reflect the performance of the Charity.

Foreign currency transactions are translated into US dollars using the spot exchange rate prevailing on the date of the transactions. Exchange gains and losses resulting from the settlement of foreign currency transactions and revaluation of monetary assets and liabilities at the balance sheet date are recorded in the income statement. Monetary assets and liabilities denominated in foreign currencies are translated into US dollars at the exchange rate prevailing at the balance sheet date.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

2. Accounting policies (continued)

2.7 Intangible assets and amortisation

Intangible assets are capitalised at cost, and depreciated so as to write off the costs of fixed assets less estimated residual value over their estimated useful lives on a straight-line basis at the following annual rates.

Amortisation is provided on the following basis:

Computer software	- 20 %	per annum
-------------------	--------	-----------

At each balance sheet date, the Charity reviews the carrying amounts of its intangible fixed assets to determine whether any assets have suffered an impairment loss. Any impairment loss is recognised in the statement of financial activities in the year in which it occurs.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	- 10% per annum
Fixtures and fittings	- 10 - 33 % per annum

At each balance sheet date, the Charity reviews the carrying amounts of its tangible fixed assets to determine whether any assets have suffered an impairment loss. Any impairment loss is recognised in the statement of financial activities in the year in which it occurs.

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.12 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.13 Provisions

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2.14 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.15 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.16 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.17 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

There are judgements made in determining whether provisions are required and at what value. A dilapidations provision is held relating to the estimated cost of repairs to the Cardiff offices at the end of the lease, based on anticipated future costs. Given that the timing of lease exit is uncertain, with potential for lease extension, the value and timing of the resulting payments is also uncertain. There have been no actual costs to compare the estimate to however. A dilapidations provision of \$1.1m is held at the year end.

4. Income from charitable activities

	Unrestricted funds 2021 \$	Total funds 2021 \$
Assessment	23,114,026	23,114,026

	Unrestricted funds 2020 \$	Total funds 2020 \$
Assessment	20,888,040	20,888,040

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

5. Other incoming resources

		Total funds 2021 \$
Intercompany loan interest		-
		<u><u> </u></u>
	Unrestricted funds 2020 \$	Total funds 2020 \$
Intercompany loan interest	26,800	26,800

6. Charitable Activities

	Total 2021 \$	Total 2020 \$
Office communications, IT & other supplies	1,387,551	1,364,739
Realised exchange losses/(gains)	32,742	41,374
Loss on disposal of fixed assets	-	40
Other	562,927	667,689
Other staff costs	126,919	248,729
Temporary staff/contractors	-	142,234
Wages and salaries	15,144,785	12,617,951
Depreciation	714,059	772,109
Support costs (note 7)	3,970,543	4,930,718
Governance costs (note 8)	<u>52,827</u>	<u>45,781</u>
Total	<u>21,992,353</u>	<u>20,831,364</u>

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

7. Support costs

	2021	2020
	\$	\$
Management	603,236	469,229
Finance	181,026	164,028
Human Resources	124,557	186,784
Information Technology	1,233,637	1,122,806
Facilities	1,828,087	2,987,871
	<u>3,970,543</u>	<u>4,930,718</u>

8. Governance costs

	2021	2020
	\$	\$
Auditors' remuneration	52,827	45,781
	<u>52,827</u>	<u>45,781</u>

9. Other expenditure

	Unrestricted funds 2021 \$	Total funds 2021 \$
Bank charges and interest	43,302	43,302
	<u>43,302</u>	<u>43,302</u>

	Unrestricted funds 2020 \$	Total funds 2020 \$
Bank charges and interest	43,815	43,815
	<u>43,815</u>	<u>43,815</u>

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

10. Auditor's remuneration

	2021	2020
	\$	\$
Fees payable to the Charity's auditor and its associates for the audit of the Charity's annual accounts	28,670	29,703
Fees payable to the Charity's auditor and its associates in respect of:		
The auditing of accounts of associates of the Charity	24,157	24,107
All assurance services not included above	6,895	6,895
	<u>28,670</u>	<u>29,703</u>

11. Staff costs

	2021	2020
	\$	\$
Wages and salaries	14,009,323	12,007,508
Social security costs	1,345,975	1,200,215
Contribution to defined contribution pension schemes	1,016,533	934,108
	<u>16,371,831</u>	<u>14,141,831</u>

The average number of persons employed by the Charity during the year was as follows:

	2021	2020
	No.	No.
Staff	283	258
	<u>283</u>	<u>258</u>

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

11. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded \$60,000 was:

	2021 No.	2020 No.
In the band \$75,001 - \$87,500	-	8
In the band \$87,501 - \$100,000	-	4
In the band \$100,001 - \$175,000	9	-
In the band \$175,001 - \$187,500	-	1
In the band \$220,001 - \$227,500	1	-

Provisions for termination benefits are recognised only when the company is demonstrably committed to terminate the employment of an employee or of a group of employees before their normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. Termination costs are recognised when paid through the payroll. The total termination payments in the year were \$160,377 (2020: \$88,500).

The Charity considers its key management personnel to comprise the trustees, Department Heads and the Chief Assessment Officer. The total employment benefits including employer pension contributions of the key management personnel were \$1.01m (2020: \$0.753m).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - \$NIL).

During the year ended 30 June 2021, expenses totalling \$0 were reimbursed or paid directly to no Trustees (2020 - \$11,262 to 1 Trustee). The expenses relate to travel and subsistence.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

13. Intangible assets

	Computer software \$
Cost	
At 1 July 2020	139,780
Additions	46
Disposals	(110,271)
At 30 June 2021	<u>29,555</u>
Amortisation	
At 1 July 2020	138,140
Charge for the year	1,686
On disposals	(110,271)
At 30 June 2021	<u>29,555</u>
Net book value	
At 30 June 2021	<u>-</u>
At 30 June 2020	<u>1,640</u>

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

14. Tangible fixed assets

	Long-term leasehold property \$	Fixtures and fittings \$	Total \$
Cost or valuation			
At 1 July 2020	13,363,020	5,737,924	19,100,944
Additions	-	695,436	695,436
Disposals	-	(1,658,565)	(1,658,565)
At 30 June 2021	13,363,020	4,774,795	18,137,815
Depreciation			
At 1 July 2020	8,167,526	4,913,480	13,081,006
Charge for the year	1,417,028	485,229	1,902,257
On disposals	-	(1,521,302)	(1,521,302)
At 30 June 2021	9,584,554	3,877,407	13,461,961
Net book value			
At 30 June 2021	3,778,466	897,388	4,675,854
At 30 June 2020	5,195,494	824,444	6,019,938

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

15. Fixed asset investments

	Investments in subsidiary companies \$
At 1 July 2020	1,613
Disposals	(1,613)
At 30 June 2021	<u>-</u>
Net book value	
At 30 June 2021	<u>-</u>
At 30 June 2020	<u>1,613</u>

16. Debtors

	2021 \$	2020 \$
Due within one year		
Amounts owed by group undertakings	-	19,933,688
Other debtors	48,552	4,672
Prepayments and accrued income	727,364	361,757
	<u>775,916</u>	<u>20,300,117</u>

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

17. Creditors: Amounts falling due within one year

	2021	2020
	\$	\$
Trade creditors	350,636	33,234
Amounts owed to group undertakings	37,299,929	114,656
Other taxation and social security	7,659	136,840
Accruals and deferred income	1,163,306	924,187
	<u>38,821,530</u>	<u>1,208,917</u>

18. Creditors: Amounts falling due after more than one year

	2021	2020
	\$	\$
Amounts owed to group undertakings	1,215,291	1,199,743
Other creditors	436,567	698,507
	<u>1,651,858</u>	<u>1,898,250</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2021	2020
	\$	\$
Repayable by instalments	643,528	706,678
	<u>643,528</u>	<u>706,678</u>

In order to provide the Charity with working capital, the IB has provided a loan to the Charity of \$2.9m (the capital being repayable at a rate of 5% per annum or on such other terms as may be agreed between the parties). Interest is payable at 3% per annum. \$0.133m of the loan is due within one year and is shown in note 17 above. Of the \$1.200m due after more than one year, \$0.137 is due in 1 - 2 years, \$0.435m is due in 2 - 5 years and \$0.644m after 5 years.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

19. Provisions

	Provision \$
At 1 July 2020	887,829
Additions	267,201
	<u>1,155,030</u>

Provision

The dilapidations provision is a provision for the cost of repairs to the Cardiff offices at the end of the lease. Given the timing of lease exit is uncertain, the value and timing of the resulting payments is also uncertain. The addition this year relates to the building up of the provision over time.

20. Share capital

	2021 \$	2020 \$
1 ordinary share of £1	<u>2</u>	<u>2</u>

The share has attached to it full voting, dividend and capital distribution (including on winding up) rights; it does not confer any rights of redemption.

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

21. Statement of funds

Statement of funds - current year

	Balance at 1 July 2020	Income	Expenditure	Gains/ (Losses)	Balance at 30 June 2021
	\$	\$	\$	\$	\$
Unrestricted funds					
General Fund	24,669,288	23,114,026	(22,035,655)	322,616	26,070,275
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Statement of funds - prior year

	Balance at 1 July 2019	Income	Expenditure	Gains/ (Losses)	Balance at 30 June 2020
	\$	\$	\$	\$	\$
Unrestricted funds					
General Fund	24,893,898	20,914,840	(20,875,179)	(264,271)	24,669,288
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds	Total funds
	2021	2021
	\$	\$
Tangible fixed assets	4,675,854	4,675,854
Current assets	63,022,839	63,022,839
Creditors due within one year	(39,258,097)	(39,258,097)
Creditors due in more than one year	(1,215,291)	(1,215,291)
Provisions for liabilities and charges	(1,155,030)	(1,155,030)
	<u>26,070,275</u>	<u>26,070,275</u>

Analysis of net assets between funds - prior period

	Unrestricted funds	Total funds
	2020	2020
	\$	\$
Tangible fixed assets	6,019,938	6,019,938
Intangible fixed assets	1,640	1,640
Fixed asset investments	1,613	1,613
Current assets	22,641,093	22,641,093
Creditors due within one year	(1,208,917)	(1,208,917)
Creditors due in more than one year	(1,898,250)	(1,898,250)
Provisions for liabilities and charges	(887,829)	(887,829)
	<u>24,669,288</u>	<u>24,669,288</u>

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

23. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 \$	2020 \$
Net income/expenditure for the year (as per Statement of Financial Activities)	1,400,987	(224,610)
Adjustments for:		
Depreciation charges	1,902,257	1,819,428
Amortisation charges	1,686	11,568
Loss on the sale of fixed assets	137,263	60
Decrease/(increase) in debtors	19,524,201	(441,072)
Increase/(decrease) in creditors	37,366,221	(453,416)
Increase in provisions	267,201	117,742
Net cash provided by operating activities	60,599,816	829,700

24. Analysis of cash and cash equivalents

	2021 \$	2020 \$
Cash in hand	62,246,923	2,340,976
Total cash and cash equivalents	62,246,923	2,340,976

25. Analysis of changes in net debt

	At 1 July 2020 \$	Cash flows \$	At 30 June 2021 \$
Cash at bank and in hand	2,340,976	59,905,947	62,246,923

26. Contingent liabilities

The Charity has no contingent liabilities as at 30 June 2021 (2020: \$nil).

INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

27. Pension commitments

The Charity operates money purchase pension schemes with Scottish Equitable and Standard Life for United Kingdom based employees of the IB. The pension cost charge represents contributions payable by the Charity to the fund and amounted to \$1.017m (2020 - \$0.934m).

28. Operating lease commitments

At 30 June 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 \$	2020 \$
Land and buildings amounts payable:		
Within 1 year	1,042,630	927,974
Between 1 and 5 years	1,737,717	2,474,597
	<u>2,780,347</u>	<u>3,402,571</u>

	2021 \$	2020 \$
Other amounts payable:		
Within 1 year	482,331	617,480
Between 1 and 5 years	200,646	633,613
	<u>682,977</u>	<u>1,251,093</u>

29. Related party transactions

The Charity earned a service fee from its parent company of \$23.1m (2020: \$20.9 m) for assessment services provided. At the year end the Charity owed £37.3m to (2020: \$19.9m by) the ultimate parent undertaking and had an outstanding loan of \$1.3m (2020: \$1.3m) to the ultimate parent undertaking.

30. Controlling party

The Trustees regard Swiss Foundation, International Baccalaureate Organization (IBO), an independent non-profit-making based at Route des Morillons, 15 Grand-Sacconex, Geneva, CH-1218 Switzerland, registered charity number CHE-107.025.266, as the ultimate parent undertaking. IBO is deemed to exercise control as it has the right to appoint or remove a majority of the board of International Baccalaureate Organization (UK) Limited.