

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**

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

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 30 JUNE 2021**

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<b>Trustees</b>	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)
<b>Company registered number</b>	06553433
<b>Charity registered number</b>	1126291
<b>Registered office</b>	Peterson House Malthouse Avenue Cardiff Gate Cardiff CF23 8GL
<b>Independent auditor</b>	Mazars LLP Chartered Accountants 90 Victoria Street Bristol BS1 6DP
<b>Bankers</b>	HSBC Bank plc Cardiff CF10 1LF
<b>Solicitors</b>	Withers Bergman LLP 16 Old Bailey London EC4M 7EG

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

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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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.

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## INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED

(A Company Limited by Guarantee)

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

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#### 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).

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**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.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**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.

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**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.



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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**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.

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**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

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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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.

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

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

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**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.

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

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

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**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.

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

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

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**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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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

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**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**  
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**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 \$
<b>Income from:</b>				
Charitable activities	4	23,114,026	23,114,026	20,888,040
Other income	5	-	-	26,800
<b>Total income</b>		<u>23,114,026</u>	<u>23,114,026</u>	<u>20,914,840</u>
<b>Expenditure on:</b>				
Charitable activities		21,992,353	21,992,353	20,831,364
Other expenditure	9	43,302	43,302	43,815
<b>Total expenditure</b>		<u>22,035,655</u>	<u>22,035,655</u>	<u>20,875,179</u>
<b>Net income before net gains/(losses) on investments</b>		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>
<b>Net movement in funds</b>				
<b>Reconciliation of funds:</b>				
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)
<b>Total funds carried forward</b>		<u>26,070,275</u>	<u>26,070,275</u>	<u>24,669,288</u>



**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**BALANCE SHEET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2021 \$	2020 \$
<b>Fixed assets</b>			
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>
<b>Current assets</b>			
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)
<b>Net current assets</b>		<u>24,201,309</u>	<u>21,432,176</u>
<b>Total assets less current liabilities</b>		<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)
<b>Net assets excluding pension asset</b>		<u>26,070,275</u>	<u>24,669,288</u>
<b>Total net assets</b>		<u>26,070,275</u>	<u>24,669,288</u>
<b>Charity funds</b>			
Restricted funds	21	-	-
Unrestricted funds	21	26,070,275	24,669,288
<b>Total funds</b>		<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.

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

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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	2021 \$	2020 \$
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	60,599,816	829,700
<b>Cash flows from investing activities</b>		
Purchase of intangible assets	(46)	-
Purchase of tangible fixed assets	(695,436)	(536,569)
Disposal of investments	1,613	-
<b>Net cash used in investing activities</b>	(693,869)	(536,569)
<b>Cash flows from financing activities</b>		
<b>Net cash provided by financing activities</b>	-	-
<b>Change in cash and cash equivalents in the year</b>	59,905,947	293,131
Cash and cash equivalents at the beginning of the year	2,340,976	2,047,845
<b>Cash and cash equivalents at the end of the year</b>	<u>62,246,923</u>	<u>2,340,976</u>

The notes on pages 17 to 34 form part of these financial statements

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**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.

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**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.

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

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**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
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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.

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**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.

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

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**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**

	<b>Unrestricted funds 2021 \$</b>	<b>Total funds 2021 \$</b>
Assessment	23,114,026	23,114,026

	<b>Unrestricted funds 2020 \$</b>	<b>Total funds 2020 \$</b>
Assessment	20,888,040	20,888,040

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**5. Other incoming resources**

		<b>Total funds 2021 \$</b>
Intercompany loan interest		-
		<u><u>          </u></u>
	<b>Unrestricted funds 2020 \$</b>	<b>Total funds 2020 \$</b>
Intercompany loan interest	26,800	26,800

**6. Charitable Activities**

	<b>Total 2021 \$</b>	<b>Total 2020 \$</b>
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>
<b>Total</b>	<u>21,992,353</u>	<u>20,831,364</u>



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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**7. Support costs**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
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**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Auditors' remuneration	52,827	45,781
	<u>52,827</u>	<u>45,781</u>

**9. Other expenditure**

	<b>Unrestricted funds 2021 \$</b>	<b>Total funds 2021 \$</b>
Bank charges and interest	43,302	43,302
	<u>43,302</u>	<u>43,302</u>

	<b>Unrestricted funds 2020 \$</b>	<b>Total funds 2020 \$</b>
Bank charges and interest	43,815	43,815
	<u>43,815</u>	<u>43,815</u>

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**10. Auditor's remuneration**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
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**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
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:

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
Staff	283	258
	<u>283</u>	<u>258</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**11. Staff costs (continued)**

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

	<b>2021 No.</b>	<b>2020 No.</b>
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.

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INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

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13. Intangible assets

	Computer software \$
<b>Cost</b>	
At 1 July 2020	139,780
Additions	46
Disposals	(110,271)
At 30 June 2021	<u>29,555</u>
<b>Amortisation</b>	
At 1 July 2020	138,140
Charge for the year	1,686
On disposals	(110,271)
At 30 June 2021	<u>29,555</u>
<b>Net book value</b>	
At 30 June 2021	<u>-</u>
At 30 June 2020	<u>1,640</u>

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**14. Tangible fixed assets**

	Long-term leasehold property \$	Fixtures and fittings \$	Total \$
<b>Cost or valuation</b>			
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
<b>Depreciation</b>			
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
<b>Net book value</b>			
At 30 June 2021	3,778,466	897,388	4,675,854
At 30 June 2020	5,195,494	824,444	6,019,938

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**15. Fixed asset investments**

	<b>Investments in subsidiary companies \$</b>
At 1 July 2020	1,613
Disposals	(1,613)
At 30 June 2021	<u>-</u>
<b>Net book value</b>	
At 30 June 2021	<u>-</u>
At 30 June 2020	<u>1,613</u>

**16. Debtors**

	<b>2021 \$</b>	<b>2020 \$</b>
<b>Due within one year</b>		
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>

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**17. Creditors: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
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**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
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:

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
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.

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**19. Provisions**

	<b>Provision</b> <b>\$</b>
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**

	<b>2021</b> <b>\$</b>	<b>2020</b> <b>\$</b>
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.



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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**21. Statement of funds**

**Statement of funds - current year**

	<b>Balance at 1 July 2020</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains/ (Losses)</b>	<b>Balance at 30 June 2021</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Unrestricted funds</b>					
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**

	<b>Balance at 1 July 2019</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains/ (Losses)</b>	<b>Balance at 30 June 2020</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Unrestricted funds</b>					
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>

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**22. Analysis of net assets between funds**

Analysis of net assets between funds - current period

	<b>Unrestricted funds</b>	<b>Total funds</b>
	<b>2021</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
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

	<b>Unrestricted funds</b>	<b>Total funds</b>
	<b>2020</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
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**  
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**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)
<b>Adjustments for:</b>		
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
<b>Net cash provided by operating activities</b>	<b>60,599,816</b>	<b>829,700</b>

**24. Analysis of cash and cash equivalents**

	2021 \$	2020 \$
Cash in hand	62,246,923	2,340,976
<b>Total cash and cash equivalents</b>	<b>62,246,923</b>	<b>2,340,976</b>

**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).

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**INTERNATIONAL BACCALAUREATE ORGANIZATION (UK) LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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**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 \$
<b>Land and buildings amounts payable:</b>		
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 \$
<b>Other amounts payable:</b>		
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.