

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)

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**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.

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**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.

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**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.

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**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
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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.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE
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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

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL BACCALAUREATE
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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
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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	2022
	USD	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
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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	27,598,281	27,598,281
	<u>27,598,281</u>	<u>27,598,281</u>
	Unrestricted funds 2022 USD	Total funds 2022 USD
Service Recharge	23,738,816	23,738,816
	<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	<u>26,657,554</u>	<u>27,598,281</u>	<u>(28,278,579)</u>	<u>25,977,256</u>

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	<u>26,070,275</u>	<u>23,738,816</u>	<u>(22,649,779)</u>	<u>(501,758)</u>	<u>26,657,554</u>

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	<u>25,977,256</u>	<u>25,977,256</u>

**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.

