



INTERNATIONAL ASSOCIATION OF
Educating Cities
ASSOCIATION INTERNATIONALE DES
Villes Éducatrices
ASOCIACIÓN INTERNACIONAL DE
Ciudades Educadoras
ASSOCIACIÓ INTERNACIONAL DE
Ciutats Educadores

International Association of Educating Cities

Abridged Annual Accounts
Financial Year 2024

**ABRIDGED STATEMENT OF FINANCIAL POSITION FOR THE YEARS 2024 & 2023
(IN EUROS)**

| ASSETS | NOTES TO THE FINANCIAL STATEMENTS | FINANCIAL YEAR 2024 | FINANCIAL YEAR 2023 |
|---|-----------------------------------|---------------------|---------------------|
| A) FIXED ASSETS | | 35,044.62 | 14,459.50 |
| II. Intangible assets | 5 | 35,044.62 | 14,459.50 |
| B) CURRENT ASSETS | | 1,697,143.51 | 1,683,530.14 |
| II. Users and other receivables related to the association's activities | 6 | 37,001.50 | 31,044.00 |
| VII. Cash and other cash equivalents | | 1,660,142.01 | 1,652,486.14 |
| TOTAL ASSETS (A+B) | | 1,732,188.13 | 1,697,989.64 |

| NET ASSETS AND LIABILITIES | NOTES TO THE FINANCIAL STATEMENTS | FINANCIAL YEAR 2024 | FINANCIAL YEAR 2023 |
|---|-----------------------------------|---------------------|---------------------|
| A) NET ASSETS | | 1,706,624.91 | 1,652,128.65 |
| A-1) Association funds | 8 | 1,682,424.91 | 1,652,128.65 |
| III. Surplus from previous years | | 1,652,128.65 | 1,607,027.87 |
| IV. Surplus for the financial year (positive or negative) | | 54,496.26 | 45,100.78 |
| c) CURRENT LIABILITIES | | 25,563.22 | 45,860.99 |
| V. Trade payables and other accounts payable | | 25,386.36 | 45,406.49 |
| 1. Providers | 7 | 20,161.57 | 39,907.89 |
| 2. Other payables (current tax liabilities and other debts payable to the Public Administrations) | | 5,224.79 | 5,498.60 |
| VI. Adjustments for prepayments | | 176.86 | 454.50 |
| TOTAL NET ASSETS AND LIABILITIES (A+C) | | 1,732,188.13 | 1,697,989.64 |

Notes 1 to 16 of the Abridged Financial Statements are an integral part of the Abridged Statement of Financial Position at 31st December 2024 and 2023.

ABRIDGED STATEMENT OF ACTIVITIES FOR THE FINANCIAL YEARS 2024 & 2023
(in euros)

| ABRIDGED STATEMENT OF ACTIVITIES | NOTES TO THE FINANCIAL STATEMENTS | FINANCIAL YEAR 2024 | FINANCIAL YEAR 2023 |
|---|-----------------------------------|---------------------|---------------------|
| A) Surplus of the financial year | | | |
| 1. Income from the association's activity | | 328,703.50 | 313,556.50 |
| a) Fees of members and affiliates | | 229,003.50 | 213,856.50 |
| d) Grants, subsidies and legacies | 9 | 99,700.00 | 99,700.00 |
| 3. Expenses for aids and other | | 22,650.00 | 0.00 |
| a) Monetary aids | 12.2 | 22,650.00 | 0.00 |
| 8. Personnel expenses | 12.3 | -46,657.46 | -46,194.75 |
| 9. Other operating expenses | | -201,185.62 | -222,080.89 |
| a) External services | 12.4 | -178,010.12 | -216,123.39 |
| a1) Bank services | | -729.03 | -693.30 |
| a2) Other services | | -177,281.09 | -215,430.09 |
| b) Losses, impairment and variation in provisions related to operating activities | 12.5 | -23,175.50 | -5,957.50 |
| 10. Amortisation of fixed assets | 5 | -3,614.88 | 0,00 |
| A.1) SURPLUS FROM THE ACTIVITY (1+2+7+8) | | 54,595.54 | 45,280.86 |
| 17. Exchange rate differences | 4.2 | -99.28 | -180.08 |
| A.2) SURPLUS FROM FINANCIAL OPERATIONS (16) | | -99.28 | -180.08 |
| A.3) SURPLUS BEFORE TAX (A.1+A.2) | | 54,496.26 | 45,100.78 |
| 19. Income tax | 10 | 0.00 | 0.00 |
| I) NET INCOME FOR THE FINANCIAL YEAR (A.3+18) | | 54,496,26 | 45,100.78 |

Notes 1 to 16 of the Abridged Financial Statements are an integral part of the Abridged Statement of Financial Position at 31st December 2024 and 2023.

1. ACTIVITY OF THE ASSOCIATION

The name of the entity in Spanish is *Asociación Internacional de Ciudades Educadoras* (AICE). The entity is called *Associació Internacional de Ciutats Educadores* in Catalan, the International Association of Educating Cities (IAEC) in English, *Association Internationale des Villes Educatrices* in French and *Associação Internacional de Cidades Educadoras* in Portuguese.

The IAEC is a non-profit association of local governments and has its own legal personality.

The Association's registered offices and fiscal address is: Avinyó No. 15, Barcelona.

Its Tax Identification Number is G61045605.

The IAEC was registered in the Spanish Government Register of Associations on 26 September 1994, with the number 135237, and in the Register of Associations of the Government of Catalonia with the number 15816, classified as an entity dedicated to education, training and research.

The purpose of the entity is to comply with the principles established in the Charter of Educating Cities, specifically:

- a) To proclaim and assert the importance of education in the city.
- b) To highlight the educational aspects of the political projects undertaken by member cities.
- c) To promote, inspire, foster and ensure compliance with the principles gathered in the Charter of Educating cities (Declaration of Barcelona) by member cities, and to advise and inform member cities on championing and implementing these principles.
- d) To represent members in the achievement of the association's goals, in connection and collaboration with international organisations, states and territorial entities of all kinds, so that the IAEC can be a valid, significant interlocutor in influencing, negotiating, decision-making and drafting processes.
- e) To establish relations and collaboration with other associations, federations, groups or territorial networks of cities that work in similar, complementary or parallel areas of action.
- f) To cooperate in all territorial areas within the framework of the objectives of the association.
- g) To boost IAEC membership among cities around the world.

- h) To inspire our understanding of the concept of the Educating City and its specific applications in local policies through exchanges, meetings and joint projects, congresses, and all types of activities and initiatives that strengthen the links among members cities, within the municipal sphere, territorial networks, thematic networks, and other groups.

The activity of the association focuses on providing services to its members, composed of local governments from across the world.

In 2024, work has been carried out on:

- The extension of the AICE to new cities, gaining 20 new member cities from 5 countries
- Preparation of two General Assemblies: An online Ordinary Assembly and an Extraordinary Assembly held in Curitiba and five Executive Committee meetings and all statutory issues arising from them.
- Budget and accounting management and compliance with the legal and administrative obligations required by the Administration
- Presentation and approval by the General Assembly of the new Code of Ethics of the IAEC, in which the fundamental values that must guide the behaviour of the delegates of the organization are defined.
- Provide support to the various territorial networks for the consolidation of the Association and dissemination actions for its extension in territories where the IAEC has little or low presence
- Organization, support and participation at the Meeting of the Argentinian Network of Educating Cities in Córdoba (September)
- Organization, support and participation at the Meeting of the Mexican Network of Educating Cities in Oaxaca de Juárez (November)
- Organization, support and participation at the Congress of the Italian Network in Bologna (November).
- Organization, support and participation at the two Meetings of the Portuguese Network of Educating Cities held in Albufeira (May) and Braga (October).
- Virtual meetings organized by the various territorial networks: Argentina, Brazil, Spain, Italy, Mexico and Portugal.
- Provide advice and support to the new municipal teams resulting from the electoral processes (in Mexico and Brazil especially). Periodic

updating of member cities contact persons database.

- Periodic follow-up meetings with the Organizing Committee of the XVII International Congress of Educating Cities held in Curitiba (Brazil) and participation in said Congress (May 21-24). Dissemination of the call for proposals. Analysis and selection of the experiences to be presented, animation of workshops, design of a corporate stand and attention to participants during the Congress. Organization of study visits. Drafting of the Congress declaration.
- Edition of a new video of the Charter of Educating Cities.
- Call for the International Day of the Educating City 2024 on November 30. Design of an activity guide, corporate image for the celebration and other communication elements. (Poster, video clip, presence on social networks, etc.) Organization of the common event. Providing support to over the 155 cities from 10 countries that took part in the celebration.
- Preparation of four videos of experts as support material for the celebrations of the International Day of the Educating City.
- Improvements to the software application that contains the data bank and periodic dissemination of best experiences via the International Document Bank: available on the AICE portal (www.edcities.org). Development of data bank in Portuguese and development of new data bank for Latin American experiences.
- Analysis of candidatures received for the award, meetings with the jury and resolution of the Educating Cities Award for good care practices in the city. Organization of the delivery ceremony.
- Participation in various international meetings and events to disseminate the work of member cities and to claim the importance of local governments as educational agents.
- Organization of online training seminars through the Latin American virtual training platform and animation of several thematic networks
- Organization of technical exchange meetings between cities.
- Attention to city delegations interested in the IAEC and its activities
- Permanent updating of news and improvements in the IAEC portal (www.edcities.org). Dissemination of news through a monthly digital newsletter and through various social networks (X, Instagram)
- Support to the host city of the 2026 Congress, participation at the Scientific Committee meetings and design of web page

- Development of a self assessment guide to evaluate local policies and initiatives and a computer tool.

The Association's activity is gender neutral.

The simplified Annual Accounts have been formulated in euros to two decimal points. The functional currency of the Association is the euro.

2. BASIS OF PREPARATION OF THE ABRIDGED ANNUAL ACCOUNTS

2.1.- True and fair view

The abridged Annual Accounts for the 2024 financial year have been prepared on the basis of the accounting records of the Association and are presented in accordance with the legislation on foundations and associations.

In terms of accounting matters, the Association is governed by the consolidated text of the Resolution of 26 March 2013, which approves the Accounting Plan for small and medium-sized non-profit entities was adopted, and in accordance with subsequent amendments, where applicable, in order to present a true and fair view of the Association's assets, financial position and results.

There have been no exceptional reasons due to which, in order to present a true and fair view of the Association, other legal provisions have been applied in terms of accounting, which have had an impact on the Association's assets, financial position and results.

In light of the provisions of rule 3 of the Chart of Accounts for non-profit entities, the Association has the authority to formulate abridged Annual Accounts, meeting the following conditions at 31 December 2024 and 2023:

- Total of the headings presented under 'Assets' does not exceed the figure of four million euros.
- The amount of annual ordinary income does not exceed eight million euros.
- The average number of workers employed during the year does not exceed 50.

2.2.- Accounting principles

In order to present a true and fair view of the accounts of the Association, there have been no exceptional reasons justifying the non-application of any mandatory accounting principles.

No other non-mandatory accounting principles have been applied to present

a true and fair view of the Association.

2.3.- Critical aspects of the measurement and estimation of uncertainty

There are no key assumptions nor information on the estimation of uncertainty at financial year-end that would expose the Association to material risks, or that could lead to significant changes in the value of its assets and liabilities.

There have been no changes in the accounting estimates that are significant and affect the current financial year, or that are expected to affect future accounting periods.

Management is not aware of any material uncertainties relating to events or conditions that may cast significant doubts as to the possibility of the Association continuing to operate normally.

2.4.- Comparability

The abridged Annual Accounts for the 2024 and 2023 financial years have been formulated in accordance with the structure set out in the Spanish General Accounting Plan for non-profit entities, having followed the application of uniform criteria of valuation, grouping, classification and monetary units in their preparation, so that the information presented is homogeneous and comparable.

2.5.- Items recorded under various headings

There are no assets or liabilities that have been recorded under two or more headings on the Statement of Financial Position.

2.6.- Costs borne directly by Barcelona City Council

Certain operating costs necessary for undertaking the Association's activity are borne directly by Barcelona City Council and charged to its annual expenditure budgets. These costs relate mainly to:

- Provision of premises, IT equipment and furniture
- Personnel
- maintenance and cleaning services
- Supplies
- IT services (telecommunications)

The Association uses the facilities owned by the City Council located in the street Avinyó, No. 15, in Barcelona. A certificate has been obtained from the City Council for these costs, which amount to 22,634.13 euros, but do not include the cost of the space rental charges.

With regards to the City Council staff working for the Association (5 people), the costs borne by Barcelona City Council, according to the information received from the City Council itself, total 322.651,12 euros (317,421.69 euros in the 2023 financial year).

The accounting records of these costs would, at the same time, imply the recognition of grant income, and therefore would not modify the main assets and liabilities; which is why the Association has not recorded them in the abridged Annual Accounts.

3. ALLOCATION OF SURPLUS FROM THE FINANCIAL YEAR.

The Executive Committee will propose the following allocation of the 2024 surplus to the ordinary General Assembly:

| Proposal for the allocation of surplus: | 2024 |
|--|------------------|
| Basis of distribution | |
| Surplus from the financial year | 54,496.26 |
| TOTAL | 54,496.26 |
| Allocation: | |
| To Surplus from previous years | 54,496.26 |
| TOTAL | 54,496.26 |

4. ACCOUNTING POLICIES AND EVALUATION.

The following accounting policies have been applied to the different headings:

4.1 Intangible Assets

In accordance with the registration and valuation standards of the Spanish General Accounting Plan, in 2024, the IT development of the self-assessment tool and the design of the website of the 18th International Congress of Educating Cities, to be held in Granollers, were included as intangible assets. In 2023, the expenses for developing an Association's computer system were also included as intangible assets.

These fixed assets are subject to depreciation and in accordance with their nature and the useful life-time in them has been estimated in a four year period.

4.2- Financial instruments

Financial assets

All of the Association's financial assets are classified in the category of

amortised cost.

In the Statement of Financial Position, the financial assets are classified between current and non-current on the basis of whether they mature in less than/equal to or more than/after 12 months.

They correspond to **loans and accounts receivable**. Non-derivative financial assets are those receivables that are fixed or determinable and are not traded in an active market. Following their initial recognition, they are measured at 'amortised cost' using the 'effective interest rate' method to determine their values.

'Amortised cost' is understood as the acquisition cost of a financial asset or liability less the repayment of principal, and adjusted (to a higher or lower value, as appropriate) for the portion allocated on a straight-line basis to the financial results, taking into account the difference between the initial cost and the corresponding redemption value at maturity. In the case of financial assets, the amortised cost also includes provisions for impairment losses. The effective interest rate is the rate in force that exactly matches the value of a financial instrument to the total estimated cash flows for all items over their remaining life.

Deposits and guarantees are recognised at the amount paid in order to meet contractual commitments.

Provisions and reversals of provisions for impairment of financial assets due to the difference between the carrying value and the current value of the recoverable cash flows are recognised in the Statement of Activities for the year.

Financial liabilities

Financial liabilities are classified according to the content of the agreed contractual arrangements and taking into account the economic substance. Trade payables do not explicitly report interest and are recorded at nominal value.

Classification of debts into current and non-current. In the accompanying Statement of Financial Position, debts are classified according to their maturity, i.e. those maturing in 12 months or less are classified as current and those maturing after 12 months as non-current.

A financial liability is written off when the obligation it generated has been expired.

The Association records all its financial liabilities in the category of 'Financial liabilities at amortised cost'. They are initially recorded at fair value which, except when there is proof to the contrary, corresponds to the transaction price.

Thereafter they are carried at amortised cost, with the interest accrued

recognised in the Statement of Activities using the effective interest rate method, except for financial liabilities payable maturing within one year, which continue to be measured at fair value when the effect of not adjusting the cash flows is not significant.

The financial instruments that the Association classifies in this category relate to trade payables corresponding to creditor balances for services rendered and non-trade payables (including payables to personnel, among others).

4.3- Transactions in foreign currency

The creditor, debtor, trade receivable and payable balances denominated in foreign currency and not cancelled are stated at their counter-value in euros, unless under the principle of materiality the accounting value need not be modified, or if there is exchange fluctuation insurance.

The counter-valuation is denominated in euros at the time of incorporation into assets. The real cost at the date of the settlement of the transaction is applied.

If positive, insofar as the debt has not been cancelled, these are stated in Account 768 (Exchange gains).

The possible exchange losses on leveraged acquisitions are recorded directly in Account 668 (Exchange losses).

During the 2024 fiscal year, the amount of -99.28 euros of exchange losses has been recorded for this item (-180.08 euros in 2023)

4.4- Income tax

The income tax expense for the year is calculated on the basis of the result of the financial year, taking into account the existing differences, if any, between accounting income and tax profit (taxable income) and distinguishing whether the latter is permanent or temporary for the purposes of calculating the corporate income tax for the year.

The Association complies with the conditions for availing itself of the partial exemption regime under the Corporate Income Tax Act and does not avail itself of the special tax regime under Law 49/2002 of 23 December, for non-profit entities and under its Regulations (RD 1270/2003), of 10 October.

4.5- Income and expenditure

In general, all income and expenditure as well as the interest they generate are recorded on an accrual basis, i.e., in the period in which the income or expense deriving from the goods or services is earned or incurred rather than the period in which the cash is actually received or disbursed. Specifically, income is calculated at fair value of the consideration receivable and

represents the amount receivable for the goods delivered and the services rendered after deducting rebates and tax.

Income under "Fees of members and affiliates" relates entirely to the amounts received from the cities that form part of the Association.

Current transfers received from public administrations for contributions to the financing of operations are recorded at the amounts received, which coincide with their fair value.

4.6- Provisions and contingencies

Provisions are recognised in the accounts when the Association has an implicit or tacit current legal or contractual obligation resulting from a past event that will likely involve a disbursement of funds in order to cancel the obligation, for which the amount can be reliably estimated.

4.7- Grants, donations and legacies

Non-refundable grants, donations and legacies are recorded directly in net income and recognised as income in the Statement of Activities on a systematic and rational basis in correlation with the costs arising from the expenditure or investment incurred relating to the grant.

Refundable grants, donations and legacies are recorded as liabilities of the entity until they become non-refundable.

4.8- Related-party transactions

Related-party transactions are made at fair value.

5. INTANGIBLE FIXED ASSETS

Movement during exercise 2024:

| Nature | Balance at 01.01.2024 | Recognized | Derecognized | Transferred | Balance at 31.12.2024 |
|-----------------------|-----------------------|------------------|--------------|-------------|-----------------------|
| Software Applications | 14,459.50 | 24,200.00 | 0 | 0 | 38,659,50 |
| TOTAL COST (A) | 14,459.50 | 24,200.00 | 0 | 0 | 38,659,50 |

| Nature | Balance at 01.01.2024 | Recognized | Derecognized | Transferred | Balance at 31.12.2024 |
|--|-----------------------|------------------|--------------|-------------|-----------------------|
| Software Applications | 0.00 | -3,614.88 | 0 | 0 | -3,614.88 |
| TOTAL ACCUMULATED AMORTITZATION (B) | 0 | -3,614.88 | 0 | 0 | -3,614.88 |
| | | | | | |
| NET BOOK VALUE | 14,459.50 | 20,585.12 | 0 | 0 | 35,044.62 |

Movement during exercise 2023:

| Nature | Balance at 01.01.2023 | Recognized | Derecognized | Transferred | Balance at 31.12.2023 |
|-----------------------|--------------------------|------------------|--------------|-------------|--------------------------|
| Software Applications | 0 | 14,459.50 | 0 | 0 | 14,459.50 |
| TOTAL COST (A) | 0 | 14,459.50 | 0 | 0 | 14,459.50 |

| Nature | Balance at 01.01.2023 | Recognized | Derecognized | Transferred | Balance at 31.12.2023 |
|--|--------------------------|------------------|--------------|-------------|--------------------------|
| Software Applications | 0.00 | 0 | 0 | 0 | 0 |
| TOTAL ACCUMMULATED AMORTIZATION (B) | 0 | 0 | 0 | 0 | 0 |
| | | | | | |
| NET BOOK VALUE | 0 | 14,459.50 | 0 | 0 | 14,459.50 |

The additions for the year 2023, amounting to 14,459.50 euros, were acquired on 28 December 2023 and started to be amortised on 1 January 2024.

The additions for the year 2024, for an amount of 24.200,00 euros have been acquired in the first fortnight of December 2024 and will begin to be amortised on the 1st of January 2025.

6. FINANCIAL ASSETS

The book values of each of the financial asset categories are set out below:

| Short-term financial assets | | | |
|------------------------------------|-------|----------------------------------|------------------|
| Category | Types | Loans, derivatives and others | |
| | | 2024 | 2023 |
| Financial assets at amortised cost | | 37,001.50 | 31,044.00 |
| TOTAL | | 37,001.50 | 31,044.00 |

There have been no transfers or reclassification among the different categories of financial investments for the year.

The breakdown of financial assets at amortised cost is as follows:

| | 2024 | 2023 |
|---|------------------|------------------|
| Users and other receivables related to the association's activities | 79,333.00 | 61,389.00 |
| Impairment on trade receivables | -42,331.50 | -30,345.00 |
| Total | 37,001.50 | 31,044.00 |

Movement in the provision for the impairment of trade receivables has been as follows:

| | 2024 | 2023 |
|--|------|------|
| | | |

| | | |
|---|------------------|------------------|
| Opening balance | 30,345.00 | 32,212.50 |
| Reversal of the provision for receivables (Nota 12.5) | -3,160.00 | -10,295.00 |
| Reversal of the provision for withdrawals (Nota 12.5) | -8,494.50 | -5,912.00 |
| Allocation to the provision (Nota 12.5) | 23,641.00 | 14,339.50 |
| Closing balance | 42,331.50 | 30,345.00 |

The movement registered in 2024 and 2023 under users, sponsors and receivables for activities and other receivables is as follows:

| Movement 2023 financial year | 1.1.24 | Increases | Decreases | 31.12.24 |
|---|---------------|------------------|------------------|-----------------|
| Users and other receivables related to the association's activities | 31,044.00 | 347,799.72 | -341,842.22 | 37,001.50 |

| Movement 2022 financial year | 1.1.23 | Increases | Decreases | 31.12.23 |
|---|---------------|------------------|------------------|-----------------|
| Users and other receivables related to the association's activities | 138,747.50 | 342,042.50 | -449,746.00 | 31,044.00 |

7. FINANCIAL LIABILITIES

The book values of each category of financial liabilities are shown in the following table:

| Short-term financial liabilities | | | |
|---|--------------|-------------------------------|------------------|
| Category | Types | Derivatives and others | |
| | | 2024 | 2023 |
| Debits and other payables | | 20,338.43 | 39,907.89 |
| TOTAL | | 20,338.43 | 39,907.89 |

The payables of the Association consist basically of items included under the heading 'Providers' and they fall due during the year following the closure of this financial year.

Information on the average payment period to suppliers. Third additional provision. Duty of Disclosure Act, Law 15/2010 of 5 July.

The average payment period to suppliers at the date of adoption in the 2024 financial year is 11.49 days (8,90 days in the 2023 financial year).

8. ASSOCIATION FUNDS

There are no contributions to the association's founding purposes or assets in the financial years 2024 and 2023.

There are no outstanding disbursements, non-cash contributions or contributions

received to offset prior years' losses in 2024 and 2023.

There are no circumstances restricting the availability of the reserves or the carryover item in the financial year 2024 and 2023.

9. GRANTS, DONATIONS AND LEGACIES

During the 2024 financial year, the Association has received one operating grant, which is detailed below:

- Barcelona City Council for an amount of 99,700 euros. (Amounted 99,700 euro in the 2023 fiscal year)

This grant has been awarded and charged to the Association's 2024 budget.

The purpose of the grant is to support the management of the Association's Secretariat.

10. TAX SITUATION

The Association complies with the conditions for availing itself of the partial exemption regime under Article No. 109 and others of the Corporate Income Tax Act and does not avail itself of the special tax regime under Law 49/2002 of 23 December.

The income related to the fees paid by the members and the grants received, earmarked for meeting the IAEC's founding purposes as well as the expenses chargeable to tax exempt activities are deducted from Taxable Income as permanent differences.

Reconciliation of the result for the financial year or tax base

Reconciliation of the Net Income for the years 2024 and 2023 with taxable income for income tax purposes is as follows:

| RECONCILIATION 2024 | AMOUNT | INCREASES | DECREASES |
|------------------------------------|-------------------|------------|-------------|
| Accounting result | -54,496.26 | | |
| Corporate Tax | - | | |
| Permanent differences | -54,496.26 | 293,613.68 | -348,109.94 |
| Taxable income (tax result) | 0,00 | | |

| RECONCILIATION 2023 | AMOUNT | INCREASES | DECREASES |
|--------------------------|------------------|-----------|-----------|
| Accounting result | 45,100.78 | | |
| Corporate Tax | - | | |

| | | | |
|------------------------------------|-------------|------------|-------------|
| Permanent differences | -45,100.78 | 296,945.87 | -342,046.65 |
| Taxable income (tax result) | 0,00 | | |

As a result, among others, of the different interpretations to which Spanish tax legislation lends itself, additional liabilities could arise in the event of a tax inspection. The members of the Executive Committee consider, however, that any additional liabilities would not significantly affect the Annual Accounts.

The Association's tax returns for the main taxes to which it is liable are open to inspection by the Tax Authorities for those financial years for which the statute of limitations has not yet expired.

11. SHORT-TERM PROVISIONS

There has been no movement in this chapter.

12. INCOME AND EXPENSES

12.1.- Expenses arising from the operations of the governing body

No expenses of this kind have been stated in 2024 and 2023.

12.2.- Aid granted and other expenses

In the financial years 2024 and 2023 following aids were granted:

| Aid granted and other expenses | 2024 | 2023 |
|--------------------------------|-----------|------|
| Aid granted | 22,650.00 | 0,00 |

The amount of aid granted for fiscal year 2024 corresponds mainly to the Educating Cities Award to good practices in values education for a total amount of 10,500 euros granted to the cities of Odivelas (PT), Santo André (BR) and Mexico City (MX).

It also includes an amount of 12,150 euros the registration scholarships awarded to various cities for their participation in the 17th International Congress of Educating Cities held in Curitiba.

12.3.- Wages, salaries and social charges

This item includes the following expenses:

| Personnel expenses | 2024 | 2023 |
|--------------------|-----------|-----------|
| Personnel expenses | 37,063.53 | 35,592.27 |

| | | |
|--------------------|------------------|------------------|
| Wages and salaries | 9,593.93 | 10,602.48 |
| Total | 46,657.96 | 46,194.75 |

12.4.- External services

The breakdown in the Statement of Activities under 'External services' is as follows:

| External services | 2024 | 2023 |
|--------------------------|-------------------|-------------------|
| Bank services | 729.03 | 693.30 |
| Other services | 177,281.09 | 215,430.09 |
| Total | 178,010.12 | 216,123.39 |

Note: These items include the expenses incurred to support the territorial networks in the years 2024 and 2023.

12.5.- Losses, impairment and variation in provisions related to operating activities

This heading includes (Note 6):

| Allocations, losses and variations | 2024 | 2023 |
|---|------------------|-----------------|
| Allocation to the provision | 23,641.00 | 14,339.50 |
| Reversal of the provision for receivables | -11,654,50 | -10,295,00 |
| Loss for non-impaired trade receivables | 11,189,00 | 1,913,00 |
| Total | 23,175.50 | 5,957.50 |

12.6.- Other results

In the exercises 2024 and 2023, there have not been any other results further than Association's activity.

13. ACTIVITY OF THE ENTITY. USE OF ASSETS FOR OWN PURPOSES. ADMINISTRATION COSTS.

Practically all of the income and expenditure has come from the same activity of providing services to its members, which are composed entirely of local governments across the world.

The following is a breakdown of the degree of compliance with the destination of income and revenues:

| Financial Year | Accounting result | Basis of calculation | Income to be allocated 70% | Allocated resources Spending + investment | 2020 | 2021 | 2022 | 2023 | 2024 | Amount pending |
|----------------|-------------------|----------------------|----------------------------|---|------------|------------|------------|------------|------------|----------------|
| 2020 | 123.113,52 | 309.504,10 | 216.652,87 | 186.390,58 | 186.390,58 | | 349,05 | 29.913,24 | | 0,00 |
| 2021 | 84.730,07 | 310.794,50 | 217.556,15 | 226.064,43 | | 217.556,15 | | | | 0,00 |
| 2022 | 70.812,95 | 317.854,50 | 222.498,15 | 247.041,55 | | | 222.498,15 | | | 0,00 |
| 2023 | 45.100,78 | 313.556,50 | 219.489,55 | 268.455,72 | | | | 219.489,55 | | 0,00 |
| 2024 | 54.496,26 | 340.427,72 | 238.299,40 | 285.931,46 | | | | | 238.299,40 | 0,00 |
| Total | 378.253,58 | 1.592.137,32 | 1.114.496,12 | 1.213.883,74 | 186.390,58 | 217.556,15 | 222.847,20 | 249.402,79 | 238.299,40 | 0,00 |

14. ENVIRONMENT

The Association complies with environmental and environmental improvement legislation and meets the requirements of these in the development of its activities.

No contingencies, indemnities or other risks of an environmental nature are expected to arise for which the Association would have to record a provision.

15. RELATED-PARTY TRANSACTIONS

As from 2009, upon the requirements of the Ministry of the Economy and Treasury, and more specifically, of the General Intervention Board of the State Administration, in spite of being an independent organisation, due to the fact that it is financed significantly by Barcelona City Council, the Association is part of a municipal group of companies and institutions, in respect of economic and The operations developed among the Association and the group of companies and entities of Barcelona City Council are as follows:

Barcelona City Council contribution: 99,700 euros (also 99,700 euros in 2023).

Barcelona City Council: Auditing expenses totalling 2,882.83 euros including VAT (3,509.00 euros in 2023).

In 2024 and 2023 neither management staff nor members of the governing body of the Association received any remuneration from the Association.

In 2024 and 2023 neither the members of the governing body nor management staff of the Association have received advances or loans; neither have pension obligations been borne in their favour, nor have any life insurance premiums been paid for which they are the beneficiaries, nor have any obligations been assumed on their behalf in the form of guarantees.

Table of related party operations within the City Council of Barcelona Group.

1. 2024 / 2023 Income

Income amounts during fiscal year 2024 due to service provision, current and capital transfers and other income, as of December 31, 2024.

| Related parties Barcelona City Council | Income 2024 | | | | |
|---|-------------------|-------------------|-------------------|--------------|-------------|
| | Service provision | Current transfers | Capital transfers | Other income | TOTAL |
| Barcelona City Council | | 99.700,00 € | | | 99.700,00 € |
| | | | | | - € |
| | | | | | - € |
| | - € | 99.700,00 € | - € | - € | |

Income amounts during fiscal year 2023 due to service provision, current and capital transfers and other income as of December 31, 2023.

| Related parties Barcelona City Council | Income 2023 | | | | |
|---|-------------------|-------------------|-------------------|--------------|-------------|
| | Service provision | Current transfers | Capital transfers | Other income | TOTAL |
| Barcelona City Council | | 99.700,00 € | | | 99.700,00 € |
| | | | | | - € |
| | | | | | - € |
| | - € | 99.700,00 € | - € | - € | |

2. 2024 / 2023 Expenses

Expenses amounted during fiscal year 2024 due to service provision, current and capital transfers and other expenses recorded during fiscal year 2024 as of December 31, 2024.

| Related parties Barcelona City Council | Expenses 2024 | | | | |
|---|-------------------|-------------------|-------------------|----------------|------------|
| | Services received | Current transfers | Capital transfers | Other expenses | TOTAL |
| Barcelona City Council | 2.882,83 € | | | | 2.882,83 € |
| | | | | | - € |
| | | | | | - € |
| | 2.882,83 € | - € | - € | - € | |

Expenses amounted during fiscal year 2023 due to service provision, current and capital transfers and other expenses recorded as of December 31, 2023.

| Related parties Barcelona City Council | Expenses 2023 | | | | |
|---|-------------------|-------------------|-------------------|----------------|------------|
| | Services received | Current transfers | Capital transfers | Other expenses | TOTAL |
| Barcelona City Council | 3.509,00 € | | | | 3.509,00 € |
| | | | | | - € |
| | | | | | - € |
| | 3.509,00 € | - € | - € | - € | |

3. Payable/receivable accounts 2024 / 2023

Payable/receivable accounts 2024

Amount of outstanding balances as for December 31, 2024

Payable/receivable accounts 2023

Amount of outstanding balances as for December 31, 2023

| Related parties Barcelona City Council | 2024 Balance | | 2023 Balance | |
|---|---------------------|------------------|---------------------|------------------|
| | Accounts receivable | Accounts payable | Accounts receivable | Accounts payable |
| | | | | |
| | | | | |
| | - € | - € | - € | - € |

16. OTHER INFORMATION

16.1 Average workforce

The average number of employees of the Association in 2024 and 2023 is broken down below by job category and gender:

Financial Year 2024:

| Job category | Men | Women | Total |
|---------------------|------------|--------------|--------------|
| Technical staff | 0 | 1 | 1 |
| Total | 0 | 1 | 1 |

Financial Year 2023:

| Categories professionals | Men | Women | Total |
|---------------------------------|------------|--------------|--------------|
| Technical staff | 0 | 1 | 1 |
| Total | 0 | 1 | 1 |

16.2 Changes in the composition of the governing body

With relation to the Executive Committee:

The current composition of the Executive Committee is: Andong, Barcelona, Brussels, Cascais, Changwon, Curitiba, Granollers, Katowice, León, Lisbon, Rosario, Rennes, Seville, and Tampere

It is currently made up of 14 members instead of 15 since the city of Turin, a permanent member, requested voluntary withdrawal in June 2023 (under Art. 20 of the Statutes) for a period of one year. This request was announced to the Executive Committee at its meeting of October 2023. At the end of this period, Turin was consulted about its position regarding its continuity. At the date of submission of these annual accounts, no reply had been received.

16.3 Authorisations of the Executive Committee

In 2024 and 2023 no operations were carried out requiring the authorisation of the Protectorate of Foundations and Associations. Neither have there been any operations of this type brought forward from previous years.

16.4 Audit expenses

The audit expenses derived from the fees earned during the 2023 financial year have been passed on by the Barcelona City Council to the International Association of Educating Cities and those of 2024 will also be earned.

16.5 Subsequent events

Between 31 December 2024 and the date of formulation of the Annual Accounts, there have been no subsequent events requiring disclosure in these financial statements.

These annual accounts have been drawn up by the Executive Committee on March 25, 2025, and consist of 20 pages.

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| The President Delegate of the International Association of Educating Cities |
| Sr. Lluís Franco Rabell |

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| The Secretary of the International Association of Educating Cities |
| Sra. Marina Canals Ramoneda |