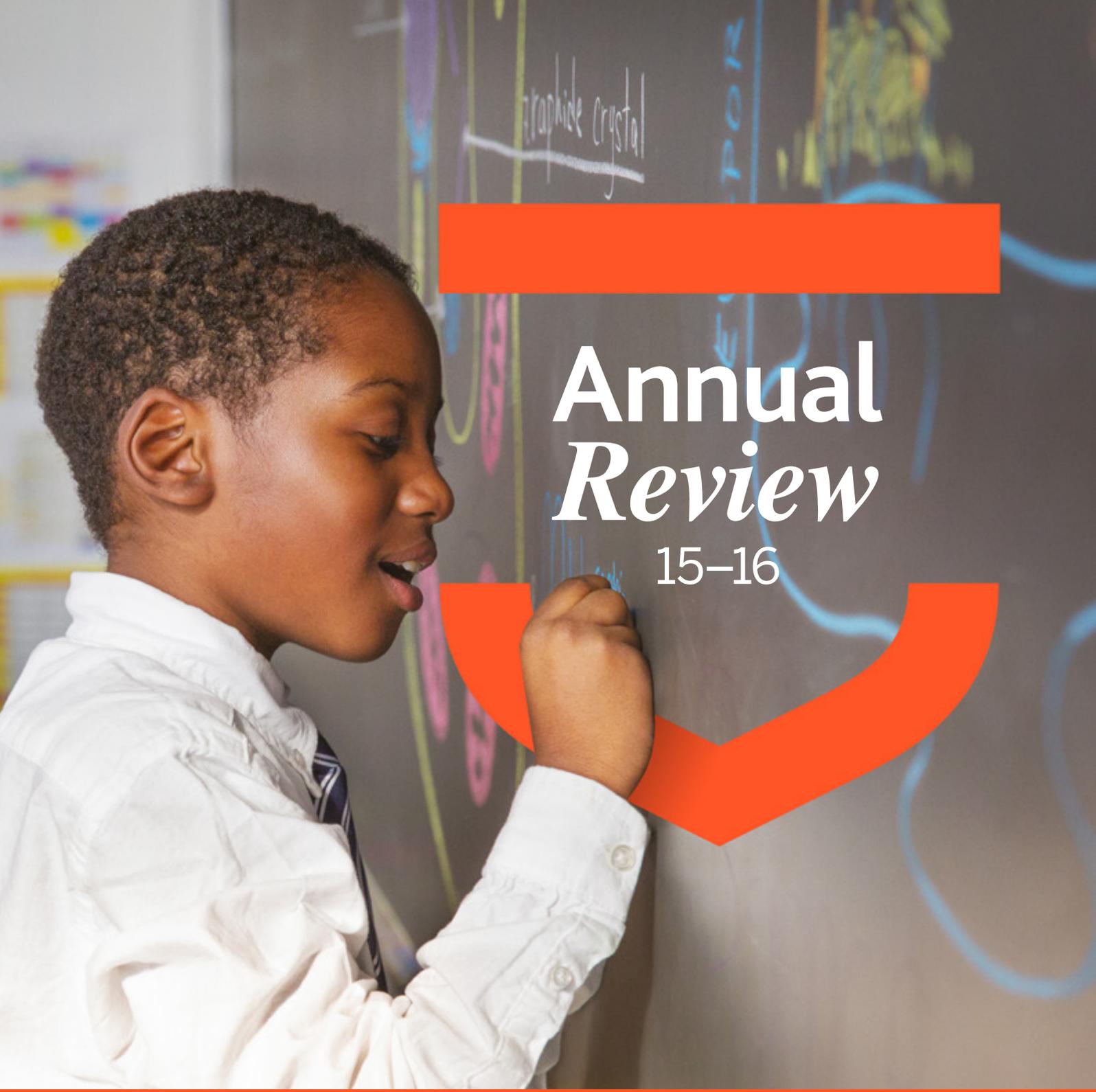




**Cambridge  
Assessment**



# Annual *Review*

15–16

# Inside this year's Annual Review

# 1

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From the *Group Chief Executive*  
Simon Lebus

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*p4-5*

# 2

---

Reinforce Cambridge Assessment's  
position as a *global assessment*  
*organisation* widely recognised and  
respected as a *leading authority on*  
*assessment issues*

---

*p6-11*

# 3

---

Effectively use and deploy  
*transformational modern*  
*technology*

---

*p12-13*

# 4

---

Maximise Cambridge Assessment's  
*educational impact* by providing and  
investing in a *broad, attractive and*  
*innovative portfolio* of assessments  
and qualifications, and related services

---

*p14-21*

# 5

---

Maintain *efficient and economic*  
operational processes to *maximise*  
*accessibility and support worldwide*  
*delivery* of examinations

---

*p22-25*

# 6

---

Pursue internal synergies to *achieve*  
*economies of scale* and leverage the  
Group's *multi-disciplinary expertise*

---

*p26-29*

# 7

---

Ensure that staff have the right skills  
to *implement this strategy*, and  
provide *training and development*  
opportunities to support this

---

*p30-33*

# 8

---

Thoughts from *around the Group*

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*p34-35*

# From the *Group Chief Executive* Simon Lebus

Simon Lebus



**T**his year marks the eleventh anniversary of our adoption of the Cambridge Assessment brand. We have decided to celebrate by updating it! Gone is the old 'A' logo and in its place is a return to the University of Cambridge coat of arms. The new logo allows us to highlight our unique position as the oldest exams group still in existence and the only one still attached to a university. It also aligns our work more closely with that of the University and other members of the University family with which we work including Cambridge University Press, the Faculties of Education and Mathematics and various other departments. The new brand reflects both how we have grown as an international organisation and how the world has changed since we became Cambridge Assessment in 2005.

It has been a year of continued international growth and a year in which we have maintained substantial investment, not only in our technological and physical estate but also our people. Demand for our products and services from around the world created more than 500 vacancies over the past year, just over half of which were filled by people new to the organisation. We have invested heavily in learning and development, ensuring that we are well on the way to achieving our ambition of being a global employer of choice. We have also successfully started systematic use of continuous improvement methodologies such as Lean Six Sigma and Kaizen, beginning with our Group Print and Operations division and rolling out the principles to other parts of the organisation.

Our international exam board has seen 10% growth across all its Cambridge qualifications, and more teachers than ever before are taking its professional development courses. It has opened new offices around the globe – from Africa to America

and Asia – and established new local teams to support schools.

It has been a year of innovation for our English language exam board, which has launched two Massive Open Online Courses, the result of a promising partnership with FutureLearn, the UK's Open University e-learning offshoot. Cambridge English Language Assessment now has a network of nearly 30 offices in locations around the world.

Meanwhile, our UK exam board has laid the foundations for a sustainable future with the appointment of a new Chief Executive. Leo Shapiro, previously Cambridge Assessment Group Strategy and Development Director, has more than 20 years' senior management experience and will continue the implementation of priorities and activities designed to ensure OCR is able to respond to the challenges created for all exam boards by the UK's ambitious qualifications reform programme.

It has been a year of firsts for our professional training and development arm, the Cambridge Assessment Network. It has launched a first-ever Postgraduate Certificate in Educational Assessment and Examinations and a Leadership in National Assessment course which has welcomed assessment professionals from countries as diverse as the Bahamas, Indonesia and Portugal.

Research is at the heart of everything we do and this was a year that saw some key developments including the publication by our Group Director of Assessment Research and Development Tim Oates CBE of *The Cambridge Approach to Textbooks*. Following on from *The Cambridge Approach to Assessment*, this set of criteria is the product of an extensive transnational study of high-quality materials.

We also celebrated milestones in research, including the publication of our 100th Statistics Report. Many of these reports – designed to offer insights into the exam system that can be used by all – have made media headlines over the years, such as those on the accuracy of forecast grades. We also celebrated 10 years of *Research Matters*, our free biannual publication which allows us to share our research with the education community and the wider public. Looking back over the issues of the past 10 years, a period that has seen huge changes in assessment both here in the UK and internationally, it is pleasing to see how *Research Matters* has brought to attention sometimes neglected areas of theory, practice and development, so enabling the formulation of evidence-based policy.

Finally, it was during this year that work began on building our new global headquarters in Cambridge. As I write, completion is now less than a year away.

With a new brand and a new headquarters, I believe we stand ready to meet the challenges and embrace the opportunities that lie in store over the coming year.

## Reinforce Cambridge Assessment's position as a *global assessment organisation* widely recognised and respected as a *leading authority on assessment issues*

Below:  
The launch of The Cambridge Approach to Textbooks saw a lively debate.



Top:  
Dozens of teachers from around the world attended the Cambridge Schools Conference in September 2015.



Below:  
E.D. Hirsch speaking at Cambridge Assessment.



Left:  
In summer 2015 we celebrated 10 years of Research Matters, a free biannual journal.

### *A leading authority*

This was a year in which we reached key milestones in our aim to be a leading authority on education and assessment. In March we celebrated the publication of our 100th Statistics Report. Part of our commitment to transparency and access to exam data, we began publishing these reports 10 years ago and they offer a valuable insight into the world of assessment, from what subjects are being studied, at what age, and by whom, to the accuracy of forecast grades or who is getting the As or A\*s in their A Levels.

We also celebrated the 10th anniversary of Research Matters, a free biannual journal which allows us to share our assessment research with the education community and the wider world. The past 10 years is a period which has seen huge changes in assessment, and we believe Research Matters has played a key role in getting information out into the public domain, enhancing debate and enabling development in assessment.

Much of our research made headlines in 2015–16, in particular a study of the role of the A\* grade at A Level as a predictor of university performance in the UK. Researchers Carmen Vidal Rodeiro's and Nadir Zanini's work highlighted the importance of a grading system that allows greater differentiation among students, as it can be beneficial for effective and fair higher education admissions in the UK.

Researchers from our Assessment Research and Development division presented widely, from the British Educational Research Association conference in Belfast, Northern Ireland, to the Association for Educational Assessment – Europe conference in Glasgow, Scotland, and the European Conference on Educational Research in Budapest, Hungary. Researchers from our English language exam board also shared their knowledge

at a number of conferences around the world, including the International Association of Teachers of English as a Foreign Language conference in Birmingham in April 2016 where they outlined a new approach to classroom observation. And both our UK exam board and our international exam board took part in the International Association for Educational Assessment annual conference in Kansas in the US, which focused on the importance of validity in assessment.

We also played host to some of the biggest thinkers in education. In September 2015 we welcomed the renowned educationalist E.D. Hirsch. Often described as 'the Godfather of Knowledge', Professor Hirsch's work has had a profound impact on education around the world, but he had never spoken in the UK before his visit.

Our next event was on a subject that often provokes fierce debate in education: gender differences. Our English language exam board presented a study at the conference which demonstrated that, at a global level, girls slightly outperform boys in English language proficiency.

Our final event in the 2015–16 calendar saw the launch by Tim Oates CBE, our Group Director of Assessment Research and Development, of The Cambridge Approach to Textbooks. A set of principles for designing high-quality textbooks and resource materials, they are the practical outcome of a paper Tim published in 2014 which called for high-quality textbooks to be restored in England's classrooms. Speakers at the seminar included Fei Chen Lee from Times Publishing Singapore, Dr Debbie Morgan from the UK's National Centre for Excellence in the Teaching of Mathematics, Lis Tribe from publisher Hodder Education, Jane Mann from Cambridge University Press,



Left:  
Saul Nassé, Chief Executive of Cambridge English Language Assessment, at the 2016 Education World Forum.

Below:  
Dr Agnieszka Walczak from Cambridge English Language Assessment speaking at Cambridge Assessment's conference on gender differences in education.



Lord Knight from digital education company TES Global and Professor David Lambert from University College London.

### *Sharing expertise*

Our international exam board and our English language exam board joined together with Cambridge University Press as Platinum Partners for the world's largest gathering of education and skills ministers in January 2016. Saul Nassé, Chief Executive of Cambridge English Language Assessment, told the Education World Forum that in order to take advantage of the revolution that mobile technology is bringing to our lives, teachers should be given the skills to support the learning of communication and language.

Meanwhile, our professional training and development arm the Cambridge Assessment Network held a rich and varied programme of seminars, including one at which assessment expert Professor Rob Coe called for a re-engineering of the accountability system in the UK and one at which long-standing Cambridge admissions tutor Richard Partington called for the UK's university admissions system to be reconfigured. The Network also hosted a seminar which explored how Cambridge University academics are mining the 'treasure trove' that is our Group Archives in a bid to drive up the number of teenagers taking science, technology, engineering and maths subjects in the UK.

In December 2015 the UK Parliament's Commons Education Select Committee announced an inquiry into the purpose and quality of education in England. From our unique position as the oldest exams group still in existence, we gave written evidence to the inquiry which said that education should

In September 2015 the Cambridge Assessment Network held its first-ever course for leaders in educational assessment, the Leadership in National Assessment programme.





**"From our unique position as the oldest exams group still in existence, we gave evidence to MPs that education should empower opportunity and equity for all."**

empower opportunity and equity for all. In a similar vein, our Group Chief Executive took part in a panel debate at the Global Education and Skills Forum in Dubai. Simon Lebus opposed the motion 'This house believes we are becoming slaves to testing and standardised assessment', arguing that testing is one of the most powerful instruments of educational change and control.

Our international exam board helped inform a group of UK politicians who visited China on a fact-finding mission. Michael O'Sullivan, Chief Executive of Cambridge International Examinations, joined members of the All Party Parliamentary China Group on a visit to Chengdu Shishi High School in China's Sichuan Province. The school, which stands on the site of what is thought to be the oldest school in the world, offers a range of Cambridge programmes including Cambridge International A Levels and Cambridge IGCSEs.

We shared our expertise with policymakers at the UK main party conferences in autumn 2015, with our UK exam board OCR hosting debates on English and maths. Schools Minister Nick Gibb spoke at the Conservative Party event about the importance of a strong grounding in the subjects. Meanwhile, our English language exam board shared its expertise in the European Parliament. It marked the European Day of Languages in September 2015 with an event about how to boost the language skills needed for employability. Finnish Member of the European Parliament Hannu Takkula hosted the debate, which heard from Cambridge English about how important it is to promote a multilingual agenda.

In a similar vein, our international exam board is engaged in an ongoing programme of research into bilingual education, and in September 2015 it shared some initial findings with

the publication of a new book. *Language Rich: Insights from Multilingual Schools* by Stuart Shaw, Helen Imam and Sarah Hughes is published by Cambridge University Press and reveals some of the many ways schools worldwide are practising bilingual education.

Elsewhere, Cambridge English Language Assessment worked with an international study choice platform, StudyPortals, on a report which profiled the growing foundation programme market which is estimated to have grown to over US\$825 million per year.

OCR helped further understanding of assessment by launching an information campaign about how the exam process works in the UK. Two of the videos created, *From Exam to Results Day* and *Creating an Exam Paper*, have been viewed nearly 7,000 and nearly 2,500 times respectively.

Our Group Archives offer an unparalleled resource for anyone interested in assessment, and in July 2016 we hosted a visit by the British Broadcasting Corporation. Cambridge Classics Professor Mary Beard featured the Group Archives in a documentary about the intriguing history of exams, highlighting in particular a letter in which the father of a disappointed candidate tried unsuccessfully to bribe the Group Secretary John Neville Keynes – whose son John Maynard Keynes would of course go on to change the face of economics.



Above:  
Members of the All Party Parliamentary China Group and staff from Cambridge International Examinations met students at Chengdu Shishi High School in China, often described as the oldest school in the world.

Left:  
Our Group Archives hosted a visit by the BBC for a documentary about the intriguing history of exams.



### 3

## Effectively use and deploy transformational modern technology

**A**s an exams group designing and delivering assessments for more than eight million learners in over 170 countries, it is vital to stay at the forefront of technological change. To this end, we continued to invest heavily in our technological estate.

Work progressed well on modernising our exam-processing technology. We continued to add more products to our strategic Information Technology platform SAP, while extending its capabilities to support all our General Qualifications such as GCSEs and A Levels. More than 900 exam centres in nearly 100 countries around the world are already using this transformational solution.

We also rolled out a new cloud-based self-service portal to our community of over 34,000 assessment specialists. The technology makes it easier for them to keep details of their availability up to date and is a key development in the way they work with us.

We saw a 20% increase in use of our websites, with significant growth in those using a mobile device. Some 43 million people now visit our websites every year and we continue to make sure that the user experience is a positive one, whichever way people are reaching out to us.

The West Cambridge Data Centre, our state-of-the-art facility developed in partnership with the University of Cambridge, was in December 2015 named as the winner of an international

award for digital delivery. The award for the Europe, Middle East and Africa region from media and publishing company DatacenterDynamics was recognition of the innovative approach taken in designing an energy-efficient facility capable of supporting differing workloads. The centre will allow us to harness the power of 'big data' for practical applications to improve learning and education. Indeed, we are keen to be at the forefront of this revolution, so in October 2015 established a Data and Analytics team to bring the latest advances in data science to Cambridge Assessment.

Our UK exam board is trialling an innovation in standardisation, which is a process that ensures examiners apply a mark scheme fairly and consistently. Because of work or home commitments, not all examiners are able to get to standardisation meetings, and OCR again successfully trialled remote standardisation during the June 2016 exam series. The system is expected to be rolled out in the near future.

Meanwhile, our international exam board successfully launched Results Analysis, a service designed to give Cambridge International Schools more detailed results data to help improve teaching and learning. The board chose five of its most popular syllabuses to start with and feedback so far has been overwhelmingly positive.

The board also carried out a successful trial of on-screen testing. Malaysia was chosen for the pilot, which involved Cambridge Secondary 1 Checkpoint tests in English and

Science, assessments for learners aged 11–14 years. Now the tests are to be rolled out globally to interested schools.

Cambridge English Language Assessment launched its first Massive Open Online Course (MOOC) in May 2016 with a free online course for people planning a career in teaching English. The course, designed to give a taster of the skills and knowledge needed before setting foot in the classroom, attracted 35,000 participants and an unusually high level of participant interaction. And a second MOOC launched at the end of the year is giving over 120,000 learners an expert overview of the International English Language Testing System (IELTS) test and guidance on how to improve their performance.

Cambridge English also rolled out a new, computer-delivered version of IELTS, which it jointly owns with the British Council and IDP: IELTS Australia. Initially available in China, Hong Kong and the UK for those who are using the test for UK visa and immigration purposes, the test will now be rolled out globally.

## Maximise Cambridge Assessment's *educational impact* by providing and investing in a *broad, attractive and innovative portfolio* of assessments and qualifications, and related services

### *Educational impact*

In the UK, a substantial programme of education reform – sometimes described as the biggest wave of qualification reform in a generation – is well underway. Our UK exam board OCR developed more new GCSEs and A Levels for first teaching in September 2015 than any other exam board, and has been busy over the past year developing the next wave of qualifications. All 37 qualifications in this second tranche of reform were accredited by June 2016, with the majority ready for teachers before that. Work is already underway on the third wave of qualifications, with the news coming in July 2016 that OCR had received its first accreditation – for its new GCSE in Economics.

OCR made headlines with its partnership with the celebrity chef Heston Blumenthal on its new GCSE in Food Preparation and Nutrition. The Michelin-starred chef launched the qualification at a school in London in September 2015 and then held a workshop for more than 80 teachers from around the UK in April 2016.

OCR chose the Roman festival of Saturnalia to unveil its new Latin GCSE, which will be first taught from September 2016. Cambridge University Professor of Classics Mary Beard has given her support to the new GCSE, saying that learning Latin “gives students direct access to some of the most impressive, challenging and influential literature the world has produced”.

The exam board also innovated with its new Geography A Level, which covers for the first time the topical issues of migrant trafficking and piracy, rising sea levels and sustainable fishing. Geography is one of the 10 most popular subjects taken at A Level in the UK and the skills learned, such as numeracy, teamwork and analytic skills, make geographers sought after for many professions.

As part of the process of qualification reform in the UK, OCR took the difficult decision not to resubmit its draft French, German or Spanish GCSEs or AS/A Levels for further accreditation review by the England exams regulator Ofqual. While OCR regrets the loss of these subjects from its portfolio, it still offers a very broad range of qualifications and Modern Foreign Languages continue to be available through its sister exam board Cambridge International Examinations.

OCR also announced that for strategic reasons it would be withdrawing from the future provision of GCSEs and A Levels in the ‘less taught’ languages of Persian, Turkish, Portuguese, Dutch, Gujarati and Biblical Hebrew. Agreements were secured in principle for other exam boards to provide many of the languages and OCR has been doing all it can to ensure a smooth handover.

### *International qualifications*

Globally there has been 10% growth across all Cambridge International Examinations qualifications, including 11% for Cambridge International AS and A Levels and 8% for Cambridge IGCSEs.

Growth was particularly strong in India, with a 17% increase in entries for Cambridge IGCSEs and an 8% increase in entries for Cambridge International AS and A Levels, with Mathematics and First Language English the most popular subjects. In Pakistan, entries for Cambridge qualifications were up 7%, with the popularity of the Cambridge IGCSE increasing by 16%.

In the United Arab Emirates, Cambridge International AS and A Level entries were up 14%, with Physics and Chemistry the most popular subjects. And in South Africa entries for Cambridge

“Globally there has been *10% growth* across all Cambridge International Examinations qualifications, including *11% for Cambridge International AS and A Levels* and *8% for Cambridge IGCSEs.*”



International AS and A Level examinations rose by 5%, with more schools teaching Cambridge programmes and qualifications than ever before.

In the UK, the Isle of Man decided to switch away from the English GCSE system altogether and move almost wholesale to the Cambridge IGCSE. The decision, which has been described by the Isle of Man government as the most radical change in its education policy since the Second World War, came about after a public consultation revealed parents, young people and employers were overwhelmingly in favour of the move.

Our international exam board has also seen a rise in schools adopting its programmes for Cambridge Primary (5–11-year-olds) and Secondary 1 (11–14-year-olds), with entries for Cambridge Primary Checkpoint in South Africa alone rising by 24% in 2015–16.

Recognition of the growing popularity of its qualifications in China came in November 2015 with the award of an International Education of Influence Award by the media company Sina. The award recognises not only the growth of Cambridge International Examinations but the board's commitment to support schools.

### **English for Speakers of Other Languages**

Recognition of Cambridge English exams continues to increase rapidly, with more than 1,000 new recognising organisations signing up in 2015–16. Over 22,000 universities, employers, government agencies and other organisations worldwide now accept the results of the exams. Use for visa purposes in English-speaking countries also increased, with official recognition in New Zealand and growing entries in Australia. Other governments, including those of the Czech Republic and Moldova, officially recognised Cambridge English exams during the year. And the use of the exams for prestigious international scholarships also increased, such as the UK's Chevening Scholarships and Australia's Endeavour programme.

## **“Recognition of Cambridge English exams continues to increase rapidly, with more than 1,000 new recognising organisations signing up in 2015–16.”**

The IELTS test remains the only English language test which is available worldwide to meet the needs of applicants for UK visas and immigration who are required to prove their English language skills. IELTS is jointly owned and managed by Cambridge English and its partners British Council and IDP: IELTS Australia. During 2015–16 Cambridge English developed a new set of IELTS tests, IELTS Life Skills, to meet the needs of those applicants for UK visas and immigration purposes who do not require



Our international exam board has seen a rise in schools adopting its programmes for Cambridge Primary and Secondary 1.

Top: Heston Blumenthal launches a new GCSE in Food Preparation and Nutrition with OCR.

Below: Sing and Learn, an online karaoke game for children.



a full four-skills English language qualification in order to settle in the UK.

Our English language exam board also introduced a range of online services to help learners to improve their English and to prepare better for the exams. These include Sing and Learn, an online karaoke game for children that uses familiar children's songs which have been re-recorded with new lyrics based on word lists used in Cambridge English: Starters and Movers tests.

In another new service, a mystery professor and two archaeology students are helping thousands of people around the world to learn English. The fictional characters can be found in Virtually Anywhere, a new audio series from Cambridge English, which clocked up 25,000 plays in the first three months of its launch.

### **Admissions testing**

Our Admissions Testing Service (ATS) continues to increase its influence, with new agreements with universities around the world, including Nazarbayev University in Kazakhstan. Cambridge has been supporting students in Kazakhstan since

“More teachers than ever before are taking Cambridge International Examinations’ professional development courses, thanks to a *broadening of access* in terms of *quantity* and *location*.”



2011, when its international exam board began working with Nazarbayev Intellectual Schools, a network of schools throughout Kazakhstan for exceptional students aged 12 to 18.

Meanwhile, in February 2016 it was announced that ATS was working with the University of Cambridge to develop and deliver a range of new tests for students applying for undergraduate courses. In a letter to UK schools and colleges, Dr Sam Lucy, the University’s Director of Admissions, said that the tests would provide “valuable additional evidence of our applicants’ academic abilities, knowledge base and potential to succeed in the Cambridge course for which they have applied”.

#### ***Vocational and technical***

In November 2015 OCR celebrated 25 years of creating vocational qualifications from its offices at Progress House in Coventry. In the past year alone OCR issued more than half a million certificates across more than 500 vocational and technical qualifications. Partner organisations that worked with OCR to develop its qualifications attended a celebration to mark the anniversary.

Qualification reform in the UK also extended to this area, and OCR took the opportunity to develop new Level 3 Cambridge Technicals in key sectors. The qualifications, aimed at students aged 16 and over, are designed with the workplace in mind and provide a high-quality alternative to A Levels. They have been developed in partnership with top global employers such as pharmaceutical firm AstraZeneca and technology and innovation company IBM.

And in a sign of the growing popularity of Cambridge Technicals, in March 2016 a college in Kent, England, became

the 1,000th school or college to use the qualifications. Canterbury College said that it particularly valued Cambridge Technicals as they enabled its students to become more independent learners.

#### ***Partnerships***

Our international exam board’s partnership with the Macedonian Ministry of Education and Science progressed well. September 2016 will mark the final stages of primary reform through the implementation of new maths and sciences curricula in Grades 7–9. Cambridge International Examinations has assisted teachers through the reforms by providing curricula and curriculum support packages, which included a nationwide teacher training programme. In addition, the board has implemented a monitoring programme to evaluate the impact of the reform and is working with the Ministry to plan how to extend the work into the secondary phase of education from September 2017.

Cambridge International Examinations has been working with the French Ministry of Education since 1984, and in June 2016 it signed a memorandum of understanding over the development of the British version of the school-leaving certificate Option Internationale du Baccalauréat (OIB). Since the OIB was first created more than 30 years ago, Cambridge has seen examination entries increase year on year.

Meanwhile, the exam board’s work with Kazakhstan’s Nazarbayev Intellectual Schools continues to flourish. It has just renewed the partnership, which sees it advise on curriculum and assessment reform.

### *Continuing professional development*

In response to growing demand from teachers and school leaders, our international exam board increased the number of Cambridge Schools Conferences to three. The first was held in South Africa in April 2016, reflecting the growing importance of Sub-Saharan Africa in education.

And more teachers than ever before are taking Cambridge International Examinations' professional development courses, thanks to a broadening of access in terms of quantity and location. It has also moved to meet schools' needs more effectively, developing new courses to enrich teachers' practice. A new framework has been established, from Introductory Training through to Extension Training. The final level, Enrichment Professional Development, encourages teachers to reflect upon and become more innovative in their teaching. Cambridge Professional Development Qualifications are accredited by the University College London Institute of Education and have seen significant growth.

The exam board also launched a new blog in September 2015, designed to provide the global education community with original, informative and engaging material which can be accessed easily and shared widely. Since its launch, topics have included high-tech teaching in South America, inspiring students through bilingual learning, and how education can prepare students for the 'working world'.

Our Group training and professional development unit, the Cambridge Assessment Network, welcomed delegates from a range of countries including South Africa, Ghana, Indonesia, Zambia, and for the first year, Thailand, to its popular Cambridge International Study Programme. The course aims

to provide a complete guide to the processes involved in the design and delivery of valid and robust examinations.

It also staged its first-ever course for leaders in educational assessment. Held in September 2015, the Leadership in National Assessment programme welcomed exam board executives, academics with an advisory role, policymakers and ministry officials from countries including the Bahamas, Indonesia, Lesotho and Portugal.

October 2015 saw the start of a new postgraduate certificate in assessment offered by the Network. The Master's-level Postgraduate Certificate in Educational Assessment and Examinations is run by the Network in association with Cambridge University's Faculty of Education and is designed to provide students with a deeper understanding of educational assessment and its evaluation. Nearly 50 educational professionals are taking part.

Meanwhile, our UK exam board held its first-ever Maths Teaching and Learning Conference. Held at Queen Mary University of London in July 2016, the conference provided lots of ideas, rooted in real classroom practice, to help teachers engage their students and enhance their mathematical understanding. It also held a conference for GCSE English teachers at Shakespeare's Globe in London. Award-winning novelist Kazuo Ishiguro – famous for books including *The Remains of the Day* and *Never Let Me Go* – was one of the guests.

The Cambridge Assessment Network welcomed delegates from a range of countries including South Africa, Ghana, Indonesia, Zambia and Thailand to its popular Cambridge International Study Programme.



## Maintain *efficient and economic* operational processes to *maximise accessibility and support worldwide delivery* of examinations

### *Worldwide delivery*

At peak times we load over four million marks into our systems – and that is for our UK exam board OCR alone. The number is much higher when Cambridge English Language Assessment and Cambridge International Examinations are also running exam sessions. It is data on a breathtaking scale, but each mark is important to us as they all lead to a qualification that can open doors and change lives for learners.

During the period covered, our in-house scanning facility at our distribution centre DC10 scanned 29 million sides of question papers, enabling fast, accurate turnaround and high-quality on-screen marking for examiners.

We printed half a billion A4 sides of confidential question papers on-site using new inkjet technology. When all four printers are at full pelt, we produce one kilometre of question papers every 150 seconds.

In June 2016 we celebrated the first anniversary of our new £9 million distribution centre DC20, which enhances our capacity but more importantly, as our Business Continuity and Disaster Recovery site, gives us great resilience.

And our Group Property and Operations division achieved the internationally recognised Data Security standard ISO 27001 for Scanning, as an extension to our existing Data Centre accreditation, and also the new, more stretching ISO 9001:2015 for Quality Management.

The quality of our English language exam board's systems and processes was once again recognised by the award of the new version of ISO 9001, the world's most recognised quality management standard, and of the ServiceMark accreditation,

a national standard of customer service accredited by the UK's Institute of Customer Service.

In a move designed to help learners meet local college and admissions deadlines, our international exam board successfully held its first-ever March exam series in India in 2015 for a range of popular Cambridge IGCSE subjects. That was followed in March 2016 by a selection of Cambridge International A Level and AS Level syllabuses.

### *Maximising accessibility*

Our UK exam board was a founder signatory of a 2016 campaign by the National Literacy Trust, a charity which campaigns to improve public understanding in the UK of the importance of literacy. The Vision for Literacy Business Pledge aims to raise literacy in the local community, boost the economy and improve social mobility. OCR is supporting the pledge both through its partnerships with schools – facilitated by the charity Business in the Community – and by developing online resources for non-specialist English teachers, to help learners work towards gaining their GCSE English.

A fund that arises from OCR's historical association with the West Midlands Exam Board continues to provide bursaries for talented students from across the UK's West Midlands region. In September 2015 nine students were awarded bursaries of £3,000 a year towards their studies at the University of Cambridge.

In January OCR congratulated the recipient of a UK National Apprenticeship Award. Joshua White, a business analyst with technology company IBM, was named Advanced National

**"At peak times we load over *four million marks* into our systems. It is data on a breathtaking scale, but each mark is important to us as they all lead to a qualification that can *open doors and change lives.*"**





Above:  
Talented students from across the UK's West Midlands region were awarded bursaries towards their studies at the University of Cambridge.

Apprentice of the Year at a ceremony in London. OCR provides the courses and qualifications for all apprentices on IBM's award-winning programme.

Meanwhile, our English language exam board awarded four English teachers from around the world with scholarships to attend a leading event in the English Language Teaching calendar, the International Association of Teachers of English as a Foreign Language conference. The four, who are from Argentina, Ukraine and Russia, beat over 1,300 hopefuls by impressing an expert panel of judges with essays on student motivation, improving knowledge of assessment, use of technology in the classroom and making time for professional development. The conference, which attracts over 2,500 English Language Teaching professionals from over 100 countries, gave them the chance to hear the latest thinking in English language teaching. And in August 2015 a teacher from Colombia was named as Cambridge English Schools

Ambassador 2015. Diana Yama from Instituto Champagnat impressed judges with a project that got the whole community involved in learning English. The other finalists – Graham Ward from Frederic Mistral-Fundació Collserola, Spain, and Priscila Jaramillo from UEPRIM, Ecuador – were also praised for their commitment to improving the level of English in their schools.

“Teachers from Argentina, Ukraine and Russia beat over 1,300 hopefuls to *win a scholarship* to one of the leading events in the English Language Teaching calendar, gaining the chance to *hear the latest educational thinking.*”

## Pursue internal synergies to *achieve economies of scale* and leverage the Group's *multi-disciplinary expertise*

This was a year in which the Group embraced the continuous improvement methodologies Lean Six Sigma and Kaizen. The journey began with our Group Print and Operations team but now the drive is being cascaded throughout the organisation. Some of the early 'wins' under Lean Six Sigma include helping cut the time it takes for our UK exam board OCR to process teachers' and learners' requests for reviews of marking from 10 to just under three days. Meanwhile Kaizen, which translates as 'change good', has provided an opportunity for all employees to suggest process improvements which are then discussed and implemented, where appropriate.

We are realising synergies across the Group with a new 'end-to-end' supply chain initiative, from the creation of exam question papers to their printing, collation and safe despatch to exam centres in more than 170 countries worldwide. We have been striving to create truly Group-wide solutions in areas such as replacement of lost exam certificates. And we upgraded our core finance system to provide decision makers with more granular cost control information.

A partnership between Cambridge University Press and our English language exam board celebrated its fifth year of operation in July 2016. Cambridge Exams Publishing combines the expertise of both partners to develop official exam preparation resources, from IELTS practice tests through to the popular general English course Prepare!

Cambridge Mathematics, a major project to develop a framework that will help support world-class mathematics education for students aged from five to 19, celebrated its first birthday in March 2016. The project is a cross-University

collaboration involving the Faculties of Mathematics and Education, Cambridge University Press and Cambridge Assessment. To mark the first year, community members came together to hear the latest updates on the programme and share news of their own projects, including the publication of a new book, *Teaching Probability*, by Cambridge University Professor David Spiegelhalter.

And our international exam board and our English exam board have worked together on the development of a new Cambridge Secondary 1 Checkpoint English as a Second Language test for learners aged 11–14 years. The assessment tests English usage, writing and listening and helps prepare learners for the next stage of education, such as Cambridge IGCSE. It was first assessed in October 2015. The two organisations are now developing a Cambridge Primary Checkpoint English as a Second Language test for first assessment in May 2017.

The pilot of a qualification involving Cambridge International Examinations, its sister board OCR and the Mauritius Ministry of Education has gone well. The HSC Pro (Higher School Certificate Professional) recognises both the academic and vocational achievements of 18-year-olds. November 2016 saw the first cohort graduate and feedback has been very positive. In July 2016, Dr Shalena Fokeera-Wahedally from the Mauritius Examinations Syndicate and Dominique Slade from Cambridge International Examinations co-presented on the HSC Pro curriculum at the International Conference on Employer Engagement in Education and Training in London, showing that international interest in this type of innovative combined academic/vocational curriculum is high.



Right:  
Vong Phaophanit and  
Claire Oboussier are  
creating works of art that  
will feature at The Triangle,  
Cambridge Assessment's  
new headquarters.



Right:  
Group Chief Executive  
Simon Lebus and  
Neil Pixsley, Project  
Director at Bouygues UK  
(pictured right) dig the  
first piece of ground at  
Cambridge Assessment's  
new headquarters.



### *Property*

After seven months of clearing, demolishing, excavating, breaking and crushing, demolition company John F Hunt left The Triangle, the site of our new global headquarters in Cambridge, and made way for the main contractor Bouygues UK. A ground breaking ceremony took place in early October to mark the start of the building phase of the project, which is expected to be completed by October 2017, ready for staff to move in in early 2018.

Under the terms of our planning agreement with Cambridge City Council we are obliged to include public art within the site, and it is an obligation that we have fully embraced. We have commissioned artists Vong Phaophanit and Claire Oboussier who are creating works of art that will feature at the entrance to The Triangle building and also at the top of its 39-metre-tall tower. 'In Other Words' will be made up of layer upon layer of script in different languages that will be printed onto glass and subtly lit. The artists asked the local and international community to provide words to be featured in the work, based on the question 'What is knowledge?' and more than 300 contributions in 34 different languages were made.

Further afield, our international footprint continued to grow. In 2015 Cambridge International Examinations opened new offices in the United States, Pakistan and South Africa, and appointed its first-ever representatives in Ghana, Kenya and Brazil. A number of new staff posts were also created to bolster the nine regional teams the board provides around the world. Meanwhile, work continued to expand our English language exam board's global network. It now has 27 offices in locations around the world, and an extended network of more than 30,000 examiners, 2,800 exam centres and more than 52,000 registered preparation centres.

### *Environment*

In May 2016 came the news that we had managed to reduce energy consumption across all our sites by 7%. At the end of 2015 we signed up to the Energy Savings Opportunity Scheme, a UK government-run scheme in which organisations are committed to carrying out audits of the energy used in their buildings, industrial processes and transport to identify cost-effective energy-saving measures. The audit identified a need to move to more energy-efficient Light-Emitting Diode bulbs which have not only reduced consumption but also created a brighter and happier environment for staff and visitors. We also installed solar panels on our DC10 and DC20 distribution centres, and these help support the energy requirements of both sites.

The results of an annual Travel to Work survey at our Cambridge sites showed that more and more staff are choosing to cycle, car share, walk or catch the train to work. There are not many businesses where one in four staff travel to work by bike and it is testament to the importance we and they place on sustainable travel.

## Ensure that staff have the right skills to *implement this strategy*, and provide *training and development opportunities* to support this

### *Learning and development*

As a high-performing global organisation, we believe it is vital to invest in our people and provide them with the skills and knowledge they need to succeed. To this end we provide a wide range of learning and development opportunities – face to face, online and experiential – to take into account people's different learning styles and preferences. We want our people to develop successful careers with us and value their individual and collective contributions. Our aim is to be a global employer of choice to attract and grow the best talent.

Last year we made excellent progress on our Building a Culture of Learning strategy which has seen a comprehensive range of initiatives delivered, including courses, programmes, networks and resources to support learning across the Group. These have proved extremely popular, with many being over-subscribed, leading to additional courses being added in response to demand. We have also expanded our learning offering globally through virtual learning and high-quality online resources.

We are committed to encouraging informal as well as formal learning in order to meet the range of diverse needs of our people, while also ensuring all initiatives are aligned to our Group strategy. We want everyone to achieve their full potential as part of a coaching and knowledge-sharing culture, and continuing professional development is at the core of what we do.

New resources for 2016 include the introduction of the online learning platform Lynda.com which has more than 300 registered Group users and is growing at the rate of around 25 users a month. More than 60 mentors have been trained and we have implemented guidance to support staff with 'stretch' opportunities such as job shadowing. And more than

430 new starters attended Group Induction workshops to welcome them to the organisation and help support their early development.

### *Employee engagement*

We want our employees to have the best possible experience of working at Cambridge Assessment by creating an environment in which they can thrive. Our aspiration is to become a Sunday Times Top 100 Best Company to Work For by 2018, and over the past year we implemented a range of activities towards this goal. These include increased visibility of our leaders and more opportunities for dialogue and feedback, helped by the success of our online collaboration tool Yammer, which has seen over 2,000 people sign up in the first year and the creation of nearly 400 groups.

We have continued to focus on the wellbeing of our people – a key enabler of engagement – through our Healthy Steps programme. We have held over 70 events and launched our first cross-Group pedometer challenge, Healthy Steps to Rio, with over 500 people signing up. In recognition of our commitment to the safety and wellbeing of our staff and visitors, the Group was shortlisted as Organisation of the Year in the annual St John Ambulance Everyday Heroes Awards. We were recognised for our high level of first aid cover and rigorous training and investment in our first aiders and first aid facilities, which fully exceed the minimum legal requirements for the UK.

And we launched our STAR (Special Thanks and Recognition) employee awards. These will celebrate the achievements of our people and are to be rolled out across the Group in the coming year.

“We want our people to develop successful careers with us and value their *individual and collective contributions.*”

**"We want our employees to have the best possible experience of working at Cambridge Assessment by creating an environment in which they can thrive. Our aspiration is to become a Sunday Times Top 100 Best Company to Work For by 2018, and over the past year we implemented a range of activities towards this goal."**



#### *Developing our future leaders*

Developing our leaders of the future remains a strategic imperative, both in the UK and internationally. As part of a multi-faceted approach, in 2016 we introduced our new Jigsaw managers' programme, which over 60 managers have signed up for. Jigsaw is designed to help develop confident and competent managers, who are supported as they explore their management style and given the tools to effectively manage their teams. It complements our highly successful Aspiring Managers development programme, now in its fifth year, which has seen more than 75 high-potential employees take part. Our New Managers Network, established last year to encourage knowledge-sharing and best practice, has gone from strength to strength and boasts 76 members. And following the relaunch of our Senior Management Forum for our top leaders, its membership has grown to over 400, and members of this community have taken part in our Inspiring Leaders programme which has been expanded for 2016.

#### *Values-led performance*

Our Group values form the foundation of our culture. They are incorporated into our enhanced online and goal-setting performance management system which was launched in 2015 in response to staff feedback. This is on a cloud-based platform provided by our strategic IT partner SAP called SuccessFactors and has been widely welcomed by our staff. The roll-out was aligned to our Optimising Performance programme, designed to enhance the skills of our managers in underpinning our high-performance culture. As part of a wider review of our Group brand, we are continuing to evolve our values by engaging with our people to help articulate what they mean in practice to the organisation we aspire to be. This will ensure our values remain meaningful and relevant for the future and support positive behaviours.

#### *Professional development*

We support our people to build their expertise in assessment as it is practised in the UK and globally. We enable them to appreciate wider assessment issues through specialist training events and courses from our Cambridge Assessment Network. This also enables them to keep up to date with the latest research and best practice. We funded 34 people to do their PGCE (Postgraduate Certificate in Education) last year.

# Thoughts from *around the Group*



**Darlene Schroeder**  
*Group Chief Technology Officer*

"In the past year we have made great strides in building a secure, reliable and up-to-date technology estate. Our focus on improving the stability and sustainability of our current systems helped us set a new standard for exam processing during our peak summer period and this has become our baseline for future series. At the same time we delivered new technology to support the Group with its plans for growth. Following a re-organisation we revived our focus on customer, value and trust; our Information Technology professionals now work closely alongside business colleagues to ensure the right balance between maintaining confidence in current solutions and extending and transforming our capabilities. The new Digital World is no longer a speck on the horizon – we're helping to bring it into being!"



**Geoff Stead**  
*Director of Digital and New Product Development*  
Cambridge English Language Assessment

"I moved over from California in December 2015 to lead a team at Cambridge English which is charged with developing new learner-facing digital tools and content. Already we have established a partnership with FutureLearn, the UK's main Massive Open Online Course platform, which is owned by the Open University. Cambridge English is partnering to offer free-to-access courses as preparation for our wider exams and qualifications, as well as exploring this emerging channel as a new way to reach new regions and learners. Other developments include increased visibility for Write & Improve, the results of our partnership with Cambridge University. For several years we have been funding advanced research into the computer analysis of speech and writing (via the Automated Language Teaching and Assessment Institute), and this is the most visible, learner-facing result of that development. Students can submit written text, and the platform uses knowledge gained from parsing thousands of previous texts at different levels to mark the writing, and provide guidance on improving it. You can find out more about these developments and many others on our new website, Cambridge Beta."



**Janet Morris**  
*Director, International Network*  
Cambridge International Examinations

"Our international expansion has continued this year, driven by a desire to give more local support to Cambridge schools worldwide. We've opened new offices in many countries – including the US, Pakistan and South Africa – and now have staff in 26 locations across the world.

We've strengthened our regional teams, creating new roles for marketing and professional development staff as well as for recognition staff who work closely with universities. Over the past five years we've created 65 new regional posts. Having local specialists is helping us build stronger relationships with schools and understand the issues that matter most to them. We've also been helping schools with their own relationship-building, by producing new materials to help them talk to parents about Cambridge international education – something they asked us for.

Finally I'm pleased to announce that – after months of planning – we've just successfully launched expanded customer support to schools. Now our schools can get in touch with us 24 hours a day, six days a week. It's another sign of us continuously adapting what we do in Cambridge to meet the needs of our international network of schools."



**Michael Bartlett**  
*Director, Global Network*  
Cambridge English Language Assessment

"Continuing to optimise the investment made in our global footprint remained a key area of focus in 2015–16. We have seen continued growth in our established markets within Europe, Central America and South America and have gained considerable traction in the Asia Pacific region. Highlights include successful collaborations in Brazil, Spain, Malaysia and Russia.

I was appointed as Director for the Global Network in December 2015 and have taken on the Global Network Optimisation project as part of an overall transformation programme Cambridge English launched in 2014. The project aims to make the best use of all aspects of the existing global network, ensuring resources and focus areas are fully aligned with Cambridge English's full product suite and strategic goals."



**Naomi Lockwood**  
*Group Head of Learning and Development*

"In September 2015, we reached out to colleagues across the globe to determine the learning and development that would add the most value and have the most impact. From this analysis, we created our Building a Culture of Learning strategy which is all about putting learning in people's hands through enabling access to formal, informal, virtual and face-to-face learning.

We believe that, as an organisation whose mission is education, it is fundamental to enable, support and encourage opportunities for learning. We have established opportunities for stretching development by building mechanisms for job shadowing, secondments, virtual and e-learning. It has been one year since the launch of our strategy, and the shift in the organisation and the thirst for learning can be seen across the Group."



**Rob Smart**  
*Group Construction and Property Director*

"Our contractor, Bouygues UK, took possession of The Triangle site in September 2015 and just over 12 months later we saw a major milestone with the completion of the concrete frame and a 'topping-out' ceremony in November 2016. It takes a dedicated and diverse team to make this sort of progress. Whilst the scale of the development on the main structure is obvious to anyone passing the site – or watching the time-lapse footage on our website – there has also been a huge amount of work undertaken by the wider project team to ensure that what is being delivered meets our high expectations. The design approval process and engagement of key business stakeholders through a User Experience team has been vital in making this happen and we remain on track to complete the main build at the end of 2017. As with all major projects, there have been challenges, but I'm pleased to report that all involved are continuing to work hard to ensure our new headquarters is a great place to work and something we can all be proud of when we move to it in 2018."

# Abstract of the *Financial* *Statements* of the Cambridge Assessment Group

## Abstract of the Consolidated Statement of Comprehensive Income for the year ended 31 July 2016

	2016 £m	2015 £m
Total income	400.2	375.9
Total expenditure	(339.3)	(331.0)
	60.9	44.9
Loss on disposal of fixed assets	—	(0.1)
Net gain on investments	10.5	21.8
Share of operating surplus in joint ventures	1.6	0.2
Taxation (overseas taxation)	(0.2)	(0.2)
<b>Surplus for the year</b>	<b>72.8</b>	<b>66.6</b>
Other comprehensive income: currency translation differences	0.7	—
<b>Total comprehensive income for the year</b>	<b>73.5</b>	<b>66.6</b>

## Abstract of the Consolidated Balance Sheets as at 31 July 2016

	2016 £m	2015 £m
<b>Non-current assets</b>		
Intangible assets and goodwill	39.0	40.8
Fixed assets	197.1	158.4
Investments	214.1	201.3
	450.2	400.5
<b>Current assets</b>		
Trade and other receivables	88.8	85.5
Cash and cash equivalents	106.5	93.7
	195.3	179.2
<b>Creditors: amounts falling due within one year</b>	<b>(102.1)</b>	<b>(95.5)</b>
<b>Net current assets</b>	<b>93.2</b>	<b>83.7</b>
<b>Total assets less current liabilities</b>	<b>543.4</b>	<b>484.2</b>
Creditors: amounts falling due after more than one year	(3.9)	(3.7)
Pension scheme liabilities	(24.4)	(20.7)
Provisions for liabilities	(1.0)	(0.4)
<b>Total net assets</b>	<b>514.1</b>	<b>459.4</b>
<b>Reserves</b>		
Restricted reserves – endowment reserve	5.5	5.4
Unrestricted reserves – income and expenditure reserve	508.3	453.7
Non-controlling interest	0.3	0.3
<b>Total reserves</b>	<b>514.1</b>	<b>459.4</b>

## Abstract of the Consolidated Statement of Changes in Reserves for the year ended 31 July 2016

	2016 £m	2015 £m
Balance at 1 August	459.4	409.8
Surplus for the year	72.8	66.6
Other comprehensive income for the year	0.7	—
Dividends paid to non-controlling interest	(0.3)	(0.2)
Transfer to the University	(18.5)	(16.8)
<b>Balance at 31 July</b>	<b>514.1</b>	<b>459.4</b>

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