

The Chartered Association of Business Schools

Annual Report and Financial Statements

30 June 2023

Charity Registration Number 1162854

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Reference and administrative details

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Reference and administrative details

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Report of the Council Year ended 30 June 2023

The Council presents its annual report and audited financial statements for the year ended 30 June 2023 for The Chartered Association of Business Schools (“the Charity” or “the Association”).

The financial statements have been prepared in accordance with the accounting policies set out on pages 26 to 30 of the attached financial statements and comply with the charity’s Royal Charter, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

Introduction

The Chartered Association of Business Schools advances the education of the public in business and management in particular through the promotion of management education, training and development so as to improve the quality and effectiveness of management in the United Kingdom.

Objectives and activities

As articulated in the Royal Charter, the Association’s objective is the advancement of education for the public benefit by:

- ◆ advancing the education of the public in business and management in particular through the promotion of business and management education, training and development so as to improve the quality and effectiveness of the practice of management in the United Kingdom;
- ◆ designing and running awards (“the Charter Awards”) providing public recognition to business schools which assist small businesses to succeed;
- ◆ promoting research, organisational structures and communications between members and the public and Government to assist its members in their contributions to society at large;
- ◆ providing a forum for the exchange of ideas and stimulating discussion on the role of business and management education; and
- ◆ organising and facilitating the development of the competence of academic and administrative staff of the member organisations.

Our mission:

Supporting and championing business schools for the benefit of business and society.

The members of the Council confirm that they have referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing the Association’s objectives and aims and in planning future activities.

We deliver our mission through:

Lobbying and Advocacy

Building relationships with key stakeholders, partnering effectively and promoting awareness of the scale, scope and impact of business school research and education.

Developing Capacity

Developing talent, sharing good practice, creating networks and celebrating excellence.

Building Knowledge and Understanding

Gathering data, conducting impactful research and sharing insights that support our members to understand and influence the world in which they operate.

We're mindful of significant changes in our operating environment:

The central importance of the **EDI agenda** and promoting dialogue to help member schools lead and shape the agenda by foregrounding EDI with our student communities, amongst our staff and in everything we do.

The opportunities to review **pedagogy** post-Pandemic as place, space and technology influence possibilities for learning in member schools.

The ways in which organisational change in the wider economy create **opportunities for business and management research, scholarship, knowledge exchange and leadership to have an impact.**

The availability of significant new multidisciplinary and challenge-led research funds creates new opportunities to **collaborate** both within and beyond business schools.

The increased pressures facing business school staff and students and **the need to nurture well-being and resilience** as a response to those pressures.

The changing nature of **international partnerships and student recruitment** for member schools.

The changing **expectations of employers and students** in relation to skills delivered in business schools.

The pervasive importance of **sustainability** and the growing use of **Generative AI**.

For the year ahead we will:

1. Build on the progress we have made in embedding EDI in our core activities. We will enhance our EDI activities by highlighting innovation and good practice and sharing this both within and beyond our membership.
2. Creating spaces for members to better understand, and respond to, the rapidly changing regulatory environment for HE and the post-pandemic landscape by sharing experiences of the models and practice in research, knowledge exchange, pedagogy and leadership which work for business schools.
3. Support member schools as they pursue the sustainability agenda in curricular terms, in our operations, and through the practices and insights we embed in the full range of organisations with which business schools work.

Review of activities

Lobbying and advocacy

Our deeper connections and influence within government and other stakeholders continues to grow. There were two significant achievements in particular this year.

The first was that the Chartered ABS was a lead partner in a successful bid for £5m Research England funding for a project to develop the business awareness of doctoral and early career researchers, with the aim of improving the exchange of expertise between universities and industry. The project, based at the University of Exeter Business School, started in July 2023 will work initially with a group of five partner business schools to develop a range of training and networking opportunities. Other business schools will also be invited to bid for funds to develop their own initiatives, with the full range of activities and resources evaluated to identify a sustainable national programme of activity.

The second was to secure the continuation of the Help to Grow: Management programme funding against a background of largescale government cuts in spending. The programme is highly valued by the government, which is a huge testament to the quality of the programme being delivered by member business schools and the impact it is evidently having on small businesses. We will be working hard to try to consolidate the programme's role as a valuable asset for the next government and to secure future funding beyond 2025.

Across the Chartered ABS, the messaging in our external relations has focused on deepening the understanding of the scale and breadth the business school sector and the impact of its activities across the economy and society.

Our consultation responses have included: UKRI - Future of Research Assessment; OfS - potential changes to the NSS; QAA - revised subject benchmark statements; and the IfATE - updates to the criteria for mandatory qualifications in apprenticeships.

We are actively trying to create the best possible conditions for our business schools to flourish and are engaged with the Department for Business & Trade, HMT, Home Office, ESRC, BCC, FSB, BAM, UUK, British Academy, AACSB, and NatWest, among many others.

Review of activities (continued)

Development Programmes

Our four Development Programmes remain popular because they are so useful for both the individual participants and the member school.

In 2022-23 the Deans' and Directors' Development Programme (3DP) was facilitated by Professor Simon Collinson; the Leaders in Learning and Teaching Development Programme (LLT) was facilitated by Dr Cathy Minett-Smith; the Development Programme for Directors of Research (DPDOR) which is run in partnership with the British Academy of Management was facilitated by Professor Natasha Mauthner; and the Executive Education Leadership Programme (EELP) was facilitated by Steve Ludlow. We are grateful to all our facilitators for the brilliant jobs they do in creating such stimulating environments for development.

Conferences

The 2022 Chartered ABS Annual Conference took place in November and was our largest gathering to date. It is our flagship conference and brings together the Deans and leaders of UK business schools and senior representatives of government and industry.

Our conference for the professional services community (PMAC 2023) once again was a blended event consisting of an in-person event for senior professional services staff in February, and an online event for the wider professional services community in April. This successfully gave everyone an opportunity to be part of the community of professional managers.

The Annual Research Conference took place in Warwick in March. Attendance was down on previous years, but the quality of the conversations and networking remained as good as ever.

The Learning, Teaching & Student Experience conference (LTSE 2023) took place in Newport in May. We had a record number of participants and, as ever, the quality of the content and the supportive culture of the conference was outstanding.

Other events

Demand for smaller in-person events such as CMBE CPD workshops, SBC events and other events for the Chartered ABS community remained suppressed this year. This was due to a number of factors including the impact of rail strikes and budget pressures within our member schools. Notwithstanding a difficult market we ran several events which brought together different parts of the membership for learning, debate, and network building. For example, in November 2022 and again in June 2023, Directors of Executive Education gathered for the biannual Executive Education Symposia.

In June 2023 we hosted the Small Business Charter Summer Reception at the House of Lords at which the inaugural 'Small Business Charter Excellence Awards' were announced. We have also continued our SBC events that enable knowledge exchange between SBC member institutions; and to support schools through their (re)accreditation journey.

Review of activities (continued)

Other events (continued)

Our series of CMBE CPD workshops offer support for teaching faculty to develop their teaching practice and over the year we have continued to deliver several online events for the CMBE community.

Our paid-for events have been supplemented by our free online Community Meetings for distinct groups (such as Deans or Directors of Research) which we have continued since introducing them in 2020.

Committee work

We currently support around 40 committee meetings each year, held by our twelve committees and our Race Equality Action Group. Over 140 people representing over 80 of our member institutions sit on these groups, and each of the committees reports into Council. Our series of free, regular on-line community meetings, with topics and speakers chosen by the Committees continued where there was a demand for them.

Publications

During the preceding year we continued with our regular cycle of publications for members, which included the research income reports for Business & Management and Law, interactive spreadsheets and commentary on the NSS results for both fields, and an in-depth analysis of outcomes for graduates from 2019/20 using the latest dataset for the HESA 'Graduate Outcomes' survey. We also published a detailed analysis of student enrolments by country and domicile covering all providers offering Business & Management education in the UK. Our ad-hoc publications in 2022/23 included the first ever detailed look at approaches to resourcing professional services teams in UK business schools, which resulted from a collaboration with our Professional Managers Committee, and the launch of an interactive data visualization tool on the impact case studies submitted by business schools to the Research Excellence Framework (REF) 2021.

Also in the last year we published the second edition of the LTSE Conference proceedings document based on submissions to the 2022 event, and several publications under our 'Dynamic Conversations' initiative which focuses on key issues related to Learning & Teaching, such as data literacy, and creativity and employability.

Certified Management & Business Educator (CMBE)

In May 2023 the CMBE celebrated its fourth anniversary, and its continued growth is a wonderful reflection of the commitment that institutions and educators are making to the ongoing development of teaching practice and leadership. 1 in 20 academics in UK business schools hold the CMBE, and there are CMBEs in 80% of UK business schools and in nearly 30 countries worldwide. At an individual level, the CMBE supports educators ongoing development, career progression, and provides recognition of teaching practice. Moreover, an increasing number of our members are utilising the option of group subscriptions which is a terrific way of a business school to demonstrate, in tangible terms, its commitment to staff progression and development.

Review of activities (continued)

Small Business Charter

On 9 December, we received the sad news that Lord Young, inaugural Patron of the Small Business Charter passed away. Whilst serving as Enterprise Adviser to the Prime Minister he was instrumental in the establishment of the Small Business Charter. Lord Young drew on his vast experience of entrepreneurship, business leadership and policymaking to act as an influential advocate for the great potential of business schools' support for small businesses and local economic growth. The SBC Board has started its search for a new Patron.

We have seen a further increase in the number of schools with the Small Business Charter, directly as a result of the Government-funded programmes which contractually can only be delivered by holders of the SBC. There are now 64 business schools with the SBC.

In early 2023 the Small Business Charter Excellence Awards were launched. These awards are the opportunity for business schools that hold the SBC accreditation to demonstrate their to supporting, championing and connecting small businesses with our academic communities, influential business networks and our students and graduates. They also raise the profile of business schools offering tangible influence, partnership and impact in the categories aligned with the SBC assessment.

The Awards ceremony took place at the SBC Summer Reception at the House of Lords on 22 June 2023. Of the 39 entries, three winners and two highly commendations were awarded by the Judging Panel, which was chaired by Michael Hayman, Chair of the Small Business Charter Board.

Help to Grow: Management Course

The Chartered ABS is in its third year of delivering the Help to Grow: Management Course. The course is now available via 60 member schools with the small business charter across the UK, widening access for small business leaders in all four nations.

By 31 March 2023, business schools had delivered, or started to deliver, a total of 322 cohorts. In [data published by the Department for Business and Trade in May 2023](#), a total of 5,395 small business leaders had enrolled on the programme as of the 28th February 2023.

From 1 April 2023, the Department for Business and Trade (DBT) passed responsibility to the Chartered ABS for all awareness and demand generation activity for Help to Grow: Management. This has resulted in the development of a sophisticated CRM system with access for all Help to Grow: Management business schools which has also integrated Help to Grow: Management within the new Small Business Charter website.

During 2022, Chartered ABS picked up the responsibility for the development and management of the Help to Grow: Management Alumni programme. In 2022-23, we delivered the first year annual conference, seven regional events for the alumni, and nine webinars. In June 2023 we launched the Alumni Network Hub where alumni can find content to further their learning and details of our events and webinars.

Review of activities (continued)

Help to Grow: Management Course (continued)

Delivery of the Help to Grow: Management Course enables member schools to build relationships with small business leaders in their region, and provides opportunities for further engagement through student placements, research positions and Knowledge Transfer Partnerships. In the most recent evaluation research produced by Ipsos, it was reported that 90% of small business leaders would recommend the course to a peer; an excellent endorsement of the quality of the curriculum and its delivery by SBC member business schools.

Media coverage

The Chartered ABS and Small Business Charter have continued to see a rise in media coverage over the last 12 months, including positive articles in outlets such as The Times, The Financial Times and City AM. As a result of the ongoing publicity surrounding the Help to Grow: Management Course, we have experienced a reach of over 50 million this year, with several articles widely syndicated across a number of outlets.

Digital communications including website and newsletters

Increased engagement with our membership and wider community is evidenced in the continued growth of our database, which has expanded to over 77,000 UK and global contacts. As such, our newsletters and website have tremendous reach within the global business school community and our stakeholders.

The Chartered ABS website continues to see high traffic, with an average of 30,000 unique visitors engaging with the site every month, with notable increases to our publications and blogs.

Due to a redevelopment of our social media strategy and diversification of content, we have seen an increase in engagement across both the Chartered ABS and Small Business Charter social media channels, with the latter receiving increased traffic as a result of the nationwide Help to Grow: Management Course campaigns.

Academic Journal Guide

The stature of the Academic Journal Guide continues to grow amongst the business school research community, particularly globally where there is now increased awareness and usage of the Guide by researchers in many different countries. The total registrations for the 2021 edition of the AJG has now greatly exceeded the total for the 2018 edition. The 2024 edition of the AJG is in development at time of writing and will include new data on the journals listed so that the value of the Guide is further enhanced for users. The first ever meeting of users of the Guide was held online in March 2023 to gather feedback on the type of data that the community would like to see in future editions of the AJG.

Review of activities (continued)

Equality, Diversity and Inclusion

Equality, diversity and inclusion are important to us and we actively promote our strategic principles on diversity. These principles are embedded in our work and activity and promoted to our members. Sessions and workshops on EDI have been a feature of our major conferences this year.

Committee reports

Apprenticeships Committee

The Committee appointed seven new members following an open call. Two new research streams were progressed by members of the committee: a HESA data working group, and the further development of the social mobility research project with a survey completed, interviews planned and the aim to present a paper at the Annual Conference in November. The committee heard presentations on initiatives to recruit/market the CMDA and SL programmes, and on how to prepare for an Ofsted inspection. Following this a one-day workshop on Ofsted inspections is being developed for the Autumn of 2023. The committee is refreshing its Key Priorities and will present them to Council for approval later this year.

Academic Journal Guide Management Committee

Over the last year the AJG Management Committee has been focused on the strategic development of the AJG, which will include progressively enriching the data included in the Guide, starting from the 2024 edition onwards. The committee has also developed plans to widen the international user base of the Guide and to host content on the Chartered ABS website to generate more debate on the issues surrounding journal guides.

Equality, Diversity and Inclusion (EDI) Committee

The Committee appointed a new Chair and six new members during the year. Three members chaired or facilitated sessions on EDI at the Annual Conference in November. In 2022 the Committee drafted a letter to the Secretary of State for Education and the Minister for Higher and Further Education, expressing their concerns at the Minister's comments regarding the REC and other benchmarks. The letter was signed by the Chartered ABS Chair and the CEO. The Committee introduced a regular update from members as to the outcome-based measures for EDI at their respective schools. This was initially in response to the UUK Report 'Closing the Gap' but has become a standing item with a view to creating a database for the website. An EDI Committee one-day workshop on *Inclusive Leadership* is being planned for Autumn 2023. The Committee continues have oversight of the Race Equality Action Group.

Committee reports (continued)

Executive Education Committee

The Committee organised two Symposia in June and November 2022, at UCLAN and Strathclyde respectively. A white paper entitled *The future is now: redefining executive education for turbulent times* was drafted by committee members and presented at the June 2023 symposium in central London. The paper was subsequently published on the Chartered ABS website. The Committee is developing a 'train the trainer' workshop/event for executive education practitioners, to sit in the CMBE portfolio. A research paper entitled *Personalised learning, micro-credentials and scalable offers* was presented to the committee and it was agreed to develop one of the proposals in it with the CABS Research Team. The Committee appointed a new Chair and Vice Chair.

International Committee

The Committee appointed six new members and a new Vice Chair during the year. It continued to publish a series of blogs, written by committee members, under the general heading of *physical v virtual mobility* as well as a series of well received free online webinars for the international education community on the subjects of 'TNE' and 'internationalisation through networks'. The Committee organised two well attended sessions on international education issues at the Annual Conference in November 2022, and the committee meetings hosted some guest speakers including Dr Vangelis Tsiligkiris of Nottingham Trent University, and Marine Condette, Senior Accreditation Manager at AACSB International.

Learning, Teaching and Student Experience (LTSE) Committee

The 2023 LTSE Conference was held at the ICC Wales in Newport on 22-23 May and had 456 attendees which was the largest ever turn-out for the event. The conference also received its highest ever number of submissions which is a testament to the value the learning and teaching community places on being able to showcase their work at the event. The LTSE Committee once again showed dedication in helping the Chartered ABS put together a great conference by reviewing and providing feedback on the submissions. Also in the last year, the committee held more 'Dynamic Conversations' panel discussions in which key learning and teaching issues were reviewed and continued to progress its key projects on exploring pathways to professorship for learning and teaching academics, and how business schools can engage with PSRBs on issues connected to learning and teaching. The committee also provided valuable input to several consultation responses, including the OfS consultations on TEF and regulating student outcomes.

Membership and Fellowships Committee

In terms of membership, the Committee approved applications from the Faculty of Business at the Atlantic Technological University Donegal Letterkenny; Bucks New University; and Leeds Trinity University Business School. As regards Fellowships, following an open call placed on the Chartered ABS website, the following five new Fellows were appointed: Anne Kiem, Professor Georgina Andrews, Professor Julia Clarke, Dr Andrew Glanfield and Professor Mark Hart.

Committee reports (continued)

Professional Managers Committee

The Committee appointed a new Chair and four new members, and published a very well received research piece *Exploring professional services models in UK business schools*, available on the Chartered ABS website. A successful in-person PMAC was held in February 2023 at a venue in Leeds, with 140 registrants, followed by an online professional manager's conference in April. The committee is working on creating a Development Programme for professional services staff, and has updated and refreshed its Key Priorities and Projects for the year ahead.

Research Committee

The Annual Research Conference was held on 23 March 2023 in Warwick and was the first fully in-person gathering of our research community since 2019 given that the previous year's event had to be held in hybrid mode due to coinciding with the train strikes. The Annual Research Conference was not held in-person in 2020 and 2021 due to Covid-19. Throughout the year the committee provided input to shape our offering of research events to ensure it remains attractive to the wider community. It continues to take forward its key project on how research environments in business schools can be improved and how research culture impacts upon EDI. A sub-group of the Research Committee is providing important oversight to our strategic research project on business schools and knowledge exchange to ensure the final outputs are of high quality and represent good value for money.

Race Equality Action Group

The Group appointed a new Vice Chair and two more members. After a review, the Group reduced the number of sub-groups to four to provide more focus. Members of the group facilitated sessions at the Annual Conference in November 2022 as well as a well received session at the LTSE Conference in 2023 on *Evaluating decolonisation*. One of the Group's research projects *EDI in UK business schools capturing good practice and impact* was approved in principle by Council and work on it is due to start later in 2023.

Remuneration Committee

The Remuneration Committee, which is responsible for, inter alia, the levels of salaries of the Chief Executive and other Chartered ABS staff, has conducted its business to enable it to consider all pertinent items in making its decisions this year.

Scholarships Committee

The Scholarships Committee provided oversight to the tender process and subsequent implementation of the business schools and knowledge exchange research project which was awarded to a joint proposal by two Chartered ABS member schools. The committee and the Chartered ABS will work together to deliver further commissioned research projects in line with the strategic interests set by Council.

Committee reports (continued)

Scottish Committee

The committee held a breakfast meeting at the Annual Conference on 8 November 2022. In February 2023 they met to hear from two guest speakers: Ross Tuffee, Chair of Scotland's Digital Technologies Skills Group, and Joe Little, Professor of Entrepreneurship, Stirling Management School to discuss the Entrepreneurial Campus – part of Scotland's National Economic Transformation Strategy. The Scottish Deans Dinner was held at The Dome, Edinburgh in April 2023.

Financial review

Results for the period

A summary of the Association's results for the period is given in the statement of financial activities on page 23 of this annual report and financial statements.

The total income for the year was £24,347,361 compared to £17,712,057 in the prior year. The significant increase was driven by Government funded programmes delivered through the Small Business Charter, under restricted funds.

The total expenditure for the year was £24,144,783 compared to £17,456,161 in the prior year. The significant increase was likewise driven by Government funded programmes with funding being transferred to the SBC schools delivering the programmes.

In addition to the above, investment gains of £17,015 (2022 losses: £42,687) were experienced, resulting in a surplus for the year of £219,593 (2022: £213,209), leaving the Chartered ABS in a healthy financial position at year end.

Financial position

The total net assets of the Chartered Association at 30 June 2023 were £2,286,240 (2022: £2,066,647), which were represented by unrestricted funds of £1,737,139 (2022: £1,677,372) and restricted funds of £549,101 (2022: £389,275).

Reserves policy

The intention of the Council is for the Chartered ABS to have reserves to cover between nine and 12 months, preferably towards the higher end. In this calculation we exclude the Government funded programme costs, as these are fully funded through the programmes. However, the standard SBC activities are included within the policy. In essence this means we are looking to hold between £1.15m and £1.5m. As at 30 June 2023, the Association's free reserves were £1,455,231. The purpose of reserves is to ensure we are able to withstand any financial shocks and to provide funds to cover expenditure we are planning to make, especially in terms of staff and premises.

Financial review (continued)

Reserves policy (continued)

Council has determined to considerably increase the amount we spend on research through scholarships and commissioned work. We have expanded the research team internally and have plans to commission research into both Knowledge Exchange in business schools, and the effectiveness of activities around EDI within our member schools.

It is the intention for the SBC restricted funds represent 75% to 100% of annual income, which we are now much closer to.

Investment Policy and Performance

In 2019 Council selected to place some of our reserves in a charity investment fund with CCLA. This is a long-term investment which inevitably has resulted in notional losses recently, in line with the general performance of investment portfolios.

The Chartered ABS will use the investment return to fund activities of the Association for the benefit of its members and in line with the strategy as determined by the Council. It is acknowledged that the principal risk to perpetual reserves such as these is inflation. The policy is to ensure the real value of our reserves are maintained as a minimum. The plan is to distribute 3-4% in perpetuity, and therefore an appropriate medium level of risk will be tolerated.

The trustees are able to tolerate volatility of the capital value of the investment, as long as the Association is able to meet its short-term funding needs through either income or liquid capital assets. Continual underperformance against benchmark will trigger an acceleration of the review of the fund manager. The Association's assets can be invested widely and may be diversified by asset class, by manager and by security. Assets should be invested in line with the aims of the Association and should be made in an ethical and sustainable way and should, for example, exclude investments in gambling, tobacco, controversial weapons, and adult entertainment.

We had a gain of £17,015 from investment in 22/23.

Governance, structure and management

Governance

The Chartered Association of Business Schools is governed by a Council whose members are voting members from our member business schools. Members are elected annually at the Chartered ABS Annual General Meeting, held in November, with approximately one third of the Council stepping down after their three-year terms each year. The Royal Charter and Bye-Laws of The Chartered Association of Business Schools, its incorporating document, lays down the powers, authorities and responsibilities of the Council.

In 2022, Council sought to amend the Bye-Laws to further strengthen our governance arrangements by adding a process whereby Council and Board members, and Council Officers, could be removed from office in certain circumstances. The suggested amendments

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were fully approved by the Privy Council and its Legal Adviser and became effective in March 2023.

Members of the Council

Members of the Council (who are also trustees of The Chartered Association of Business Schools for the purposes of charity law) who served during the period and up to the date of this report were:

Professor Mohammad Ali	
Professor Julia Bennell	Appointed November 2022
Professor Catherine Cassell	
Professor Marian Garcia	Appointed November 2022
Professor Toni Hilton	
Professor Robert MacIntosh	
Professor Duncan Angwin	Resigned February 2023
Professor Eleanor Shaw	
Professor Heather McLaughlin	
Professor Kamil Omoteso	
Professor Sankar Sivarajah	Appointed November 2022
Professor Baback Yazdani	

In addition to the above elected members, David Meech Mazumdar serves as a co-opted member.

Elections were held in October 2023 to fill the vacancies arising from the above resignation and the end of terms of office of some members.

Induction and training of Council members

Newly appointed Council members, whether elected or co-opted, are provided with an induction pack, which includes the Charter and Bye-Laws, the Charity Commission's guide to responsibilities of trustees ('The Essential Trustee (CC3)'), terms of reference and the latest minutes of the Council and the most recent annual report and financial statements.

All Council members have been provided with a copy of the SORP (FRS 102) which contains the reporting requirements applicable to the financial statements of charities. Council members also have open access to the Secretary to the Council and the senior staff for advice and information.

Governance arrangements

The Council has twelve committees: Apprenticeships; Research; Learning, Teaching and Student Experience; Scottish; Professional Managers; Executive Education; International; Equality, Diversity and Inclusion; Academic Journal Guide; Membership; Awards and Fellowship; and Remuneration. The Council members receive reports of all committee activity

and also the activities of the Race Equality Action Group. The terms of reference for all committees are established by the Council and available on the Chartered ABS website.

Small Business Charter

The Small Business Charter (SBC) has its own Management Board, although the annual budget is approved by Council. Within the financial statements the SBC funds are treated as restricted funds.

CMBE Professional Standards Board

The PSB oversees the running of the CMBE, especially in regards to the standards of admission and compliance within the scheme.

Responsibilities of staff

The Chief Executive is appointed by the Council and has full executive authority for the management of the Association and its staff, as well as devising and recommending to Council suitable strategies and policies and implementing the plans and budgets approved by the Council.

Key management personnel

In December 2022 we said goodbye to Anne Kiem who had been Chief Executive of the Chartered ABS since 2014. Following an extensive selection process, in February 2023 we appointed Flora Hamilton as our new Chief Executive, and Flora took up the role on 2 May 2023. Council approved the appointment of a new senior leadership team, to take effect from 1 July 2023, consisting of a Deputy CEO & Director of External Relations, a Director of Professional and Programme Development, the Help to Grow Management Programme Director and a HR Manager.

The Council consider that they, together with the Chief Executive and the senior leadership team, comprise the key management personnel of the Association. None of the Council members receive any remuneration from the Association for serving on the Council. The annual pay of all members of staff, including the Chief Executive, is set by the Remuneration Committee and approved by the Council. See note 7 for further details on staff costs.

Further details of transactions with Council members are disclosed in note 13.

Statement of responsibilities of Council members

The Council members, who are trustees under charity law, are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association at the balance sheet date and of the income and expenditure for that period.

In preparing those financial statements Council is required to:

- ◆ select suitable accounting policies and then apply them consistently;

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- ◆ observe the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements. In considering whether it is able to make this statement, in the light of the specificity of charity accounting requirements, Council takes advice from the management of The Chartered Association of Business Schools and the Auditor; and
- ◆ prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Association will continue on that basis.

The Council members are responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, and The Chartered Association of Business School's Charter and Bye-Laws. The Council is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council is responsible for the maintenance and integrity of the financial information on the Association's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

The members of the Council confirm that as far as they are aware, there is no relevant audit information of which the Association's auditor is unaware. They have taken all the steps that they ought to have taken as Council members in order to make themselves aware of any relevant audit information and to establish that the Association's auditor is aware of that information.

Risk management

During Council meetings, the Council regularly assesses the major risks to which the Association is exposed, in particular those relating to business continuity, revenue and operations. The trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the Association, they have established effective systems to mitigate those risks.

As in any membership organisation there is a risk of loss of membership income; however, with an active member engagement strategy and providing events and reports that are of value to members, this should be mitigated, as far as possible.

The Help to Grow: Management programme delivered by the SBC members has secured government funding to 31 March 2025 and there is a risk that this could cease or be paused

by the next government which would directly impact SBC membership income. To address this we have launched an active advocacy campaign promoting successes of this programme and how the SBC members are critical partners in driving up SME economic growth. Other financial risks relate to the impact of inflation on net income generation from conferences and events. There are risks around the inflationary impact on reserves investments as well as a rising operational cost base. To address this we have improved our monthly management account process as well as reviewing the investment strategy of the organisation's reserves.

The Government funded programme – Help to Grow: Management continues to require significantly staffing levels and there is a concern about our ability to attract and retain appropriate staff. In light of the cost of the programme for Government, there is a risk of a review being conducted by the National Audit Office, which would bring huge disruption to business as usual.

The migration of the IT systems to Microsoft 365 and cloud services commenced in Spring 2023 and is due for full completion in the autumn. A full overhaul of financial and IT processes and systems were commenced in June 2023 by the new CEO following a fraud incident in May 2023.

A full review of HR processes will be required to reduce the number of cases where single points of contacts are working on distinct areas of the organisation.

Approved by the Council and signed on its behalf by:



Professor Robert MacIntosh

Chair

Approved by the Council on: 8 November 2023

Independent auditor's report to the members of The Chartered Association of Business Schools

Opinion

We have audited the financial statements of The Chartered Association of Business Schools (the 'charity') for the year ended 30 June 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charity's affairs as at 30 June 2023 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Council members are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the Report of the Council is inconsistent in any material respect with the financial statements; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the financial statements are not in agreement with the accounting records; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of Council members

As explained more fully in the statement of responsibilities of the Council members, the Council members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charity through discussions with management, and from our knowledge and experience of the sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011 and data protection legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- The identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- Performed substantive testing of expenditure including authorisation thereof.

Independent auditor's report Year ended 30 June 2023

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of Council meetings; and
- Enquiring of management as to actual and potential litigation and claims, including inspecting the relevant correspondence from regulators and advisors;

As a result of our procedures we did not identify any key audit matters relating to irregularities.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the Council members, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Council members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Council members, as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 10 November 2023

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of financial activities Year ended 30 June 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £
Income from:				
Charitable activities	1	1,476,203	22,848,844	24,325,047
Other income		22,314	—	22,314
Total income		1,498,517	22,848,844	24,347,361
Expenditure on:				
Charitable activities	2	1,455,765	22,689,018	24,144,783
Total expenditure		1,455,765	22,689,018	24,144,783
Net income before losses on investments		42,752	159,826	202,578
Gains on revaluation of investments	7	17,015	—	17,015
Net income and net movement in funds		59,767	159,826	219,593
Reconciliations of funds				
Fund balances at 1 July 2022		1,677,372	389,275	2,066,647
Fund balances at 30 June 2023	18	1,737,139	549,101	2,286,240

The charity has no recognised gains and losses in the period other than those shown above.

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £
<i>Income from:</i>				
<i>Charitable activities</i>	1	1,246,290	16,450,337	17,696,627
<i>Other income</i>		15,430	—	15,430
<i>Total income</i>		1,261,720	16,450,337	17,712,057
<i>Expenditure on:</i>				
<i>Charitable activities</i>	2	1,214,002	16,242,159	17,456,161
<i>Total expenditure</i>		1,214,002	16,242,159	17,456,161
<i>Net income before gains on investments</i>	7	47,718	208,178	255,896
<i>Losses on revaluation of investments</i>		(42,687)	—	(42,687)
<i>Net income and net movement in funds</i>		5,031	208,178	213,209
<i>Reconciliations of funds</i>				
<i>Fund balances at 1 July 2021</i>		1,672,341	181,097	1,853,438
<i>Fund balances at 30 June 2022</i>	18	1,677,372	389,275	2,066,647

Balance sheet 30 June 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible fixed assets	6	42,509	11,489
Investments	7	553,103	536,088
Current assets			
Debtors	8	2,946,811	3,765,163
Cash at bank and in hand		5,554,796	1,754,880
		8,501,607	5,520,043
Liabilities:			
Creditors: amounts falling due within one year	9	(6,810,979)	(4,000,973)
Net current assets		1,690,628	1,519,070
Total net assets		2,286,240	2,066,647
The funds of the charity:			
Unrestricted funds:			
. General funds		1,455,231	1,443,499
- Tangible fixed assets fund	16	42,509	11,489
. Designated funds	17	239,399	222,384
Restricted funds	15	549,101	389,275
	18	2,286,240	2,066,647

Approved by the Council
and signed on their behalf by:

R. MacIntosh

Professor Robert MacIntosh

Chair

Approved on: 08 November 2023

Statement of cash flows Year ended 30 June 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	A	3,837,189	(220,544)
Cash flows from investing activities:			
Purchase of fixed assets		(37,273)	(13,935)
Purchase of investments		—	(250,000)
Net cash used in investing activities		(37,273)	(263,935)
Change in cash and cash equivalents in the year		3,799,916	(484,479)
Cash and cash equivalents at 1 July	B	1,754,880	2,239,359
Cash and cash equivalents at 30 June	B	5,554,796	1,754,880

Notes to the statement of cash flows for the year ended 30 June:

A Reconciliation of net movement in funds to net cash provided by operating activities

	2023 £	2022 £
Net movement in funds (as per the statement of financial activities)	219,593	213,209
Adjustments for:		
Depreciation charge	6,253	1,484
Loss on disposal	—	962
(Gains)/Losses on investments	(17,015)	42,687
Decrease/(increase) in debtors	818,352	(2,869,846)
(Decrease)/increase in creditors	2,810,006	2,390,960
Net cash (used by)/provided by operating activities	3,837,189	(220,544)

B Analysis of cash and cash equivalents

	2023 £	2022 £
Total cash and cash equivalents: Cash at bank and in hand	5,554,796	1,754,880

Analysis of changes in net debt

	At 1 July 2022 £	Cash flows £	At 30 June 2023 £
Cash at bank and in hand	1,754,880	3,799,916	5,554,796

Principal accounting policies Year ended 30 June 2023

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year ended 30 June 2023 and are presented in sterling and rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Council and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge;
- ◆ allocating support costs across charitable activities; and
- ◆ estimating the value of gifts in kind received during the year.

Principal accounting policies Year ended 30 June 2023

Assessment of going concern

The Council have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Council have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Government funded programme Help to Grow: Management provides significant cash flow, although does not have an impact on the bottom line as the majority of the funds flow through to the business schools delivering the course. Funds that remain within the Chartered ABS are only to cover our costs.

The Council members have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. They are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received. Income is recognised on an accruals basis.

Income comprises membership fees, income from conferences and events in relation to the Small Business Charter, application and renewal fees, grant income and donations.

Grants are recognised when the charity has confirmation of both the amount and settlement date. In the event that a grant is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period. Where such grants are funded in arrears, the income is recognised when it is probable that those conditions will be fulfilled in the reporting period, being once the costs have been incurred.

Investment income from listed investments is recognised when received. Gifts in Kind are recognised at the market value of the service or product, being the value as advertised on third party websites. This usually consists of room hires, pro-bono work and salesforce licenses.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Principal accounting policies Year ended 30 June 2023

Expenditure comprises solely of expenditure on charitable activities, which consists of the costs of providing education training to members, running conferences and events, administering the Small Business Charter and running Government grant funded programmes.

Allocation of support and governance costs

Support costs, including governance costs, represent the indirect charitable expenditure incurred in carrying out the primary purposes of the charity. Such costs include the provision of office services and equipment and the public accountability of the charity (including audit costs).

Support costs are apportioned between charitable activities on the basis of staff time spent on each activity.

Pension costs

Retirement benefits to employees of the charity are provided by either the Teachers' Pension Scheme ('TPS'), a defined benefit scheme, or a defined contribution scheme provided by AVIVA. The TPS is closed to new employees.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the charity in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is a multi-employer scheme and as the charity is unable to identify its share of the underlying (notional) assets and liabilities of the scheme, it has taken advantage of the exemption in FRS 102 and has accounted for the contributions to the scheme as if it were a defined contribution scheme.

The contributions in respect of the defined contribution scheme with AVIVA are recognised in the financial statements in the year which they are payable to the scheme.

Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised. Depreciation is provided at the following annual rates in order to write off the cost of each asset over its estimated useful life:

- Office furniture - 5 years
- Furniture and fixtures - 4 years

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Principal accounting policies Year ended 30 June 2023

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

The charity has various types of funds for which it is responsible, and which require separate disclosure. These are as follows:

General funds

Funds which are expendable at the discretion of the Council in furtherance of the objects of the charity.

Principal accounting policies Year ended 30 June 2023

Designated funds

The Council have designated certain amounts for specific purposes.

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Taxation

The Chartered Association of Business Schools is a registered charity and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Notes to the financial statements Year ended 30 June 2023

1 Income from charitable activities

	Unrestricted funds £	Restricted funds £	2023 £
Membership and subscriptions	810,388	—	810,388
Conferences and events	417,215	—	417,215
Professional development	248,600	—	248,600
Small Business Charter	—	500,630	500,630
Government grant funded programmes			
. Help 2 Grow: Management	—	22,348,214	22,348,214
	1,476,203	22,848,844	24,325,047

	Unrestricted funds £	Restricted funds £	2022 £
<i>Membership and subscriptions</i>	<i>674,900</i>	<i>—</i>	<i>674,900</i>
<i>Conferences and events</i>	<i>329,683</i>	<i>—</i>	<i>329,683</i>
<i>Professional development</i>	<i>241,707</i>	<i>—</i>	<i>241,707</i>
<i>Small Business Charter</i>	<i>—</i>	<i>437,580</i>	<i>437,580</i>
<i>Government grant funded programmes</i>			
<i>. Help 2 Grow: Management</i>	<i>—</i>	<i>16,012,757</i>	<i>16,012,757</i>
	1,246,290	16,450,337	17,696,627

Notes to the financial statements Year ended 30 June 2023

2 Expenditure on charitable activities

	Direct £	Support £	2023 £
Membership and subscriptions	69,812	71,527	141,339
Conferences and events	543,526	221,731	765,257
Professional development	176,177	41,851	218,028
Publications and Research	126,989	203,318	330,307
Small Business Charter	244,872	95,932	340,804
Government grant funded programmes			
. Help 2 Grow: Management	22,329,862	19,186	22,349,048
	23,491,238	653,545	24,144,783

	Direct £	Support £	2022 £
<i>Membership and subscriptions</i>	61,335	49,338	110,673
<i>Conferences and events</i>	514,821	114,199	629,020
<i>Professional development</i>	119,256	41,998	161,254
<i>Publications and Research</i>	87,837	138,627	226,464
<i>Small Business Charter</i>	172,723	56,679	229,402
Government grant funded programmes			
. <i>Small Business Leadership Programme</i>	5,521	—	5,521
. <i>Help 2 Grow: Management</i>	16,082,491	11,336	16,093,827
	17,043,984	412,177	17,456,161

The above expenditure analysed by fund was:

	2023 £	2022 £
Unrestricted funds	1,455,765	1,214,002
Restricted funds	22,689,018	16,242,159
	24,144,783	17,456,161

Restricted funds expenditure relates to the programmes detailed in note 15.

Notes to the financial statements Year ended 30 June 2023

3 Support costs

	2023 £	2022 £
Premises costs	134,274	120,844
Administration	152,310	83,517
Staff costs	173,886	128,777
Travel	9,486	1,852
Depreciation	6,253	1,484
Other expenses	38,791	1,077
Bad debt write off	677	48
Governance	21,316	16,270
. Audit and accountancy fees	18,498	16,800
. Legal and professional fees	98,055	41,508
	653,546	412,177

*the increase in administration costs in 2023 is due to expenditure on the new SBC website and initial expenditure on the new Chartered ABS website.

4 Net income

This is stated after charging:

	2023 £	2022 £
Depreciation	6,253	1,484
Loss on disposal of fixed assets	—	962
Auditors' remuneration		
. Statutory audit	13,000	10,335
. Other assurance	28,915	29,165
. Other services	640	1,950
Operating lease rentals		
. Land and buildings	111,710	133,663
. Office equipment	31,471	4,954

5 Staff costs, remuneration of key management and Council members' remuneration

	2023 £	2022 £
Staff costs during the period were as follows:		
Wages and salaries	1,894,333	1,061,903
Social security costs	125,743	121,947
Other pension costs	96,342	95,797
	2,116,418	1,279,647

The average monthly number of employees during the year was:

	2023 No	2022 No
Employees	40	24

Notes to the financial statements Year ended 30 June 2023

The number of employees whose total remuneration was over £60,000 in the year were as follows:

	No. employees	
	2023	2022
£60,001 - £70,000	2	—
£70,001 – £80,000	—	1
£80,001 – £90,000	1	2
£90,001 – £100,000	3	1
£100,001 - £110,000	1	—
£130,000 – £140,000	1	1

Key management personnel comprise the Council members, the Chief Executive, the Director of Communications and External Relations and the Office Manager. The total remuneration payable (including taxable benefits, employers pension contributions and employers social security costs) in respect to the key management personnel of the charity was £275,349 (2022 - £307,276).

No Council member received any emoluments during the year for services provided to the Chartered Association of Business Schools (2022 – none). Further transactions with Council members are disclosed within note 13.

Notes to the financial statements Year ended 30 June 2023

6 Tangible fixed assets

	Office equipment £	Furniture and Fixtures £	Total £
Cost			
At 1 July 2022	186,980	—	186,980
Additions	29,921	7,352	37,273
Disposals	—	—	—
	216,901	7,352	224,253
Depreciation			
At 1 July 2022	175,491	—	175,491
Charge for year	5,640	613	6,253
Depreciation on disposals	—	—	—
	181,131	613	181,744
Net book values			
At 30 June 2022	11,489	—	11,489
At 30 June 2023	35,770	6,739	42,509

7 Listed investments

	2023 £	2022 £
Market value as at 1 July	536,088	328,775
Additions at cost	—	250,000
Net (losses)/gains/ on revaluation	17,015	(42,687)
Market value as at 30 June	553,103	536,088
Cost as at 30 June	500,000	500,000

Listed investments held at 30 June 2023 and 30 June 2022 comprised solely of units in the COIF Charities Investment Fund, a United Kingdom common investment fund managed by CCLA Investment Management Limited.

The accumulated unrealised gains on the above investments were as follows:

	2023 £	2022 £
Reconciliation of movements in unrealised gains on investment assets		
Accumulated unrealised gains at 1 July	36,088	78,775
Net(losses)/ gains/ arising on revaluation in period	17,015	(42,687)
Accumulated unrealised gains at 30 June	53,103	36,088

Notes to the financial statements Year ended 30 June 2023

8 Debtors

	2023 £	2022 £
Trade debtors	429,808	241,602
Other debtors	93,442	93,440
Accrued income	2,302,505	3,373,248
Prepayments	121,056	56,873
	2,946,811	3,765,163

Accrued income includes Help to Grow claims for May and June £2,260,771 (2022 - £3,346,515). These claims have been received in July.

Notes to the financial statements Year ended 30 June 2023

9 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,840,676	1,300,088
Accruals	4,228,354	2,085,756
Deferred income	681,571	572,148
Social security & pension creditor	60,378	42,981
	6,810,979	4,000,973

Trade creditors above includes amounts due to Business Schools as part of the Government grant funded programmes. These amounts were settled post year end upon the receipt of the associated funding.

Accruals for 2023 related to Help to Grow expenditure incurred during FY2023 but not invoiced as at 30th June 2023.

Deferred income relates to membership fees in advance and courses, events and conferences to be held after the year end. Movements on deferred income are shown below:

	2023 £	2022 £
Balance as at 1 July	572,148	451,646
Amount released to income	(572,148)	(451,646)
Amount deferred in the year	681,571	572,148
Balance as at 30 June	681,571	572,148

10 Pension commitments

The charity participates in the Teachers' Pension Scheme and a defined contribution scheme provided by AVIVA. The Teachers' Pension Scheme is currently closed to new employees. Membership to the AVIVA scheme is available to all employees who are not contributing to the Teachers' Pension Scheme.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The charity is unable to identify its share of the underlying assets and liabilities of the plan.

12 Pension commitments (continued)

Teachers' Pension Scheme (continued)

Accordingly, the charity has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The charity has set out above the information available on the plan and the implications for the charity in terms of the anticipated contribution rates.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.)

The key elements of the valuation and subsequent consultation are:

- ♦ employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- ♦ total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- ♦ the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the period amounted to £31,625 (2022: £48,670).

AVIVA Pension Scheme

This is a defined contribution scheme. Employer pension costs in respect of the scheme amounted to £38,877 (2022 - £47,317).

Notes to the financial statements Year ended 30 June 2023

13 Transactions with Council Members

No Council member received any emoluments during the period for services provided to The Chartered Association of Business Schools (2022 – none).

During the period and the preceding year, no Council member was reimbursed for any expenses.

The Council consists of members of senior management from member business schools. All Council members attended events and conferences hosted by the Association during the year (2022 - all). The fees for event attendance were charged on the same terms as for other members and were met by all of the Council member's respective employers except for the Chair.

14 Financial commitments

At 30 June the Association had total commitments under non-cancellable leases as follows:

	2023		2022	
	Land and buildings £	Office equipment £	Land and buildings £	Office equipment £
Operating lease payable				
Within one year	217,022	3,069	230,634	3,069
Between 2 to 5 years	103,235	4,833	320,257	7,902

15 Restricted funds

	At 1 July 2022 £	Income £	Expenditure £	Transfers £	At 30 June 2023 £
Small Business Charter	389,275	500,630	(340,804)	—	549,101
Help to Grow: Management	—	22,348,214	(22,348,214)	—	—
	389,275	22,848,844	(22,689,018)	—	549,101

Small Business Charter

The Small Business Charter is an awards programme run by The Chartered Association of Business Schools but is governed by a separate Management Board. Income received in respect of the awards programme is not in itself subject to donor imposed restrictions; however the Bye-Laws of The Chartered Association of Business Schools stipulate that any surpluses on the awards programme are utilised in a manner approved by the Management Board. The Chair and senior management team of The Chartered Association of Business Schools are not voting members of the Management Board of the Small Business Charter.

While it is the intention that the Small Business Charter awards programme is self-funding, in the event that the programme becomes a drain on the resources of the charity, the Council have the right to close down the Small Business Charter. In such circumstances, any unspent balance on the fund will revert to unrestricted funds in accordance with the absence of conditions attached to the receipt of the associated income.

Notes to the financial statements Year ended 30 June 2023

15 Restricted funds (continued)

Help to Grow: Management

This relates to the BEIS sponsored programme announced in the Chancellor's budget in March 2021, with the aim of 30,000 supporting small businesses over three years. Our contract was signed in April 2021 and will run through to March 2025.

	<i>At 1 July 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>At 30 June 2022 £</i>
<i>Small Business Charter</i>	181,097	437,580	(229,402)	—	389,275
<i>Help to Grow: Management</i>	—	16,012,757	(16,012,757)	—	—
	<u>181,097</u>	<u>16,450,337</u>	<u>(16,242,159)</u>	<u>—</u>	<u>389,275</u>

16 Tangible fixed assets fund

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. The fund recognises the fact that the assets are required for the day-to-day operation of the charity and are not available for other purposes or as a general reserve.

	<i>At 1 July 2022 £</i>	<i>New designation £</i>	<i>Utilised/ released £</i>	<i>At 30 June 2023 £</i>
<i>Tangible fixed asset fund</i>	11,489	37,273	(6,253)	42,509

	<i>At 1 July 2021 £</i>	<i>New designation £</i>	<i>Utilised/ released £</i>	<i>At 30 June 2022 £</i>
<i>Tangible fixed asset fund</i>	—	13,935	(2,446)	11,489

Notes to the financial statements Year ended 30 June 2023

17 Designated funds

The unrestricted funds of the charity include the following funds designated for specific purposes.

	At 1 July 2022 £	New designation £	Utilised/ released £	At 30 June 2023 £
Scholarships fund	90,941	—	—	90,941
New projects fund	25,355	—	—	25,355
Property fund	70,000	—	—	70,000
Investment fund (note 18)	36,088	—	17,015	53,103
Total	222,384	—	17,015	239,399

	At 1 July 2021 £	New designation £	Utilised/ released £	At 30 June 2022 £
<i>Scholarships fund</i>	<i>90,941</i>	<i>—</i>	<i>—</i>	<i>90,941</i>
<i>New projects fund</i>	<i>25,355</i>	<i>—</i>	<i>—</i>	<i>25,355</i>
<i>Property fund</i>	<i>70,000</i>	<i>—</i>	<i>—</i>	<i>70,000</i>
<i>Investment fund (note 18)</i>	<i>78,775</i>	<i>—</i>	<i>(42,687)</i>	<i>36,088</i>
<i>Total</i>	<i>265,071</i>	<i>—</i>	<i>(42,687)</i>	<i>222,384</i>

Scholarships fund

This fund is to be used for Chartered ABS scholars to conduct research relevant for members. Whilst little has been used in the past year, the trustees have budgeted to significantly increase activity in this area in the year ahead.

New projects fund

This fund is to be used towards the development of any new major projects the Association undertakes.

Property fund

This fund has been set aside to cover future property related costs.

Investment fund

This fund represents the cumulative unrealised gain on listed investments which cannot be applied towards charitable purposes without prior liquation of investments.

Notes to the financial statements Year ended 30 June 2023

18 Net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total funds 2023 £
Tangible fixed assets	42,509	—	—	42,509
Investments	500,000	53,103	—	553,103
Current assets	3,501,920	186,296	4,813,391	8,501,607
Current liabilities	(2,546,689)	—	(4,264,290)	(6,810,979)
Total	1,497,740	239,399	549,101	2,286,240

	General funds £	Designated funds £	Restricted funds £	Total funds 2022 £
<i>Tangible fixed assets</i>	<i>11,489</i>	<i>—</i>	<i>—</i>	<i>11,489</i>
<i>Investments</i>	<i>500,000</i>	<i>36,088</i>	<i>—</i>	<i>536,088</i>
<i>Current assets</i>	<i>1,987,232</i>	<i>186,296</i>	<i>3,346,515</i>	<i>5,520,043</i>
<i>Current liabilities</i>	<i>(1,043,733)</i>	<i>—</i>	<i>(2,957,240)</i>	<i>(4,000,973)</i>
Total	1,454,988	222,384	389,275	2,066,647