

Global Entrepreneurship Research Association

Annual Report

for the year ended 31 December 2024

Registered Charity no: 1109845

Registered Company no: 05352027

A company limited by guarantee

Global Entrepreneurship Research Association

Reference and Administrative Information

Company name: Global Entrepreneurship Research Association (GEM)

Charity registration number: 1109845 (England & Wales, UK)

Company registration number: 05352027 (England & Wales, UK)

Registered office and operational address:

c/o London Business School
Sussex Place
Regent's Park
London
NW1 4SA
UK

Independent Auditors

BDO LLP
55 Baker Street
London
W1U 7EU

Banker

HSBC Bank plc
90 Baker Street
London
W1U 6AX

Solicitor

Farrer & Co LLP
66 Lincoln's Inn Fields
London
WC2A 3LH

Global Entrepreneurship Research Association

Strategic Report for the year ended 31 December 2024

Achievements and Performance

The results for the year ended 31 December 2024 are shown in the statement of financial activities on page 17. The main activity during the year was the provision of an international programme of research and the dissemination of the results of this research.

Key Performance Indicators

- **Income and Expenditure and Net Movement in Funds. 2024:** surplus of £209,074 ---- **2023** surplus of £118,885.
- **Total funds carried forward. 2024:** £1,208,494---- **2023:** £999,419
- **Number of participating National Teams. 2024:** 60 (55 APS+ NES; 2 NES Only; 3 NES Country Teams¹) --- **2023:** 51 (49 APS+ NES; 4 NES Only; 2 NES Country Teams)
- **Number of global funders. 2024:** 1---- **2023:** 1
- **Number of corporate or report funders. 2024:** 4 --- **2023:** 3.

Plans for Future Periods

The company plans to continue its activities over the forthcoming years subject to satisfactory funding arrangements. The main activity is the provision of an international programme of entrepreneurship research and the dissemination of the results of this research. In addition, and in accordance with the Strategy, the Company plans to continue to promote thought leadership in Entrepreneurship through collaborative research and dialogue with partners, and by increasing the number of Special Topic Reports. Dr Aileen Ionescu-Somers, who is currently providing Executive Management Services to the company (as Executive Director), is actively engaged in working with the Board to develop and strengthen initiatives going forward that will deliver on core defined objectives of the company.

Participation in 2025: The annual GEM Global operational budget depends to a large degree on GEM Global Services Fees contributed by each GEM National Team for the Research Cycle that year. Due to global political and economic instability, early indicators suggest that National Team participation in the 2025 research cycle will undergo modification compared to 2024, since several teams confirmed funding shortage owing to reductions in USAID or other funding sources. Some 60 fee paying teams (55 APS+ NES; 2 NES Only; 3 NES Country Teams) participated in the 2024 GEM Research Cycle, but participation figures for 2025 are not yet finalized. Several teams typically confirm their involvement later in the calendar year, often beyond the end of March of the Research Cycle in question. This is because their commitment is contingent upon the timing of local sponsorship agreements and funding confirmations at the national level (mostly with governmental departments that agree their budgets on a year-by-year basis). As such, a more accurate assessment of 2025 participation will be possible in the coming weeks (by end of April). Thus, at end of March 2025, the chart below portrays the results of a survey related to expected 2025 participation sent out at end of 2024, and indicates the number of teams that have either confirmed their participation in 2025, or indicated the degree of certainty that they will confirm participation. Based on experience, it is highly likely that teams confirming 75%, 50% certainty will participate in the 2025 Research Cycle. The definition of the “percentage certainty” categories (100%, 75%, 50%, 25%, 0%) are also included below. A total of 5 teams with active participation agreements have not yet responded to the survey, but this group includes several teams that have consistently participated in research cycles over the last 5 years (and more) and thus are likely to participate in 2025. Based on these indications, GERA anticipates healthy participation of 50 National Teams in the Research Cycle in 2025, but does not expect an increase.

¹ NES Country Teams category explained under Plans for Future Periods

Global Entrepreneurship Research Association

Plans for Future Periods (continued)

% Teams Participation	No of Teams	Notes
0%	5	
25%	3	
50%	2	
75%	12	
100%	3	NES Country Team
100%	2	NES Only
100%	33	APS+NES
Total active teams that have answered the participation survey	60	
Total active teams that have not responded yet	5	
Total active teams	65	

100%	Sponsorship for the year is fully guaranteed, all formalities have been completed and there are no further barriers to participation.
75%	Sponsorship is highly likely, the sponsors has allocated the necessary funding within its budget, but some other formalities need to be concluded.
50%	Our sponsors is highly optimistic, has applied for the necessary funding and is attempting to get approval. However, final approval has not been yet given.
25%	Approaches have been made to a sponsors, who is relatively optimistic, but no formal processes have been completed.
0%	The sponsor has given a negative response and no alternative funding is being sought or time does not allow another sponsor to approve the funding.

In 2022, the Board made a decision to increase the GEM Global Management Fees which were at US\$ 10,000 per National Team in 2022. Increases are being applied as follows:

2023: US\$11,000

2024: US\$12,100

2025: US\$13,310

This decision was made for several reasons:

- GERA Founding Organization, Babson College decided not to renew its Global Sponsorship in 2023 and for the foreseeable future, thus requiring more reliance on the National Teams to cover core operational costs.
- Global inflation is pushing up GEM's operational costs while the fee at US\$10,000 was set at the same amount charged in 2005 (a reduction to US\$ 8,500 was even granted in 2015 owing to funding available from Global Sponsorships (that subsequently ended), leading to rapidly diminishing reserves (a situation that has been rectified through careful budget management and fundraising efforts in the period 2019 to 2024 inclusive).

In addition to funds generated for GEM Global operational costs from the GEM Global Services fees, the company is likely to confirm at least four Special Topic Report sponsorships in 2025. Furthermore, the launch of the 2025/26 GEM Global Report/GEM Annual General Meeting) - to be held in Mexico in February 2026 - will be sponsored by GEM Mexico and sponsors (Universidad de Monterrey and potentially, ministries within the Government of Mexico). Again, the amount to be covered by GEM Mexico through sponsorships is not yet confirmed and the GEM Global budget is prepared to backstop any shortfall in raised funds.

The GEM Executive Director continues to seek new sponsorships for flagship reports based upon partnerships. She is also introducing new funding models. For example, a partnership has been set up with the World Trade

Global Entrepreneurship Research Association

Plans for Future Periods (continued)

Organization (WTO) that publishes its Global Innovation Index partially using GEM NES Indicators. WTO is connecting GEM with prospective new members, so that they carry out the NES only at the outset (so that the relevant indicators are available). Currently there are three such cases – so-called **NES Country Teams** - that are fee paying (US\$10,000 per team). It is hoped that through the establishment of such relationships, these teams will eventually become full blown GEM National Teams, carrying out both the APS and NES and increasing their commitment to GEM over time.

In 2020, GERA launched a new product, the Ecosystems Index, and participation in this initiative has been providing some limited income since its introduction but the plan is to leverage it as much as possible in 2025.

The 2025 GEM surveys will continue to include a special topic focus on women's entrepreneurship and sustainable entrepreneurship (impact of entrepreneurship on the United Nations Sustainable Development Goals), enabling the production of two Special Topic reports in these areas of focus. In 2024 and 2025, GEM also added questions on Digitalization/Artificial Intelligence, and migrant entrepreneurs, to enable the production of special reports on these topics. This will increase the value and relevance of GERA's research products to all stakeholders. The aim is also to create new strategic partnerships such as that with WTO, and attract new sponsors to fund special reports and other activities. This will in turn increase the motivation of national participants to continue participation in or join GEM, fund the research and expand the global presence of GEM.

In addition, the GEM Executive Director has launched GEM Research and Innovation Projects (GRIPS) groups involving key stakeholders (representatives of National Teams) to ensure continued improvement and relevance of GERA's key offerings in terms of the Adult Population Survey (APS) and National Expert Survey (NES), the Global Report and for each of the GEM Special Reports. The increased involvement of existing teams and key stakeholders, through the GRIPs teams, empowers National Teams and is envisaged to assist in maintaining and increasing GEM National Team participation moving forward.

GEM surveys are conducted annually by National Teams, and the results are published in the Global Entrepreneurship Monitor (GEM) Global Report on a yearly basis at an event held in a different location each year and hosted by a National Team. Note that GEM is the acronym under which GERA publishes its' Reports.

In 2022, the GEM Executive Director introduced a formal process of application for hosting and sponsoring the GEM Global Report Launch/AGM. The opportunity to host such a prestigious event has met with considerable success amongst the National Teams, The following National Teams sought funding, donated resources in-kind and hosted the Launch in the last three years:

	2021	2022	2023	2024
Country	Dubai	Switzerland	Morocco	Spain
OVERALL EVENT COST	\$ 96'537	\$ 71'121	\$ 64'725	\$ 150'000

This new funding model has substantially alleviated the GEM Global budget, which previously covered significant costs of the Launch event (as a reference, the costs of the 2020 event in Miami was primarily covered by the GEM Global budget, to the tune of US\$170,000).

The 2024/25 Global Report Launch/Annual General Meeting took place at the University of the Basque Country and University of Deusto during the week of 17-20 February 2025 in Bilbao, Spain, sponsored by the Universities and several governmental and private sector sources. This high-profile event draws significant marketing and communication outreach, which is magnified through sponsoring stakeholders that help expand the reach and visibility of GERA's work. At the Bilbao event, the GERA Board announced that GEM Mexico will host the 2026 GEM Global Report Launch/AGM at Tec de Monterrey, Monterrey, Mexico.

Key Risks and Uncertainties and Risk Management

When considering business decisions, the Board assesses associated risk factors and there is complete transparency on the background to all recommendations. Execution of any actions or strategies will continue to be assured in 2025 by Dr Aileen Ionescu-Somers, who is currently providing Executive Management Services to

Global Entrepreneurship Research Association

Key Risks and Uncertainties and Risk Management (continued)

the company (GEM Executive Director), supported by a GEM Global team of five people. The Executive Director is renewing and updating the GEM strategy. The current strategy includes targets and objectives for a set of five strategic goals/priorities and all members of the team had responsibility for tasks/objectives to enable delivery of the established targets, all of which were achieved in 2023/24. All key risks faced by the company are taken into consideration when developing courses of action and all actions are formally approved by the Board before implementation. Internal control risks have been minimised by the implementation of procedures for authorisation of all financial transactions. The key roles of the Operations Manager have been streamlined to ensure that oversight, processes and procedures are strengthened and enhanced.

The primary risk before the company in the short and medium term – given the current volatile economic climate and somewhat inflationary context - is any potential decrease in the number of National Teams participating in the research, and in income from donations and grants. However, confirmation of participation for 2025 is looking optimistic, as indicated above, and the Executive Director has already secured several substantial sponsorships for the Global Report Launch and Special Topic Reports for 2025. There has also been an increase applied to the GEM Global Services Fees in 2025. Furthermore, three new teams have joined the consortium. As a result, it is unlikely that GEM will run a deficit in 2025, and it is expected that there may even be a small net contribution back to the reserves, as there was in 2024.

The company's medium and long-term risks and uncertainties are related to the number of local partner organisations that are part of the GEM Consortium (as members with Participation Agreements). This affects the income from National Teams and the fluctuation in foreign exchange rates related to macroeconomic factors beyond the company's control. The GERA Board and GEM Executive Director have developed a strategic plan for increasing the number of National Teams and the income they provide – for example by increasing the GEM Global Services fees in 2025, and approving a shift to online sampling (leading to lower costs for teams, thus more motivation to remain part of the consortium) - and have taken measures to minimise the foreign exchange risk to an acceptable level.

It is anticipated that the number of local partner organisations (National Teams) will remain relatively stable increase for the 2025 research cycle, whereas for 2024, participation in GEM increased. GEM has often had practical difficulties retaining teams because of the cost of conducting relatively expensive surveys particularly at times of economic uncertainty worldwide. Owing to world geopolitical events, GEM expects that in some cases sponsorship funding will be allocated by stakeholders to other priorities, leading to loss of GEM National Team participation (4/5 teams in 2025). However, newly approved teams (4 in 2025) will compensate for this loss.

Because of the increased GEM Global Services Fees in 2025, the income the company receives from National Team contributions will increase relative to 2024. In terms of current operational costs, a participation of some 50 teams in the Research Cycle each year is deemed desirable. This is the expectation for 2025.

Note that following a strategic review in 2021, and to address a deficit situation, the GEM Executive Director cut the operational budget by a third, and reduced and then froze staffing levels. Because of rapid reduction in reserves from £1,292,366 in 2016 to £578,719 in 2020, the GEM Executive Director had a goal of restoring GERA reserves to healthy levels, and to ideally achieve a reserve of two years equivalent of operational income. This was achieved in 2024. In fact, GERA is now investing some of these reserves to generate income. The reserves investment strategy, and all income and expenditure is constantly reviewed.

All in all, GEM can confidently move towards less austerity and begin to use its funds more strategically. This increased strategic approach is reflected in the 2025 budget.

An Operations Pack with detailed updates on GERA finances, status of GERA reserves, investment income and participation of National Teams is submitted to the GERA Board for review at the monthly GERA Board meeting.

Report of the Directors for the year ended 31 December 2024

The Global Entrepreneurship Research Association (GERA) or “the company” is a registered charity (registered number 1109845 in Charity Commission and registered number 05352027 in Companies House) in England and Wales, United Kingdom. GERA publishes its research results as Reports under the name Global Entrepreneurship Monitor (GEM).

Global Entrepreneurship Research Association

Report of the Directors for the year ended 31 December 2024 (continued)

The directors present their directors' report together with the audited financial statements of the organisation for the year ended 31 December 2024, which are also prepared to meet the requirements of the Companies Act.

The financial statements comply with the Charities Act 2011, the Companies Act 2006 relating to small companies and the Accounting and Reporting by Charities; Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (2019 edition).

The data and analysis produced by the charity has significantly impacted government policy on entrepreneurship around the world, increasing opportunities for entrepreneurs and driving economic growth. Examples of recent 2024 GEM outputs are:

- [GEM 2023/24 Women's Entrepreneurship Report: Reshaping Economies and Communities](#), published in November 19th 2024
- [GEM 2024/25 Global Report: Entrepreneurship Reality Check](#), published in 18th February 2025
- [GEM 2023/2024 Sustainability and Entrepreneurship Report: Awareness and Actions](#), published in 25th March 2025

Financial Review

The directors' report a surplus of £209,075 (2023: surplus of £118,885) for the year and have positive reserves carried forward of £1,208,494 (2023: £999,419). They anticipate an increased 2025 revenue from National Teams, which are local partner academic or research institutions from participating countries, over the 12 months to 31 December 2025. The GEM Executive Director is constantly looking for new sponsors, and in 2024 secured one Global Sponsor (Cartier Women's Initiative (CWI)), and four Special Topic Report sponsors: the School of Management Fribourg, the Schwab Foundation (affiliated with the World Economic Forum), the Bertelsmann Stiftung Foundation and the Frank & Eileen Centre for Women's Entrepreneurial Leadership at Babson College, USA). There was therefore a net positive contribution back to the reserves at 31 December 2024.

Principal Activity

Office Address: London Business School
Sussex Place
Regent's Park
London
NW1 4SA
UK

Directors

The directors of the charitable company (the company) are its trustees for the purpose of charity law. The directors and officers serving during the year ended 31 December 2024 and up to the date of signing of the financial statement were:

	Appointed	Resigned
Dr José Ernesto Amorós Espinosa	March 2020	February 2024
Professor Jeff Shay	July 2021	
Professor Ehud Menipaz	February 2025	February 2024
Professor Ana Fernandez Laviada	February 2023	
Anna Tarnawa	February 2023	
Professor Rico Baldegger	June 2024	February 2025
Dr Christian Friedl	February 2024	
Dr Maya Dougoud	February 2025	
Dr Niels Bosma (non-voting)	February 2015	

Global Entrepreneurship Research Association

Financial Review (continued)

Secretary

Richard Alan Frost	June 2023	March 2024
Carol George	March 2024	

Qualifying Third Party Indemnity

The company has Clubs and Associations Insurance Portfolio through Hiscox. This includes management liability as follows:

- Management liability - Trustees and individual liability
- Management liability - Professional legal liability
- Management liability - Employment practices liability

Objectives and Activities

The objective of the company is the advancement of research and associated educational initiatives in the field of entrepreneurship practice and policy development, principally by the provision and conduct of an international programme of research and the dissemination of the results of such research and by such other exclusively charitable means as the directors shall in their discretion determine.

Public Benefit Statement

The Global Entrepreneurship Research Association was established on the 3rd February 2005 and is an exempt charity. The directors have given due regard to the Charity Commission's guidance on public benefit and have taken reasonable steps to ensure that this guidance has been considered in the activities undertaken by the Global Entrepreneurship Research Association to deliver its charitable purposes.

The Global Entrepreneurship Research Association delivers a benefit to the public by coordinating an annual global data collection activity, producing and disseminating as widely as possible high-quality information and analysis on entrepreneurship and its importance in economic development.

At the end of each annual cycle, GERA produces a comprehensive 'Global Report' on its findings which is launched to the global press and distributed free of charge on its website. The report is widely read and cited, raising awareness of the importance of entrepreneurship and increasing knowledge of the entrepreneurship phenomenon worldwide. This report also includes specific recommendations with a view to positively influencing government policies towards entrepreneurship.

National Teams in the different countries covered by the study produce their own 'National Reports', which are launched to local media and also distributed free of charge online. These reports also include specific recommendations with a view to positively influencing government policies towards entrepreneurship.

GERA also produces 'Special Topic' reports, which use the data collected to further research into particular fields (e.g. Women's Entrepreneurship) and make important contributions to the body of research into entrepreneurship. The Board has agreed to focus primarily on certain "Flagship" special reports in future, namely, **Women's Entrepreneurship** and **Impact of Entrepreneurship on the Sustainable Development Goals (SDG's)**. Ultimately, the aim will be to build a constellation of partnerships and funding around these specific reports, and to produce them yearly rather than sporadically.

The data collected by GERA is presented at conferences, events and seminars worldwide. The data collected and the reports produced are used free of charge by educators worldwide in a variety of teaching contexts and by

Global Entrepreneurship Research Association

Public Benefit Statement (continued)

the sponsors of the GEM National Teams, usually policymakers in governmental departments and/or entities concerned with promoting entrepreneurship at a national or regional level within countries.

Investment Policy

The Board of Global Entrepreneurship Research Association has approved a budget in 2024 for investment in a new website in order to modernise and innovate its communication channels to attract sponsors and also to better mirror GERA's global mission, objectives and activities.

Reserves Policy and Going Concern

The company reserves are needed to meet the working capital requirements for the company. As at year end the Global Entrepreneurship Research Association has a creditor balance of £70,740 which can be covered by the cash reserves without need of any additional financing. The directors considered that unrestricted reserves should be maintained at a minimum of 100% of total expected core operational expenditure for two years of operations. Given global uncertainties, this is to ensure continuity of operations in the event of the withdrawal of a funder or a fall in the number of participating National Teams. Currently, unrestricted reserves are 129% of forecast core operational expenditure for 2024 after deduction of liabilities from reserves. The directors will consider the plans for the use of reserves on an ongoing basis.

The directors have reviewed the circumstances of GERA and consider that adequate resources continue to be available to fund the activities of the company for the foreseeable future. In fact, the situation of the company can be considered very healthy. There are therefore no material uncertainties about the charity's ability to continue as a going concern.

Principal Funding Sources

Principal funding sources for 2024 were:

- Annual fees from the National Teams for which they receive membership of GERA and access to data on entrepreneurship collected as part of the Global Entrepreneurship Monitor (GEM) project.

Note: GEM Global Services Fees were increased from 11'000USD to 12'100USD in 2024 thus leading to an increase in the overall total of annual fees from National Teams.

In 2024, GEM received funding from the Cartier Women's Initiative (CWI), the School of Management Fribourg, Schwab Foundation, Bertelsmann Stiftung Foundation and from the Frank & Eileen Centre for Women's Entrepreneurial Leadership at Babson College. All of these are likely to make a contribution in 2025 also. In fact, the Cartier Women's Initiative, has confirmed its funding of the 2025/26 GEM Global Report and 2024/25 Women's Entrepreneurship report. The Holon Institute of Technology (HIT) has formally committed to a three-year contribution of unrestricted funds to GEM, covering the period from 2025 to 2027.

Structure, Governance and Management

Governing Document

The Global Entrepreneurship Research Association (GERA) is a private company limited by guarantee registered in England, established on the 3rd February 2005. It was registered as a charity on the 3rd June 2005. GERA is a not-for-profit independent entity formed from the consortium of Global Entrepreneurship Monitor National Teams (GEM National Teams) and the two founding institutions: London Business School and Babson College (USA).

Recruitment and Appointment of Directors

There are to be at least five individuals holding the position of director. New Board Members may be proposed by any of the founding institutions, National Team Representative Members or a Funding Member. Decisions for appointing a director who is additional or is replacing a Funding Member or National Team Representative Member should be taken unanimously by the Board, and the approval of all of the existing active founding institutions, National Team Representative Members and Funding Members is required. In the event of the

Global Entrepreneurship Research Association

Recruitment and Appointment of Directors (continued)

company being wound up, the directors of the company are required to contribute one pound towards the costs of dissolution and the liabilities incurred by the company while the contributor was a member.

Trustee Induction and Training

The directors as charity trustees have control of the company and its assets and funds. Each director is made aware of their duties to the company upon appointment and accepts their responsibility to keep up to date with changes in statutory requirements that affect their role and responsibilities as trustees. Each director must sign a declaration of willingness to act as a charity trustee of the company before he or she is eligible to vote at any meeting of the directors.

Organisational Structure

The Board of Directors meets in the last week of each month and is responsible for the strategic direction and policy of the company. The day-to-day responsibility for the provision of services rests with the Executive Director who is also responsible for ensuring that the company delivers the services specified in a timely manner and to a good standard.

Related parties and co-operation with other organisations

No director receives remuneration or other benefit from their work with the company. However, they are reimbursed expenses and receive payment for services provided to the company, when required, as permitted in the Memorandum of Association. During the year 2024 one (non-voting) director was contracted as GEM Senior Research Advisor and their university was remunerated for this for £9,493 (in 2023: £9,533 was paid to 1 director) for the provision of such services. Any connection between a director of the company with a customer or supplier must be disclosed to the full board of directors in the same way as any other contractual relationship with a related party.

Related parties and co-operation with other organisations

Global Entrepreneurship Research Association is a collaboration between Babson College, London Business School and the Association of GEM National Teams.

Statement of Directors' responsibilities

The Directors (who are also trustees of Global Entrepreneurship Research Association for the purposes of charity law) are responsible for preparing the Report of the Directors (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Global Entrepreneurship Research Association

Statement of Directors' responsibilities(continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies

Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with Section 418, we confirm that in the case of each director in office at the date the directors' report is approved, that:

- a) so far as the directors is aware, there is no relevant audit information of which the company's auditors are unaware; and
- b) he/she has taken all the steps that he ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the Board



Professor Jeff Shay
On behalf of the GERA Board
29 September 2025

Global Entrepreneurship Research Association

Independent Auditor's Report to the members of Global Entrepreneurship Research Association

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 December 2024 and of its incoming resources and application of for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Global Entrepreneurship Research Association ("the Charitable Company") for the year ended 31 December 2024 which comprise the Statement of Financial Activities including Income & Expenditure Account for the year ended 31 December 2024, Balance Sheet at 31 December 2024, Statement of Cash Flows for the year ended 31 December 2024 and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements 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.

Conclusions related to going concern

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

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

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

Global Entrepreneurship Research Association

Other information

The Trustees 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in

doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors, which includes the Trustees' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Report of the Directors, which included the Trustees' Report, has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Report of the Directors report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept by the Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report.

Responsibilities of Directors/Trustees

As explained more fully in the Statement of Directors' responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Global Entrepreneurship Research Association

Responsibilities of Directors/Trustees (continued)

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Charitable Company and the sector in which it operates;
- Discussion with management and those charged with; and
- Obtaining and understanding of the Charitable Company's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be the UK Generally Accepted Accounting Practice and UK tax legislation.

The Charitable Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the Companies Act 2006.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

Global Entrepreneurship Research Association

Fraud (continued)

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Charitable Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud

Based on our risk assessment, we considered the areas most susceptible to fraud to be posting of inappropriate journal entries and improper revenue recognition.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; We also selected a sample of journals on an unpredictability basis which are not meeting the defined risk criteria and agreed these back to supporting documentation; and
- We performed a proof in total to confirm the completeness of membership income, alongside other tests that confirmed the accuracy of the underlying data used in the calculation. We also tested the existence of revenue through sample testing of sponsorship income back to signed contracts and also agreeing to invoicing.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

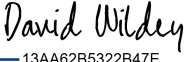
A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Global Entrepreneurship Research Association

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an 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 Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

13AA62B5322B47E...

David Wildey (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor
London, UK

30 September 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Global Entrepreneurship Research Association

Statement of Financial Activities including Income & Expenditure Account for the year ended 31 December 2024

		Unrestricted 2024	Unrestricted 2023
	Notes	£	£
Income from:			
<i>Donations and Legacies:</i>			
Donations and Grants	3	147,091	201,408
<i>Charitable activities:</i>			
National Team	4	545,952	462,590
<i>Interest income</i>	5	37,003	30,314
Total income		<u>730,046</u>	<u>694,312</u>
Expenditure on:			
Charitable activities	6	(520,971)	(575,427)
Total expenditure		<u>(520,971)</u>	<u>(575,427)</u>
Income and net movement in funds		209,075	118,885
Reconciliation of funds			
Total funds brought forward		999,419	880,534
Total funds carried forward	13	<u>1,208,494</u>	<u>999,419</u>

The statement of financial activities includes all gains and losses in the period. All incoming resources and resources expended derive from continuing activities.

The notes on pages 20 to 25 form part of these financial statements.

Global Entrepreneurship Research Association

Balance Sheet at 31 December 2024 (Registered Company no: 05352027)

	Notes	2024	2023
		£	£
Current assets			
Debtors	11	110,372	118,777
Cash at bank and in hand		1,168,862	938,365
		<u>1,279,234</u>	<u>1,057,142</u>
Creditors: amounts falling due within one year	12	(70,740)	(57,723)
Net current assets		<u>1,208,494</u>	<u>999,419</u>
Net assets		<u>1,208,494</u>	<u>999,419</u>
 Unrestricted funds	14	 1,208,494	 999,419
 Total funds		 <u>1,208,494</u>	 <u>999,419</u>

Approved company's financial statements on pages 20 to 25 by the board of directors and authorised for issue on 29 September 2025 and signed on its behalf by:



September 29, 2025

Professor Jeff Shay

On behalf of the GERA Board

The notes on pages 20 to 25 form part of these financial statements

Global Entrepreneurship Research Association

Statement of Cash Flows for the year ended 31 December 2024

	Notes	2024 £	2023 £
Net cash provided by/(used in) Operating Activities	15	193,495	(43,522)
<i>Cash flows from investing activities:</i>			
Interest income		37,003	30,314
Net cash provided by Investing Activities		37,003	30,314
Change in cash and cash equivalents in the reporting period		230,498	(13,208)
Cash and cash equivalents at the beginning of the year		938,365	951,573
Cash and cash equivalents at the end of the year		1,168,862	938,365

The accompanying notes form part of these financial statements.

Global Entrepreneurship Research Association

Notes to the financial statements for the year ended 31 December 2024

1. Principal accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS 102)) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019. The accounting policies set out above have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

(b) Going concern

GERA has unrestricted funds of £1,208,494 (2023: £999,419) at the year-end. As at year-end, the Global Entrepreneurship Research Association has a creditor balance of £70,740 which can be covered by the company cash reserves without need of any additional financing. The reserves are well sufficient to fund the immediate liabilities and forecasted expenses for the next 12 months whilst the directors implement their strategic plans to maintain this trend as detailed in the strategic report.

The directors considered that unrestricted reserves should be maintained at a minimum of 100% of total expected core operational expenditure for two years of operations.

Hence, the directors are of the view that the company's immediate future is secure and therefore the financial statements have been prepared on the going concern basis.

(c) Basis for translation of sums dominated in foreign currency into sterling

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any differences are taken to the Statement of Financial Activities.

(d) Incoming Resources (Donations and grants and Income from National Teams)

Income is recognised when the company has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received for activities relating to a future accounting period is deferred until the criteria for income recognition are met.

(e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company. This is normally upon notification of the interest paid or payable by the bank.

(f) Fund accounting

GERA's income is derived from funding and fees from National Teams. At 31 December 2024, GERA held £1,208,494 (2023: £999,419) in unrestricted funds. All GERA funds are unrestricted. Unrestricted funds are available to spend on activities that further any of the purposes of the company. The split of funds set out in note 13 is purely for presentational purposes and does not indicate any segregation of the funds held for different purposes.

(g) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Global Entrepreneurship Research Association

Notes to the financial statements for the year ended 31 December 2024 (continued)

(g) Expenditure (continued)

The expenditure classified under the heading “Expenditure on charitable activities” consists of costs incurred to promote the objectives of the company and are accounted for in the year they occur.

(h) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(i) Cash at bank and in hand

Cash and cash equivalents comprise cash balances and call deposits.

(j) Creditors

Creditors are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

(k) Financial instruments

GERA has only financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their amortised cost.

(l) Critical estimates and judgements

There are no critical estimates and judgements within the financial statements, other than any judgements made with regard to the recognition of revenue.

2. Legal status

GERA is a company limited by guarantee and has no share capital. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

3. Donations and grants

	2024 £	2023 £
Sponsorship	147,091	201,408
	<u>147,091</u>	<u>201,408</u>

4. Income from charitable activities

	2024 £	2023 £
National Teams annual fee	545,952	462,590
	<u>545,952</u>	<u>462,590</u>

The income from outside the UK represents 99% (2023: 99%) of GERA membership income.

Global Entrepreneurship Research Association

Notes to the financial statements for the year ended 31 December 2024 (continued)

5. Interest income

The interest income of £37,003 (2023: £30,314) arises from money held in interest bearing deposit accounts.

6. Analysis of expenditure on charitable activities

	2024	2023
	£	£
Consulting costs	401,678	385,870
Events	5,523	22,197
Data collection and report production	31,775	30,716
Staff travel and accommodation	27	8,525
Management fees	29,384	26,663
Advertising / PR costs	-	2,780
Legal and professional fees	9,810	9,258
Computer Software	-	1,516
Web Maintenance and development	21,854	16,016
Foreign exchange	1,853	45,067
Business Insurance	5,309	4,485
Office materials	2,495	5,795
Other Operating Expenditure	-	(458)
Governance costs	11,262	16,997
Total Expenditure	520,971	575,427

7. Net expenditure for the year

This is stated after charging:	2024	2023
	£	£
Auditors' remuneration		
Audit fees (excluding VAT)	9,000	8,800

8. Staff costs

No remuneration was paid during the year (2023: £nil).

Global Entrepreneurship Research Association

Notes to the financial statements for the year ended 31 December 2024 (continued)

9. Related party transactions

For the year ended 31/12/2024 a management fee of £29,384 (2023: £26,336) was paid to London Business School.

During the year, 1 (2023: 3) director claimed expenses of £101 (2023: £7,617).

During the year 2024 one director was contracted to a Senior Research Advisor and their university was remunerated for this for £9,493 (2023: £9,533 was paid to 1 director) for the provision of such services.

At the end of the year GERA had an outstanding balance due from London Business School of £nil (2023: £17,090).

10. Corporation Taxation

The company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11. Debtors

	2024	2023
	£	£
Trade debtors	67,263	65,925
Amount owed from London Business School	-	17,090
Social security and other taxation	3,294	562
Prepayments and accrued income	39,815	35,200
	<u>110,372</u>	<u>118,777</u>

12. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade Creditors	27,912	12,667
Deferred Income	20,884	-
Accruals	21,944	45,056
	<u>70,740</u>	<u>57,723</u>

Global Entrepreneurship Research Association

Notes to the financial statements for the year ended 31 December 2024 (continued)

13. Movements in funds

	At 01 January 2024 £	Incoming Resources £	Outgoing Resources £	At 31 December 2024 £
Unrestricted funds:				
National Teams	(3,463,689)	545,952	(509,709)	(3,427,446)
General Funds	4,463,108	184,094	(11,262)	4,635,940
Total unrestricted funds	999,419	730,046	(520,971)	1,208,494
Total funds	999,419	730,046	(520,971)	1,208,494

Following a strategic review in 2021, and to address a deficit situation of rapid reduction in reserves from £1,292,366 in 2016 to £578,719 in 2020, the GEM Executive Director had a goal of restoring GERA reserves to healthy levels. GERA is now investing some of these reserves in order to generate income. The reserves investment strategy, and all income and expenditure is constantly reviewed.

Work continues to increase the number of new teams participating in the research cycle, whilst working to ensure existing teams continue to participate. This is being done through the GEM Research and Innovation Projects (GRIPS) groups which involve key stakeholders to ensure continued improvement and relevance of GERA's key offerings in terms of the APS and NES surveys. The involvement of key stakeholders is envisaged to assist in maintaining National Team participation moving forward.

14. Analysis of net assets between funds

	Unrestricted Funds 2024 £	Unrestricted Funds 2023 £
Cash at bank and in hand	1,168,862	938,365
Other net current assets	39,632	61,054
Total	1,208,494	999,419

Global Entrepreneurship Research Association

Notes to the financial statements for the year ended 31 December 2024 (continued)

15.Reconciliation of net movement in funds to net cash flow provided by/used in operating activities

	2024	2023
	£	£
Net income	209,075	118,885
Adjustments for:		
Interest income	(37,003)	(30,314)
Decrease in debtors	8,405	(89,964)
Increase/(Decrease) in creditors	13,018	(42,129)
Net cash provided by/(used in) operating activities	<u>193,495</u>	<u>(43,522)</u>
	_____	_____