

The Chartered Association of Business Schools

Annual Report and Financial Statements

30 June 2022

Charity Registration Number 1162854

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Reference and administrative details

Members of the Council (Trustees)	Professor Robert MacIntosh (Chair) Professor Baback Yazdani (Treasurer) Professor Duncan Angwin Professor Eleanor Shaw Professor Kamil Omoteso Professor Stewart Robinson Professor Mohammad Ali Professor Catherine Cassell Professor Toni Hilton Professor Heather McLaughlin
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Reference and administrative details

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Investment managers	CCLA Investment Managers Senator House 85 Queen Victoria Street London EC4V 4ET

Report of the Council Year ended 30 June 2022

The Council presents its annual report and audited financial statements for the year ended 30 June 2022 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 24 to 27 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**.

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 and future plans

The impact of Covid-19

Covid continued to have an impact on our work, although much less than in the previous two years. We have returned to in-person gatherings, but that hasn't been without risk. We have returned to the office but remain vigilant about ensuring people with Covid do not come in and spread it amongst colleagues.

Having learnt to work effectively online, our plan is that staff will work in the office two days per week, and the other days as agreed with line managers. This ensures the team culture is nurtured whilst also giving greater flexibility to team members in where they work. Likewise, committees have chosen to reduce the number of in person meetings, whilst maintaining the regular flow of meetings. It is expected that this rhythm will continue to be the new normal.

We have returned to in-person Development Programmes, including holding final session in-person for those who had missed the opportunity during the Covid years.

Free to attend online community meetings have continued although on a less frequent basis. It is clear that our members find value in these meetings and where demand.

Government funded programmes

The Small Business Leadership Programme (SBLP) ended in 2021 and was replaced by the much larger Help to Grow: Management programme. The timeframe has been extended and will now run until the end of March 2025. Over 50 SBC schools are now contracted to delivery the programme and more schools are expected to come on board. The programme is now being delivered in all four nations.

We are working with other partners, such as NatWest, to raise the profile of the programme and to encourage small business leaders to sign up. Evidence suggests that the programme is being effective in supporting SME leaders and their businesses. This is great for the businesses, great for the UK economy and raises the profile of the great work that our member schools do.

The team required by the Chartered ABS to deliver the programme is significant. The additional staff has necessitated the renting of an additional floor in our current building to accommodate the additional staff.

Lobbying and advocacy

There has been a wide-ranging collection of consultations to which we have responded on behalf of our members. These have included the REF, the TEF, the KEF, EDI matters, quality standards, degree apprenticeships and student outcomes. We know that this is an area of work that is widely appreciated by our members, and by those agencies to whom we respond. This will remain a key element of our work.

We were delighted to welcome the Minister for Small Business as keynote speaker at our Annual Conference in November. He was also the keynote at our Grow Your Own Way event celebrating year one of Help to Grow: Management. The Secretary of State for Business has agreed to be a keynote in our Annual Conference this coming November.

The Scottish Committee has continued to attract high profile and well-connected speakers at their regular online deans meetings and we hope to hold an in person meeting in the coming months. We held an excellent meeting in Belfast with NI government and agency representatives with the deans of both business schools speaking of their support for small businesses in Northern Ireland.

We maintain close connections with our key partners, which include: British Academy of Management; British Academy; Department for Business, Energy and Industrial Strategy; Confederation of British Industry; the Federation of Small Businesses; British Council; and the Association to Advance Collegiate Schools of Business.

Development programmes

With the addition of the new Executive Education Leadership Programme, we now have four development programmes. This year they migrated back to in-person delivery, which for these intense courses is the most effective mode. Our development programmes remain popular because they are so successful for both the individuals and the member school.

The Deans' and Directors' Development Programme is facilitated by Professor Simon Collinson; the Leaders in Learning and Teaching Development Programme is facilitated by Dr Cathy Minett-Smith; the Development Programme for Directors of Research (run in partnership with BAM) is facilitated by Professor Natasha Mauthner; and the Executive Education Leadership Programme is 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 Annual Conference in November 2021 returned in-person for an excellent line-up of speakers. The event was very well attended and, after two years away, the collegiate atmosphere was at its best.

We experimented with our Professional Managers Conference and split it into two parts. The first part was held face-to-face for the more senior managers, and a week later we held a more developmental version online. This successfully gave everyone an opportunity be part of the community of professional managers.

Two years later than expected we were finally able to deliver the Learning, Teaching & Student Experience conference in Belfast. We had a record number of participants and, as ever, the quality of the content and the supportive culture of the conference was outstanding.

The Research Conference was disrupted by train strikes so, at the last minute, had to be delivered as a hybrid event. We were delighted to have David Sweeney from UKRI and Professor Robert Blackburn, Chair of the Business and Management Unit of Assessment for the REF, among an excellent line-up of speakers.

CPD workshops and joint events

Most of our smaller events continued online during 2021-22, with some events returning in-person towards the end of the year. Our events have also been supplemented by our online Community Meetings for distinct groups (such as Deans or Directors of Research) which we have continued since introducing them at the start of the pandemic.

Our series of CMBE CPD workshops offer support for teaching faculty to develop their teaching practice. We have appointed a CMBE CPD Review Board who will peer review CPD submissions from the CMBE community. They are working with us on the calendar of workshops for 2022-23 which will be a mix of online and in-person.

We have also continued our SBC events that enable knowledge exchange between SBC member institutions.

Committee work

We currently support twelve committees that report into Council, including a new Apprenticeships Committee, along with the specialist working group on Race Equality, reflecting the importance of this area in the Council's priorities. We are delighted that over 140 people representing over 80 of our member institutions sit on these groups, many of whom were able to meet in-person this year for the first time since 2020. Our series of free, regular on-line community meetings, with topics and speakers chosen by the Committees, remained very popular and were continued throughout the year.

Publications

In the last year we published a range of reports for members, both new and regular publications. Outside of our regular annual reports we published an analysis of the REF 2021 results for Business & Management, the first ever LTSE Conference Proceedings document, and an analysis of the role of Directors of Research which was commissioned by our Research Committee. We also published a detailed analysis of student enrolments by country and domicile. Our regular annual cycle of reports again featured the NSS results for Business & Management and Law, the research income reports for both fields, and an analysis of the second wave of the HESA Graduate Outcomes survey.

The two final reports from the latest round of our scholarships programme were also published. These were focused on EDI issues in Business Schools (University of Bedfordshire Business School and University of Greenwich Business School), and developing a framework for student experience management (Nottingham Business School, Nottingham Trent University). During the year we also launched the new 'Dynamic Conversations' initiative, which is an interactive version of our 'Perspectives On' series of publications on Learning & Teaching, and has featured publications in the form of blogs and videos.

Certified Management & Business Educator (CMBE)

After three years of the CMBE, one in twenty business school academics in the UK now hold the CMBE. Collectively, individuals that hold the CMBE have committed to undertake over 50,000 hours of development in past year. 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. There are CMBEs in 80% of UK business schools and in 34 countries worldwide. A growing number of business schools are supporting faculty to become CMBEs.

Small Business Charter

We welcomed Michael Hayman MBE DL as the new Chair of the SBC Management Board. He comes with a wealth of experience in the SME world and we have felt the benefits of his contacts and creativity.

We have seen a significant 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 over 60 business schools with the SBC and the numbers continue to grow. We are delighted to see so many fabulous schools publicly committing to support small businesses and to face scrutiny on the success of their work in this area.

We have updated the application form to enhance the clarity of the expectations and to ensure we stay up to date in what we are looking for. We are also looking to introduce annual awards which will replace the current exemplars. We believe this will be more valuable to SBC holding schools and other stakeholders and will provide an opportunity to celebrate success.

Media coverage

The Chartered ABS and Small Business Charter have been cited in the mainstream press a number of times this year. Our profile continues to rise as we have benefited from the halo effect of publicity for the Help to Grow: Management Course. We have generated a number of positive articles about business schools, our work, and Help to Grow in the Times and the Financial Times.

Digital communications including website and newsletters

Traffic to the Chartered ABS website had another record breaking year. Our page views outside of the Academic Journal Guide are up 30% and reached approximately 500,000; these numbers are far higher when the AJG is allowed for. This has been made possible by our higher profile and the high levels of engagement with our membership and wider community, as evidenced by our growing database of 68,000 UK and global contacts. It is also testament to the quality of our reports and articles, many of which are made possible by contributions from our members.

Engagement in Small Business Charter channels have seen a significant increase due to the nationwide campaigns for the Help to Grow programme.

Academic Journal Guide

The Academic Journal Guide continues to grow in usage amongst the business and management research community and the 2021 edition is on track to receive a higher number of registrations than the 2018 edition. The international reach of the Guide has also expanded with increased growth in the number of international users. Work will soon commence on the 2024 edition with a view to including new forms of data to provide further value to the research community.

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. In the past year we amended the Terms of Reference and the Membership Criteria of all our standing committees to include a clear statement that acknowledges each committee's role and responsibility for being diverse and inclusive, and gives due consideration to university mission group, geographic location, career stage, career pathways and other facets of organisational diversity.

Committee reports

Research Committee

The Annual Research Conference was held in London on 21 June 2022 to coincide with the publication of the results for the 2021 Research Excellence Framework. Due to the train strikes it was delivered as a hybrid event so that participants could join online. During the year, the committee helped to shape the development of our research proposal on the subject of business schools and knowledge exchange, and informed our responses to consultations on the future of research assessment in the UK, and the UKRI's draft strategy for Equality, Diversity, and Inclusion. The committee has continued to monitor the impact of the pandemic on certain types of researchers, including those with childcare responsibilities and early career researchers.

Learning, Teaching and Student Experience (LTSE) Committee

The first in-person LTSE Conference for three years was held in Belfast on 24-25 May 2022. The event had 400 attendees which was a tremendous turn-out given the on-going travel disruption. The feedback was very positive with much appreciation of the opportunity for the community to gather again in-person in a collegiate and supportive environment. In addition to supporting the development of the conference, the committee held two panel discussions under the new 'Dynamic Conversations' initiative focused on key learning and teaching issues, led the development of the first ever conference proceedings for the 2021 LTSE Conference, and informed our responses to several OfS consultations related to TEF and regulating student outcomes.

Professional Managers Committee

The committee appointed a new Chair and four new members, and began work on its research project to evidence the impact of centralisation of services on business school professional services teams. A highly successful Professional Managers Annual Conference (PMAC) was held as both an in-person event at Aston University in March 2022, and as an online event the following week, allowing the widest range of professional services staff to attend.

Executive Education Committee

The committee organised two Symposia, one of which took place in June at UCLAN, on the topic of Embedding Sustainability. The second is scheduled to take place in Scotland later in the year. The committee made progress on its collaboration with the Research Committee/KEF Working Group to consider how business schools work with the KEF. It has also created an Executive Education Development Programme, is planning a 'train the trainer' workshop, and three members are drafting a White Paper on 'how executive education can meet the needs of business students'. Nine new members were appointed to the committee.

International Committee

The committee refreshed its Key Priorities and appointed a number of new members. It continued with a series of well attended online community meetings for Directors of International as well as leading a session at the Annual Conference, chaired by the CEO of UKCISA on 'international student mobility in a changing world'. Continuing this theme, the committee's members have been publishing a series of blogs on the Chartered ABS website on 'sustainability vs international mobility', which will lead into a position paper later in the year.

Equality, Diversity and Inclusion (EDI) Committee

The committee led on a Keynote Panel discussion at the Annual Conference on 'Tackling Inequalities and Improving Inclusion'. It also appointed five new members, agreed a joint BAM/CABS guidance document on organising inclusive events, and planned a range of initiatives including podcasts and toolkits for the website. The committee also continued to have oversight of the Race Equality Action Group.

Scottish Committee

The committee were able to meet in-person at the Annual Conference and continued their series of online meetings with interesting speakers including the Chair of the Latin America Network, UUK International; the Chair of the Asia Scotland Institute and the CEO of Rubicon Intelligence. The committee agreed to develop a bank of case studies.

Membership and Fellowships Committee

In terms of membership, the committee approved applications from Oxford Business College, Bucks New University, Suffolk Business School, and the Institute of Management, University of Bolton. As regards Fellowships, following an open call placed on the Chartered ABS website, the following five new Fellows were appointed: Alistair Bruce, Jane Harrington, Tim Mescon, Michelle Ovens, and Paula Whitehouse.

Scholarships Committee

The Scholarships Committee met informally throughout the year and oversaw the publication of reports on student experience management and EDI in business schools. It is planning for other commissioned projects, reflecting our strategic interests.

Academic Journal Guide Management Committee

In the last year the committee has been developing plans to expand the data included in the 2024 edition of the Guide to provide the academic community with richer information about business and management journals.

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.

Apprenticeships Committee

Council agreed that the Apprenticeships Working Group could become the Apprenticeships Committee as there remained a lot to do in the degree apprenticeships space. The committee appointed seven new members and in addition to continuing consultations with IfATE and ESFA, the committee is producing a paper on degree apprenticeships and social mobility.

Race Equality Action Group

The Group has formed four sub-groups to focus in on the areas of research, workshops and resources. The specific tasks including creation of a database of business school EDI Leads, research on the editorial boards of journals, an event at the Annual Conference, and organising a workshop for later in the year.

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 21 of this annual report and financial statements.

The total income for the year was £17,712,057 compared to £10,759,116 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 £17,456,161 compared to £10,412,251 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 losses of £42,687 (2021 gains: £42,493) were experienced, resulting in a surplus for the year of £213,209 (2021: £389,358), 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 2022 were £2,066,647 (2021: £1,853,438), which were represented by unrestricted funds of £1,677,372 (2021: £1,672,341) and restricted funds of £389,275 (2021: £181,097).

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 2022, the Association's free reserves were £1,443,499. 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 scholarships and premises.

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.

As our team has grown, we have expanded our premises. Most, although not all, of the costs of this will be met through the Government funding for Help to Grow: Management as the expansion was needed to accommodate the additional staff required by us to deliver the programme. Our current reserves will be used to cover the shortfall and to cover the costs of improved IT and AV facilities.

It is the intention for the SBC restricted funds represent 75% to 100% of annual expenditure, 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.

During the course of the year, the prevailing economic environment has resulted in a loss on investments which almost exactly mirror the gains over the previous year. The trustees are satisfied with the current performance, but will continue to monitor it to ensure the performance does not underperform similar investments and to determine if the investment will, in the longer term, meet our objectives.

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, lay down the powers, authorities and responsibilities of the Council.

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 Gloria Agyemang	Resigned August 2022
Professor Mohammad Ali	
Professor Martin Broad	Resigned August 2022
Professor Catherine Cassell	
Professor Toni Hilton	
Professor Robert MacIntosh	
Professor Duncan Angwin	Appointed November 2021
Professor Eleanor Shaw	
Professor Steven McGuire	Resigned November 2021
Professor Heather McLaughlin	
Professor Kamil Omoteso	
Professor Stewart Robinson	
Professor Baback Yazdani	

In addition to the above elected members, Dr Janine Ellis was a co-opted member until June 2022.

Elections will be held in Sep-Oct 2022 to fill the vacancies above and co-opt a new member.

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

The Council consider that they, together with the Chief Executive, and the Director of Communications and External Relations, 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;
- ◆ 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 reputation, operations, finances and delivery of value to the membership. 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.

Report of the Council Year ended 30 June 2022

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.

There remains financial risks related to Covid-19 and the possible impact on in-person events. There is a risk associated with organising events that later need to be cancelled, and the risk that any event impacts the spread of the virus amongst staff and participants. This is mitigated with careful planning, contracting and insurances.

The Government funded programmes have required a rapid increase in the number of staff. There is a concern about our ability to attract and retain appropriate staff. This is mitigated by ensuring we offer attractive working conditions. There is also a concern about the impact of these programmes on cashflow. There is a regular meeting between the Officers of the Council and the Senior Management to review cashflow to ensure the risks are contained.

Earlier in the year there was an egress of water in our premises, that has still to be resolved. We have temporarily had to vacate the third floor of 40 Queen Street while remedial works take place. There is a risk around the delay in remedial work to the third floor of 40 Queen Street will delay the full return to the office. This is mitigated by the work undertaken on the 4th floor and taking temporary space in Five Kings House.

Approved by the Council and signed on its behalf by:

Professor Robert MacIntosh

Chair

Approved by the Council on: 15th September 2022

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 2022 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 2022 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 2022

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.

Shachi Blakemore
Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 21 September 2022

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 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £
Income from:				
Donations	1	—	—	—
Charitable activities	2	1,246,290	16,450,337	17,696,627
Other income		15,430	—	15,430
Total income		1,261,720	16,450,337	17,712,057
Expenditure on:				
Raising funds	3	—	—	—
Charitable activities	4	1,214,002	16,242,159	17,456,161
Total expenditure		1,214,002	16,242,159	17,456,161
Net income before losses on investments		47,718	208,178	255,896
Losses on revaluation of investments	9	(42,687)	—	(42,687)
Net income and net movement in funds		5,031	208,178	213,209
Reconciliations of funds				
Fund balances at 1 July 2021		1,672,341	181,097	1,853,438
Fund balances at 30 June 2022	18	1,677,372	389,275	2,066,647

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

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £
<i>Income from:</i>				
<i>Donations</i>	1	12,676	—	12,676
<i>Charitable activities</i>	2	940,949	9,792,538	10,733,487
<i>Other income</i>		12,953	—	12,953
<i>Total income</i>		966,578	9,792,538	10,759,116
<i>Expenditure on:</i>				
<i>Raising funds</i>	3	12,676	—	12,676
<i>Charitable activities</i>	4	673,292	9,726,283	10,399,575
<i>Total expenditure</i>		685,968	9,726,283	10,412,251
<i>Net income before gains on investments</i>		280,610	66,255	346,865
<i>Gains on revaluation of investments</i>	9	42,493	—	42,493
<i>Net income and net movement in funds</i>		323,103	66,255	389,358
<i>Reconciliations of funds</i>				
<i>Fund balances at 1 July 2020</i>		1,349,238	114,842	1,464,080
<i>Fund balances at 30 June 2021</i>	18	1,672,341	181,097	1,853,438

Balance sheet 30 June 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible fixed assets	8	11,489	—
Investments	9	536,088	328,775
Current assets			
Debtors	10	3,765,163	895,316
Cash at bank and in hand		1,754,880	2,239,359
		5,520,043	3,134,675
Liabilities:			
Creditors: amounts falling due within one year	11	(4,000,973)	(1,610,012)
Net current assets		1,519,070	1,524,663
Total net assets		2,066,647	1,853,438
The funds of the charity:			
Unrestricted funds:			
. General funds		1,443,499	1,407,270
- Tangible fixed assets fund		11,489	—
. Designated funds	17	222,384	265,071
Restricted funds	15	389,275	181,097
	18	2,066,647	1,853,438

Approved by the Council
and signed on their behalf by:

Professor Robert MacIntosh
Chair

Approved on: 15th September 2022

Statement of cash flows Year ended 30 June 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	A	(220,544)	748,631
Cash flows from investing activities:			
Purchase of fixed assets		(13,935)	—
Purchase of investments		(250,000)	—
Net cash used in investing activities		(263,935)	—
Change in cash and cash equivalents in the year		(484,479)	748,631
Cash and cash equivalents at 1 July	B	2,239,359	1,490,728
Cash and cash equivalents at 30 June	B	1,754,880	2,239,359

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

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	213,209	389,358
Adjustments for:		
Depreciation charge	1,484	—
Loss on disposal	962	—
Losses (gains) on investments	42,687	(42,493)
Increase in debtors	(2,869,846)	(552,544)
Increase in creditors	2,390,960	954,310
Net cash (used in) provided by operating activities	(220,544)	748,631

B Analysis of cash and cash equivalents

	2022 £	2021 £
Total cash and cash equivalents: Cash at bank and in hand	1,754,880	2,239,359

Analysis of changes in net debt

	At 1 July 2021 £	Cash flows £	At 30 June 2022 £
Cash at bank and in hand	2,239,359	(484,479)	1,754,880

Principal accounting policies Year ended 30 June 2022

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 2022 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.

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.

In making this assessment the Council has considered the gradual recovery from the impacts of the Covid-19 pandemic, which may continue to have an impact on members budgets. We have returned to in-person events, although our Research Conference was impacted by the train and tube strike. We have otherwise been very pleased with the number of people attending our events.

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.

Principal accounting policies Year ended 30 June 2022

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.

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

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.

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.

Principal accounting policies Year ended 30 June 2022

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.

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 to 30 June 2022

1 Donations and legacies

	Unrestricted funds	
	2022 £	2021 £
Donations in kind (see note 3)	—	12,676

2 Income from charitable activities

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

	Unrestricted funds £	Restricted funds £	2021 £
<i>Membership and subscriptions</i>	<i>706,142</i>	<i>—</i>	<i>706,142</i>
<i>Conferences and events</i>	<i>166,734</i>	<i>—</i>	<i>166,734</i>
<i>Professional development</i>	<i>68,073</i>	<i>—</i>	<i>68,073</i>
<i>Small Business Charter</i>	<i>—</i>	<i>268,740</i>	<i>268,740</i>
<i>Government grant funded programmes</i>			
<i>. Leading to grow programme</i>	<i>—</i>	<i>101,839</i>	<i>101,839</i>
<i>. Small Business Leadership Programme</i>	<i>—</i>	<i>8,772,116</i>	<i>8,772,116</i>
<i>. Help 2 Grow: Management</i>	<i>—</i>	<i>649,843</i>	<i>649,843</i>
	940,949	9,792,538	10,733,487

3 Raising funds

	Unrestricted funds	
	2022 £	2021 £
Donations in kind (see note 1)	—	12,676

4 Expenditure on charitable activities

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

	Direct £	Support £	2021 £
<i>Membership and subscriptions</i>	<i>68,664</i>	<i>62,223</i>	<i>130,887</i>
<i>Conferences and events</i>	<i>167,429</i>	<i>83,424</i>	<i>250,853</i>
<i>Professional development</i>	<i>39,623</i>	<i>34,141</i>	<i>73,764</i>
<i>Publications and Research</i>	<i>71,788</i>	<i>107,159</i>	<i>178,947</i>
<i>Small Business Charter</i>	<i>145,122</i>	<i>57,363</i>	<i>202,485</i>
Government grant funded programmes			
. Leading to grow programme	97,271	4,568	101,839
. Small Business Leadership Programme	8,810,730	—	8,810,730
. Help 2 Grow: Management	638,597	11,473	650,070
	10,039,224	360,351	10,399,575

The above expenditure analysed by fund was:

	2022 £	2021 £
Unrestricted funds	1,214,002	673,292
Restricted funds	16,242,159	9,726,283
	17,456,161	10,399,575

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

5 Support costs

	2022 £	2021 £
Premises costs	120,844	148,175
Administration	83,517	52,074
Staff costs	128,777	73,536
Travel	1,852	1,687
Depreciation	1,484	—
Other expenses	1,125	224
Governance	16,270	24,112
. Audit and accountancy fees	16,800	19,320
. Legal and professional fees	41,508	41,223
	412,177	360,351

Notes to the financial statements Year to 30 June 2022

6 Net income

This is stated after charging:

	2022 £	2021 £
Depreciation	1,484	—
Loss on disposal of fixed assets	962	—
Auditors' remuneration		
. Statutory audit	10,335	9,750
. Other assurance	29,165	24,840
. VAT and taxation	—	2,220
. Other services	1,950	2,850
Operating lease rentals		
. Land and buildings	133,663	104,465
. Office equipment	4,954	6,635

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

	2022 £	2021 £
Staff costs during the period were as follows:		
Wages and salaries	1,061,903	618,072
Social security costs	121,947	69,936
Other pension costs	95,797	77,104
	1,279,647	765,112

The average monthly number of employees during the year was:

	2022 No	2021 No
Employees	24	13

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

	No. employees	
	2022	2021
£70,001 – £80,000	1	1
£80,001 – £90,000	2	—
£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 £307,276 (2021 - £328,322).

No Council member received any emoluments during the year for services provided to the Chartered Association of Business Schools (2021 – none). Further transactions with Council members are disclosed within note 13.

8 Tangible fixed assets

	Office equipment £
Cost	
At 1 July 2021	174,595
Additions	13,935
Disposals	(1,550)
	186,980
Depreciation	
At 1 July 2021	174,595
Charge for year	1,484
Depreciation on disposals	(588)
	175,491
Net book values	
At 30 June 2021	—
At 30 June 2022	11,489

9 Listed investments

	2022 £	2021 £
Market value as at 1 July	328,775	286,282
Additions at cost	250,000	—
Net (losses)/gains/ on revaluation	(42,687)	42,493
Market value as at 30 June	536,088	328,775
Cost as at 30 June	500,000	250,000

Listed investments held at 30 June 2022 and 30 June 2021 comprised solely of units in the COIF Charities Investment Fund, a United Kingdom common investment fund managed by CCLA Investment Management Limited.

10 Debtors

	2022 £	2021 £
Trade debtors	241,602	389,994
Other debtors	93,440	31,544
Accrued income	3,373,248	399,170
Prepayments	56,873	74,608
	3,765,163	895,316

Accrued income as at 30 June 2022 includes Help to Grow claims for May of £1,309,806 and June of £2,036,709. These claims have been received in July and August respectively.

11 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	1,300,088	1,071,843
Accruals and deferred income	2,657,904	518,632
Social security & pension creditor	42,981	19,537
	4,000,973	1,610,012

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 and deferred income includes £2,085,756 of accruals. The majority of these relate to Help to Grow expenditure for month of June 2022. These amounts were settled post year end upon the receipt of the associated funding.

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:

	2022 £	2021 £
Balance as at 1 July	451,646	552,057
Amount released to income	(451,646)	(552,057)
Amount deferred in the year	572,148	451,646
Balance as at 30 June	572,148	451,646

12 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 £48,670 (2021: £53,268).

AVIVA Pension Scheme

This is a defined contribution scheme. Employer pension costs in respect of the scheme amounted to £47,317 (2021 - £23,834).

13 Transactions with Council Members

No Council member received any emoluments during the period for services provided to The Chartered Association of Business Schools (2021 – none).

During the period, one Council member was reimbursed £99 for expenses for travel and subsistence (2021 – £nil).

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 (2021 - all). The fees for event attendance were charged on the same terms as for other members and were met by 8 of the Council member's respective employers. 2 were unpaid.

14 Financial commitments

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

	2022		2021	
	Land and buildings £	Office equipment £	Land and buildings £	Office equipment £
Operating lease payable				
Within one year	230,634	3,069	127,399	3,069
Between 2 to 5 years	320,257	7,902	241,186	10,971

15 Restricted funds

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

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.

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.

	At 1 July 2020 £	Income £	Expenditure £	Transfers £	At 30 June 2021 £
<i>Small Business Charter</i>	114,842	268,740	(202,485)	—	181,097
<i>Leading to grow programme</i>	—	101,839	(101,839)	—	—
<i>Small Business Leadership Programme</i>	—	8,772,116	(8,772,116)	—	—
<i>Help to Grow: Management</i>	—	649,843	(649,843)	—	—
	114,842	9,792,538	(9,726,283)	—	181,097

Small Business Leadership Programme

This relates to the BEIS sponsored programme to help 2,000 small businesses survive the economic turmoil caused by Covid. It ran from August 2020 to May 2021.

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.

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

	At 1 July 2020 £	New designation £	Utilised/ released £	At 30 June 2021 £
<i>Tangible fixed asset fund</i>	—	—	—	—

17 Designated funds

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

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

	At 1 July 2020 £	New designation £	Utilised/ released £	At 30 June 2021 £
<i>Scholarships fund</i>	91,451	—	(510)	90,941
<i>New projects fund</i>	25,355	—	—	25,355
<i>Property fund</i>	70,000	—	—	70,000
<i>Investment fund (note 18)</i>	36,282	42,493	—	78,775
<i>Total</i>	223,088	42,493	(510)	265,071

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. In the coming year the recently announced project on creating business aware academics will make use of this fund.

Property fund

This fund has been set aside to cover future property related costs. The refurbishment of the 3rd floor of 40 Queen Street will make use of these funds in the coming months.

Investment fund

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

18 Net assets between funds

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

	General funds £	Designated funds £	Restricted funds £	Total funds 2021 £
<i>Tangible fixed assets</i>	—	—	—	—
<i>Investments</i>	250,000	78,775	—	328,775
<i>Current assets</i>	2,549,209	186,296	399,170	3,134,675
<i>Current liabilities</i>	(1,391,939)	—	(218,073)	(1,610,012)
Total	(1,407,270)	265,071	181,097	1,853,438

The above funds include accumulated unrealised gains on listed investments as follows:

	2022 £	2021 £
Reconciliation of movements in unrealised gains on investment assets		
Accumulated unrealised gains at 1 July	78,775	36,282
Net (losses) gains arising on revaluation in period	(42,687)	42,493
Accumulated unrealised gains at 30 June	36,088	78,775