

**The Chartered Association
of Business Schools**

**Annual Report and Financial
Statements**

30 June 2019

Charity Registration Number 1162854

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Reference and administrative details

| | |
|--|---|
| Members of the Council (Trustees) | Professor Julia Clarke (Chair) Professor Martin Broad (Vice Chair) Professor Baback Yazdani (Treasurer) Professor Gloria Agyemang Professor Simon Collinson Professor Nola Hewitt-Dundas Professor Toni Hilton Professor Angus Laing Professor Robert MacIntosh Professor Steven McGuire Professor Heather McLaughlin Professor Zoe Radnor |
| Co-opted Council Members | Dr Janine Ellis |
| Secretary to the Council | Gail Norcliffe |
| Chief Executive | Anne Kiem |
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| Telephone | 020 7236 7678 |
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| website | www.chartereddabs.org |
| Charity registration number | 1162854 |
| Auditor | Buzzacott LLP 130 Wood Street London EC2V 6DL |

Reference and administrative details

Bankers

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CM13 3BE

CAF Bank Ltd
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West Malling
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ME19 4JQ

Report of the Council Year ended 30 June 2019

The Council presents its annual report and audited financial statements for the year ended 30 June 2019 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 21 to 24 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.

We meet our objectives through the following activities:

Professional development

We support the development of staff across a number of roles in business schools. Our professional development programmes, conferences and events help develop strategy, skills and knowledge for deans, directors of research, directors of learning and teaching, directors of executive education, heads of professional services, and staff responsible for international strategy, communications and administration.

Objectives and activities

Building networks and knowledge

We act as a hub for sharing new ideas, sector insights and developing best practice. Through our work, members build and maintain valuable networks within the business school community through which individuals are able to identify common challenges, find support and benchmark progress.

Lobbying and influencing

We represent UK business schools to business and government. We engage them on the benefits the sector has on the economy and society, and we seek to influence them on the issues that may affect business schools' ability to deliver high value and impact for students, businesses and wider communities.

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.

Review of activities and future plans

Lobbying and Advocacy

We have continued to lobby for a more welcoming and accommodating environment for international students and remain hopeful that there will be more Government action in this respect. The ultimate goal of this work is to see a reasonable length post-study work visa reinstated, for there to be better training for UKVI staff and a less daunting process for prospective international students in applying for a visa. We will continue to push for these actions.

The Chartered ABS has responded on behalf of the sector to numerous consultations throughout the year including those on REF, TEF, and KEF. These all have a significant impact on the work of our members, and it is important that the largest subject area in higher education has a voice in these developments.

In collaboration with the British Academy of Management, the Chartered ABS has begun a campaign to raise awareness of, and support for, research conducted in business schools. Our work has shown the perilous state of funding for business and management research, despite the subject's popularity with students. We are working on a formal proposal to attempt to secure a long-term solution to the decline in funding and are encouraged that an increasing number of people understand the need for research outside the current STEM focus. Our first Research Exhibition showcased to non-academics, the impact of the research that business schools are undertaking. The exhibition ignited an enthusiasm and a desire to make business and management research more accessible.

Review of activities and future plans (continued)

Lobbying and Advocacy (continued)

We have continued our work on apprenticeships, both in helping our members learn from each other, but in making clear the link between the Industrial Strategy and degree apprenticeships in management.

For colleagues in Scotland, a great line-up was organised for a deans' dinner with the Minister for Further Education, Higher Education and Science; the Director General for the Economy from the Permanent Secretary's Office; and the Chair of Entrepreneurial Scotland. This proved a very useful meeting in getting across the great work already being done to support the Scotland brand, and in turn the Scottish economy.

Development programmes

Our development programmes have again been popular and have attracted fantastic feedback from participants on how they have supported them in developing their business school careers.

The Deans' and Directors' Development Programme (3DP) for those new in post as a Dean, or aspiring to the role, continued to be facilitated by Professor Sue Cox, in her last year in the role. We are very grateful to Sue for the excellent work she has done, which has been hugely appreciated by the cohorts she has taken through the programme. Professor Simon Collinson will take over the facilitator role from next year.

The Leaders in Learning & Teaching programme (LLT) has completed another successful year. Our thanks to Professor Debra Leighton, who has now completed her tenure as facilitator, for leading the programme for the last two years. Dr Keith Pond will be the facilitator for the next cohort.

The Development Programme for Directors of Research (DPDoR), which is offered in partnership with BAM, has continued to be oversubscribed, this time under the guidance of Professor Graeme Currie from Warwick Business School.

IDP (the International Deans' Programme) is coming to an end for this cohort, with Professor Kai Peters leading the programme in both London and Berlin. Our thanks to Kai for the success of this programme.

Conferences

The four annual conferences (Chartered ABS Annual Conference, Professional Managers' Annual Conference, Annual Research Conference, and Learning, Teaching & Student Experience) have been a particular point of pride this year. Not only have there been record numbers of attendees, but, importantly, record numbers of member schools represented. In addition to hearing some great headline speakers, the conferences give members the opportunity to share their successes with their peers. Any suggestions for topics, speakers, or new formats are always welcome.

Review of activities and future plans (continued)

Seminars and workshops

The range of workshops this year has included a Focus on Vietnam and a Focus on China, both developed with the help of the International Committee; Building an Executive Education Team, and Degree Apprenticeships and their impact on Executive Education, both organised with the Executive Education Committee; Tackling inequality for BAME students and staff in business schools, developed by the Diversity Committee; Degree Apprenticeships: Tackling Challenges and Preparing for the Future, developed with our Apprenticeships Working Group; and the DBA Journey. These events are important in providing fora to tackle topical issues and specific areas of concern to our members.

Plans are being put in place for the year ahead to produce even more opportunities for topical conversations.

Committee work

In addition to the Council, the Chartered ABS has seven committees and this year has had two working groups. Over 90 people representing almost 80 of our member institutions sit on these groups.

We are also indebted to those who worked on the CMBE Working Group, who made such important contributions to the development of the scheme.

Publications

Through the course of the year we have published a number of reports, including: the second Pathways to success: Strategic groups of UK business schools; The changing shape of business education provision; The Path to Becoming a Vice-Chancellor; and Building an Executive Education Team: Leadership, Infrastructure and Culture.

The Chartered ABS has published annual reports including the analysis of Research Income for Business Schools and a mini version of this report for Law research. As in other years, detailed analyses of the NSS and LEO data have been provided. Further work has been done on the learning and teaching specific articles in our “Perspectives on” series and an Annual Members’ Survey also conducted.

Media coverage

The Chartered ABS and Small Business Charter have been cited in the press over 100 times since July 2018, including appearances in the Financial Times, The Guardian, Independent and Times Higher Education. Research on the impact of Brexit on business schools and on the pathways to becoming a Vice-Chancellor have made headlines, as did the launch of the Certified Management & Business Educator. Chartered ABS messages around apprenticeships and the wider societal impacts of business and management education and research have also made column inches.

Review of activities and future plans (continued)

Digital communications including website, newsletters, and video

140,000 individuals have visited the Chartered ABS website this year, making over 250,000 visits and viewing over 700,000 pages. The number of visits made is approximately 30% higher than the year before. Whilst the Academic Journal Guide remains a popular destination, visitors to the website are viewing a variety of pages and engaging in the content which profiles the excellent work of UK business schools. New sections have been added to the website including the Policy section which outlines the Chartered ABS position on key issues facing the sector and provides resources to members to support them within institutions.

The Small Business Charter communications have seen a significant uplift with a 70% increase in visitors to the website and a 160% increase on Twitter.

The Chartered ABS YouTube channel was launched this year and produced video content for the first time, with excellent results. The series of films produced as part of The Impact Factor project with ITN Productions have been watched nearly 300,000 times online, helping take key messages to wider audience. Films produced alongside the publication on Building an Executive Education Team have also been well received within the business school community.

The Chartered ABS newsletter now reaches 40,000 contacts across the UK and the rest of the world and is a fantastic platform to engage members and other stakeholders in our advocacy work and to showcase business schools' work.

Academic Journal Guide

The current version of the Academic Journal Guide was launched in March 2018 and continues to attract considerable interest to an international audience. Planning is well underway for the next edition which will consist of a full review and is scheduled to launch in 2021.

Certified Management and Business Educator (CMBE)

The CMBE was launched at the LTSE Conference in May. This has been met with great enthusiasm and media interest. The first awards have been made, including to a number of people outside the UK. This scheme will demonstrate further that business and management educators are leading the way in professionalism of their craft.

Small Business Charter

New schools have been welcomed to the SBC and the reassessment process has begun for the Trailblazer schools. Applications have been submitted for government funding and further news is awaited. Another successful celebratory event was held in June in the House of Lords hosted by our Patron the Lord Young of Graffham.

SBC workshops have been going well, with more coming up in the near future. Regular roundtable events have continued to be held with BEIS to feed into the Industrial Strategy and small business policy work.

Review of activities and future plans (continued)

Diversity

Diversity and inclusion are important to us and we actively promote our strategic principles on diversity, equality and inclusion. These principles are embedded in our work and activity and promoted to our members. Over the course of the year, we have continued to publish a number of website blogs on diversity related issues and shared these through our newsletter, including a report on our February BAME workshop.

Committee reports

Research Committee

This year's Annual Research Conference was held at the University of Edinburgh and featured an inaugural Research Exhibition which used visually engaging displays to showcase the impact of business school research. The committee played a key role in evaluating the proposals for the exhibition and will help build upon this success by providing input to the exhibition at next year's conference. During the year the committee lent its assistance to a number of consultation responses, including the design and implementation of the Knowledge Exchange Framework, and arrangements for submissions under the Research Excellence Framework (REF) 2021.

Learning, Teaching and Student Experience (LTSE) Committee

The LTSE Committee once again played a crucial role in the development of the programme for the LTSE Conference which is developing an excellent reputation within the business school sector and beyond. This year's event sold out to full capacity and achieved a record turn-out of nearly 400 attendees from 76 member business schools. During the year the committee continued in its role in reviewing conference submissions with a stronger focus on improving quality. Members of the committee also provided invaluable input to the development of the CMBE offering and continued its support to the very successful Leaders in Learning & Teaching (LLT) development programme.

Professional Managers Committee

The 2018 Professional Managers' Annual Conference (PMAC) took place at Oxford Brookes University in December. The committee is helping develop the next conference, taking place in January 2020, which will include some format changes.

The professional managers' development matrix is undergoing a significant design overhaul which will help keep its content relevant and up to date, as well as helping to shape the themes for PMAC. An advisory article was initiated by the committee on the critical relationship between business school deans, professional managers, and the wider university, which explicitly related to the matrix's themes.

Committee reports (continued)

Executive Education Committee

The committee's report, 'Building an Executive Education Team: A White Paper on key competencies and structures', was published in October, to help business schools seeking to build and grow their executive education provision. The report is illustrated by business school case studies on the key competency areas, some of which are in the form of video interviews featured on the website. The themes of this paper formed the basis of the November executive education symposium on building a team in executive education.

The June executive education symposium was on the topic of degree apprenticeships and their impact on executive education. Representatives from a wide range of business schools spoke at the event, with presentations from employers and degree apprenticeship students also featuring in the programme.

International Committee

Two "deep dive" international workshops were held in 2018-19, each with a specific country focus, one on Vietnam and the other on China. Including speakers from the British Council of the country in question and detailed business school case studies, both were well received by participants. A committee project on international student employability is underway to explore how international students can build transferable employability skills whilst in the UK.

Diversity Committee

The 2019 diversity workshop was on the topic of tackling inequality for BAME students and staff in business schools, and included presentations on the recent research on the impact of BAME inequality, the requirements of the Race Equality Charter and BAME equality initiatives by the Office for Students. Case studies from different schools on a range of BAME equality initiatives were an important part of the event, and participants had the opportunity to discuss their own examples.

The committee has fed into the development of a Chartered ABS mentoring scheme, in which BAME staff in business schools would be a target group.

The Chartered ABS has provided written evidence to Professor Julia Buckingham, chair of the steering group reviewing the Athena SWAN Charter, highlighting some of the concerns of business schools about the award. This written evidence was followed up with a meeting with Professor Buckingham, which provided the opportunity to discuss the issues in further detail.

Committee reports (continued)

Scottish Committee

In conjunction with the Scottish Committee, a dinner for Scottish deans was arranged in June at Edinburgh Business School. Guests at the dinner included Richard Lochhead, the Minister for Further Education, Higher Education and Science, and Liz Ditchburn, the Director General, Economy. The evening was an excellent opportunity to discuss with leading influential figures the value of business schools and business and management education in Scotland.

Membership and Awards Committee

During the year the Membership and Awards Committee oversaw the award of three research scholarships under the Chartered ABS Scholarship scheme and the appointment of a new set of Chartered ABS Fellows. Lord Bilimoria, The Lord Young of Graffham, Stuart Miller, Professor Jerry Forrester and Professor Angus Laing received their Fellowships at the Annual Conference in November

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 Working Group

The second event initiated by the Apprenticeships Working Group – a follow-on event on the future of degree apprenticeships and tackling the challenges they present was held in October. The workshop focused on discussion among key stakeholders about the development of apprenticeships, business school case studies showing innovation in the area and different possible solutions to a range of challenges in the area. The working group developed a range of excellent online resources, including a framework for working with employers and links to key model documents and templates from different business schools, which appear on the policy pages of our website.

Given the value and effectiveness of the working group in working on apprenticeships on behalf of the sector, Council has agreed that the group should continue for the foreseeable future.

Fundraising

The charity does not actively undertake fundraising activities or seek donations from the public and does not employ the services of Professional Fundraisers. Thus, during 2018/19, the charity received no complaints about its fundraising activities.

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 18 of this annual report and financial statements.

The total income for the year was £1,649,367 compared to £1,486,632 in the prior period. This increase was primarily driven by the reintroduction of the International Deans Programme as well as moderate increases across other income areas.

Total expenditure for the year was £1,328,411 compared to £1,135,366 in the prior period. Expenditure increased in line with income reflecting the increased costs associated with delivering the main conferences in larger venues.

A strong surplus position for the year was £320,956 was achieved for the year (2018: £351,266) leaving the Chartered ABS in a healthy financial position at the year end.

Financial position

The total net assets of the Association at 30 June were £1,231,434 (2018: £910,478), which were represented by unrestricted funds of £1,154,430 (2018: £872,216) and restricted funds of £77,004 (2018: £38,262).

Reserves policy

The intention of the Council is for the Chartered ABS to have free reserves to cover between nine and 12 months unrestricted expenditure, preferably towards the higher end. At 30 June 2019, free reserves were £1,012,052, which is in line with the above target.

It is the intention for the Small Business Charter (restricted funds) have reserves equivalent to 20% of annual income on that fund. At 30 June 2019, the balance of restricted funds was slightly in excess of this target.

Governance, structure and management

Governance

The Chartered Association of Business Schools is governed by a Council whose members are senior management from our member business schools. Members are elected annually at the Chartered ABS Annual General Meeting, held in November. 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:

Governance, structure and management (continued)

Members of the Council

| Members of the Council | Appointed/resigned |
|--------------------------------|---|
| Professor Gloria Agyemang | Appointed June 2019 |
| Professor Martin Broad | Appointed November 2018 |
| Professor Dana Brown | Appointed November 2018; resigned June 2019 |
| Professor Julia Clarke | |
| Professor Simon Collinson | |
| Professor Jerry Forrester | Resigned November 2018 |
| Professor Nola Hewitt-Dundas | Appointed June 2019 |
| Professor Toni Hilton | Appointed November 2018 |
| Professor Veronica Hope Hailey | Resigned December 2018 |
| Professor Angus Laing | |
| Professor Robert MacIntosh | Appointed November 2018 |
| Professor Steven McGuire | Appointed December 2018 |
| Professor Heather McLaughlin | |
| Professor David Oglethorpe | Resigned November 2018 |
| Professor Zoe Radnor | |
| Donna Whitehead | Resigned June 2019 |
| Professor Baback Yazdani | |

In addition to the above elected members, there were also several co-opted Council members during the year: Professor Robert MacIntosh (became a full member from November 2018); Dr Phillipa Towlson-Mulbregt (resigned November 2018); Dr Emm Johnstone (appointed November 2018 and on sabbatical leave from March 2019); Dr Janine Ellis (appointed March 2019).

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 ten committees: Research; Learning, Teaching and Student Experience; Scottish; Professional Managers; Executive Education; International; Diversity; Academic Journal Guide; Membership and Awards; and Remuneration. The Council members receive reports of all committee activity and also the activities of the Apprenticeships Working Committee. The terms of reference for all committees are established by the Council and available on the Chartered ABS website.

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

Governance, structure and management (continued)

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, the Director of Communications and External Relations, and the Office Manager, 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 12.

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.

Governance, structure and management (continued)

Statement of responsibilities of Council members (continued)

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

The Council has assessed the major risks to which the Association is exposed, in particular those relating to their specific operational areas and finances. The trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the Association, they have established effective systems to mitigate those risks.

As in any membership organisation there is a risk of loss of membership income; however, with an active member engagement strategy and providing events and reports that are of value to members, this should mostly be mitigated. The financial risks to higher education institutions as a result of Brexit and immigration policy are particularly relevant to business schools and therefore to the membership of the Association.

Approved by the Council and signed on their behalf by:

Julia Clarke
Chair

Approved by the Council on: 11 September 2019

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 2019 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 2019 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the Council members use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the Council members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

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

Use of our report

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

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

26 September 2019

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 2019

| | Notes | Unrestricted funds £ | Restricted funds £ | 2019 total funds £ |
|---|-------|-------------------------|-----------------------|--------------------------|
| Income from: | | | | |
| Donations | 1 | 18,216 | — | 18,216 |
| Charitable activities | 2 | 1,374,241 | 251,520 | 1,625,761 |
| Other income | | 5,390 | — | 5,390 |
| Total income | | 1,397,847 | 251,520 | 1,649,367 |
| Expenditure on: | | | | |
| Raising funds | 3 | 18,216 | — | 18,216 |
| Charitable activities | 4 | 1,097,417 | 212,778 | 1,310,195 |
| Total expenditure | | 1,115,633 | 212,778 | 1,328,411 |
| Net income and net movement in funds | | 282,214 | 38,742 | 320,956 |
| Reconciliations of funds | | | | |
| Fund balances at 1 July | | 872,216 | 38,262 | 910,478 |
| Fund balances at 30 June | 17 | 1,154,430 | 77,004 | 1,231,434 |

The charity has no recognised gains and losses in the period.

| | Notes | Unrestricted funds £ | Restricted funds £ | 2018 total funds £ |
|--|-------|-------------------------|-----------------------|--------------------------|
| <i>Income from:</i> | | | | |
| <i>Donations</i> | 1 | 23,412 | — | 23,412 |
| <i>Charitable activities</i> | 2 | 1,195,114 | 265,352 | 1,460,466 |
| <i>Other income</i> | | 2,754 | — | 2,754 |
| <i>Total income</i> | | 1,221,280 | 265,352 | 1,486,632 |
| <i>Expenditure on:</i> | | | | |
| <i>Raising funds</i> | 3 | 23,412 | — | 23,412 |
| <i>Charitable activities</i> | 4 | 916,763 | 195,191 | 1,111,954 |
| <i>Total expenditure</i> | | 940,175 | 195,191 | 1,135,366 |
| <i>Net income before transfers between funds</i> | | 281,105 | 70,161 | 351,266 |
| <i>Transfers between funds</i> | 14 | 51,315 | (51,315) | — |
| <i>Net movement in funds</i> | | 332,420 | 18,846 | 351,266 |
| <i>Reconciliations of funds</i> | | | | |
| <i>Fund balances at 1 July</i> | | 539,796 | 19,416 | 559,212 |
| <i>Fund balances at 30 June</i> | 17 | 872,216 | 38,262 | 910,478 |

Balance sheet 30 June 2019

| | Notes | 2019 £ | 2018 £ |
|--|-------|------------------|-----------|
| Fixed assets | | | |
| Tangible fixed assets | 8 | 5,572 | 11,861 |
| Current assets | | | |
| Debtors | 9 | 499,409 | 460,453 |
| Cash at bank and in hand | | 1,364,338 | 1,036,540 |
| | | 1,863,747 | 1,496,993 |
| Liabilities: | | | |
| Creditors: amounts falling due within one year | 10 | (637,885) | (598,376) |
| Net current assets | | 1,225,862 | 898,617 |
| Total net assets | | 1,231,434 | 910,478 |
| The funds of the charity: | | | |
| Unrestricted funds: | | | |
| . General funds | | 1,012,052 | 765,355 |
| . Tangible fixed asset funds | 15 | 5,572 | 11,861 |
| . Designated funds | 16 | 136,806 | 95,000 |
| Restricted funds | 14 | 77,004 | 38,262 |
| | | 1,231,434 | 910,478 |

Approved by the Council
and signed on their behalf by:

Julia Clarke
Chair

Approved on: 11 September 2019

Statement of cash flows Year ended 30 June 2019

| | Notes | 2019 £ | 2018 £ |
|--|-------|-------------------------|------------------|
| Cash flows from operating activities: | | | |
| Net cash provided by operating activities | A | <u>327,798</u> | <u>357,677</u> |
| Cash flows from investing activities: | | | |
| Purchase of tangible fixed assets | | <u>—</u> | <u>(16,715)</u> |
| Net cash used in investing activities | | <u>—</u> | <u>(16,715)</u> |
| Change in cash and cash equivalents in the year | | 327,798 | 340,962 |
| Cash and cash equivalents at 1 July | B | 1,036,540 | 695,578 |
| Cash and cash equivalents at 30 June | B | <u>1,364,338</u> | <u>1,036,540</u> |

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

| | 2019 £ | 2018 £ |
|---|-----------------------|----------------|
| Net movement in funds (as per the statement of financial activities) | 320,956 | 351,266 |
| Adjustments for: | | |
| Depreciation charge | 6,289 | 6,635 |
| Increase in debtors | (38,956) | (31,976) |
| Increase in creditors | 39,509 | 31,752 |
| Net cash provided by operating activities | <u>327,798</u> | <u>357,677</u> |

B Analysis of cash and cash equivalents

| | 2019 £ | 2018 £ |
|--|-------------------------|------------------|
| Total cash and cash equivalents: Cash at bank and in hand | <u>1,364,338</u> | <u>1,036,540</u> |

Principal accounting policies Year ended 30 June 2019

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 2019 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.

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.

Principal accounting policies Year ended 30 June 2019

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 and application and renewal fees.

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 and administering the Small Business Charter.

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. As stated in note 11, the 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.

Principal accounting policies Year ended 30 June 2019

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 - 3 years

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Principal accounting policies Year ended 30 June 2019

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.

Tangible fixed assets fund

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. This fund has been separated from the general fund of the charity in recognition of the fact that the tangible fixed assets are essential to the day to day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

Designated funds

The Council have designated certain amounts for specific purposes as detailed in note 16.

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 2019

1 Donations and legacies

| | Unrestricted funds | |
|-------------------|--------------------|-----------|
| | 2019 £ | 2018 £ |
| Donations in kind | 18,216 | 23,412 |

2 Income from charitable activities

| | Unrestricted funds £ | Restricted funds £ | 2019 £ |
|------------------------------|-------------------------|-----------------------|------------------|
| Membership and subscriptions | 659,680 | — | 659,680 |
| Conferences and events | 430,547 | — | 430,547 |
| Professional development | 284,014 | — | 284,014 |
| Small Business Charter | — | 251,520 | 251,520 |
| 2019 Total funds | 1,374,241 | 251,520 | 1,625,761 |

| | Unrestricted funds £ | Restricted funds £ | 2018 £ |
|-------------------------------------|-------------------------|-----------------------|------------------|
| <i>Membership and subscriptions</i> | <i>610,918</i> | <i>—</i> | <i>610,918</i> |
| <i>Conferences and events</i> | <i>408,264</i> | <i>—</i> | <i>408,264</i> |
| <i>Professional development</i> | <i>175,932</i> | <i>—</i> | <i>175,932</i> |
| <i>Small Business Charter</i> | <i>—</i> | <i>265,352</i> | <i>265,352</i> |
| 2018 Total funds | 1,195,114 | 265,352 | 1,460,466 |

3 Raising funds

| | Unrestricted funds | |
|-------------------|--------------------|-----------|
| | 2019 £ | 2018 £ |
| Donations in kind | 18,216 | 23,412 |

4 Expenditure on charitable activities

| | Direct £ | Support £ | 2019 £ |
|------------------------------|----------------|----------------|------------------|
| Membership and subscriptions | 98,934 | 64,120 | 163,054 |
| Conferences and events | 427,345 | 140,234 | 567,579 |
| Professional development | 133,835 | 57,986 | 191,821 |
| Publications and Research | 109,571 | 65,392 | 174,963 |
| Small Business Charter | 150,480 | 62,298 | 212,778 |
| | 920,165 | 390,030 | 1,310,195 |

Notes to the financial statements Year to 30 June 2019

4 Expenditure on charitable activities (continued)

| | <i>Direct</i> £ | <i>Support</i> £ | 2018 £ |
|-------------------------------------|--------------------|---------------------|------------------|
| <i>Membership and subscriptions</i> | 77,924 | 49,123 | 127,047 |
| <i>Conferences and events</i> | 318,030 | 138,326 | 456,356 |
| <i>Professional development</i> | 118,951 | 52,315 | 171,266 |
| <i>Publications and Research</i> | 105,345 | 56,749 | 162,094 |
| <i>Small Business Charter</i> | 137,616 | 57,575 | 195,191 |
| | <u>757,866</u> | <u>354,088</u> | <u>1,111,954</u> |

The above expenditure analysed by fund was:

| | 2019 £ | 2018 £ |
|--------------------|-------------------------|------------------|
| Unrestricted funds | 1,097,417 | 916,763 |
| Restricted funds | 212,778 | 195,191 |
| | <u>1,310,195</u> | <u>1,111,954</u> |

5 Support costs

| | 2019 £ | 2018 £ |
|-------------------------------|-----------------------|----------------|
| Premises costs | 157,418 | 149,616 |
| Administration | 73,973 | 67,758 |
| Staff costs | 78,540 | 66,214 |
| Travel | 8,950 | 9,215 |
| Depreciation | 6,289 | 6,635 |
| Other expenses | 10,458 | 1,049 |
| Governance | 16,190 | 17,163 |
| . Audit and accountancy fees | 12,396 | 13,020 |
| . Legal and professional fees | 25,816 | 23,418 |
| | <u>390,030</u> | <u>354,088</u> |

6 Net income

This is stated after charging:

| | 2019 £ | 2018 £ |
|-------------------------|---------------|-----------|
| Depreciation | 6,289 | 6,635 |
| Auditors' remuneration | | |
| . Statutory audit | 9,720 | 9,480 |
| . Other services | 2,576 | 3,540 |
| Operating lease rentals | | |
| . Land and buildings | 94,283 | 94,283 |
| . Office equipment | 4,375 | 22,865 |

Notes to the financial statements Year to 30 June 2019

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

| | 2019 £ | 2018 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 481,430 | 441,974 |
| Social security costs | 55,540 | 46,831 |
| Pension costs | 55,393 | 55,309 |
| | 592,363 | 544,114 |

The average monthly number of employees during the year was:

| | 2019 No | 2018 No |
|-----------|------------|------------|
| Employees | 11 | 9 |

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

| | No. employees | |
|---------------------|---------------|------|
| | 2019 | 2018 |
| £70,001 – £80,000 | 1 | 1 |
| £110,001 – £120,000 | — | 1 |
| £120,001 – £130,000 | 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 £302,851 (2018 - £291,596).

No Council member received any emoluments during the year for services provided to the Chartered Association of Business Schools (2018 – none). Further transactions with Council members are disclosed within note 12.

Notes to the financial statements Year to 30 June 2019

8 Tangible fixed assets

| | Office equipment £ |
|------------------------|--------------------------|
| Cost | |
| At 1 July 2018 | 174,595 |
| Additions | — |
| At 30 June 2019 | <u>174,595</u> |
| Depreciation | |
| At 1 July 2018 | 162,734 |
| Charge for the year | 6,289 |
| At 30 June 2019 | <u>169,023</u> |
| Net book values | |
| At 30 June 2018 | <u>11,861</u> |
| At 30 June 2019 | <u>5,572</u> |

9 Debtors

| | 2019 £ | 2018 £ |
|---------------|----------------|----------------|
| Trade debtors | 398,581 | 384,193 |
| Other debtors | 35,814 | 33,572 |
| Prepayments | 65,014 | 42,688 |
| | <u>499,409</u> | <u>460,453</u> |

10 Creditors: amounts falling due within one year

| | 2019 £ | 2018 £ |
|------------------------------------|----------------|----------------|
| Trade creditors | 6,471 | 4,390 |
| Accruals and deferred income | 614,637 | 573,926 |
| Social security & pension creditor | 16,777 | 20,060 |
| | <u>637,885</u> | <u>598,376</u> |

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:

| | 2019 £ | 2018 £ |
|-----------------------------------|----------------|----------------|
| Balance as at 1 July 2018 | 535,272 | 436,286 |
| Amount released to income | (535,272) | (436,286) |
| Amount deferred in the year | 575,399 | 535,272 |
| Balance as at 30 June 2019 | 575,399 | <u>535,272</u> |

11 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.

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 valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education (DfE) in April 2019. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £198 billion, giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19).

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

The employer's pension costs paid to TPS in the period amounted to £38,796 (2018: £45,323).

11 Pension Commitments (continued)

AVIVA Pension Scheme

This is a defined contribution scheme. Employer pension costs in respect of the scheme amounted to £16,597 (2018 - £9,986).

12 Transactions with Council Members

No Council member received any emoluments during the period for services provided to The Chartered Association of Business Schools (2018 – none).

During the period, four Council member's were reimbursed £859 of expenses for travel and subsistence (2018 – £152, one Council member).

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 (2018 - all). The fees for event attendance were charged on the same terms as for other members and were met by Council member's respective employers.

13 Financial commitments

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

| | 2019 | | 2018 | |
|--------------------------------|-------------------------|-----------------------|-------------------------|-----------------------|
| | Land and buildings £ | Office equipment £ | Land and buildings £ | Office equipment £ |
| Operating lease payable | | | | |
| Within one year | 91,972 | 4,375 | 102,854 | 22,865 |
| Between 2 to 5 years | 496,333 | — | — | 4,375 |

14 Restricted funds

| | At 1 July 2018 £ | Income £ | Expenditure £ | Transfers £ | At 30 June 2019 £ |
|------------------------|------------------------|-------------|------------------|----------------|-------------------------|
| Small Business Charter | 38,262 | 251,520 | (212,778) | — | 77,004 |

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 the 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.

| | At 1 July 2017 £ | Income £ | Expenditure £ | Transfers £ | At 30 June 2018 £ |
|------------------------|------------------------|-------------|------------------|----------------|-------------------------|
| Small Business Charter | 19,416 | 265,352 | (195,191) | (51,315) | 38,262 |

The transfer from restricted funds to unrestricted funds represents the reimbursement of the cumulative deficit of the Small Business Charter up to 31 June 2016. This deficit was temporarily funded by the unrestricted funds of the charity.

15 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 2018 £ | New designation £ | Utilised/ released £ | At 30 June 2019 £ |
|---------------------------|------------------------|-------------------------|----------------------------|-------------------------|
| Tangible fixed asset fund | 11,861 | — | (6,289) | 5,572 |

| | At 1 July 2017 £ | New designation £ | Utilised/ released £ | At 30 June 2018 £ |
|---------------------------|------------------------|-------------------------|----------------------------|-------------------------|
| Tangible fixed asset fund | 1,781 | 16,715 | (6,635) | 11,861 |

16 Designated funds

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

| | At 1 July 2018 £ | New designation £ | Utilised/ released £ | At 30 June 2019 £ |
|-------------------|------------------------|-------------------------|----------------------------|-------------------------|
| Scholarships fund | 40,000 | 40,000 | (18,549) | 61,451 |
| New projects fund | 15,000 | 15,000 | (4,645) | 25,355 |
| Property fund | 40,000 | 10,000 | — | 50,000 |
| Total | 95,000 | 65,000 | (23,144) | 136,806 |

| | At 1 July 2017 £ | New designation £ | Utilised/ released £ | At 30 June 2018 £ |
|--------------------------|------------------------|-------------------------|----------------------------|-------------------------|
| <i>Scholarships fund</i> | — | 40,000 | — | 40,000 |
| <i>New projects fund</i> | — | 15,000 | — | 15,000 |
| <i>Property fund</i> | — | 40,000 | — | 40,000 |
| <i>Total</i> | — | 95,000 | — | 95,000 |

Scholarships fund

This fund is to be used for Chartered ABS scholars to conduct research relevant for members.

New projects fund

This fund is to be used towards the development of the Certified Management and Business Educator award.

Property fund

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

17 Net assets between funds

| | Unrestricted funds £ | Restricted funds £ | Total funds 2019 £ |
|-----------------------|----------------------------|--------------------------|--------------------------|
| Tangible fixed assets | 5,572 | — | 5,572 |
| Current assets | 1,780,743 | 83,004 | 1,863,747 |
| Current liabilities | (631,885) | (6,000) | (637,885) |
| Total | 1,154,430 | 77,004 | 1,231,434 |

| | Unrestricted funds £ | Restricted funds £ | Total funds 2018 £ |
|------------------------------|----------------------------|--------------------------|--------------------------|
| <i>Tangible fixed assets</i> | 11,861 | — | 11,861 |
| <i>Current assets</i> | 1,456,331 | 40,662 | 1,496,993 |
| <i>Current liabilities</i> | (595,976) | (2,400) | (598,376) |
| <i>Total</i> | 872,216 | 38,262 | 910,478 |