

Association of MBAs
2018 Annual Report
and Financial Statements

Year ended 30 September 2018
Company Number 921702.
Charity number 313412

Legal and Administrative Information

Company Number

Registered in England and Wales 921702

Charity Number 313412

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Members of the international management board (also Directors and Trustees)

<p>Len Jones, MBA, Cranfield</p>	<p>Appointed 23 April 2012 Appointed Chair 25 September 2014 Resigned 2 February 2018</p>
<p>Angus Blackwood, MBA, Warwick</p>	<p>Appointed 19 February 2015 Resigned 23 February 2018</p>
<p>Professor Saibal Chattopadhyay, Dean, Indian Institute of Management, Calcutta, India</p>	<p>Appointed 25 September 2014</p>
<p>Enrique José Bolaños Abaunza, President INCAE Business School, Costa Rica and Nicaragua</p>	<p>Appointed 20 September 2018</p>
<p>Andrew Lock, Emeritus Professor, University of Leeds Chair of the International Accreditation Advisory Board</p>	<p>Appointed 29 April 2014</p>
<p>Saba Shaukat, MBA, London Business School</p>	<p>Appointed 15 June 2017</p>
<p>Chris Parkinson, MBA, Cranfield</p>	<p>Appointed 23 June 2014 Resigned 25 June 2018</p>
<p>Peter Moizer, Dean, Leeds University Business School, UK</p>	<p>Appointed 8 December 2016</p>
<p>Tim Randall, MBA, Open University Business School Chair of the Membership Committee</p>	<p>Appointed 19 February 2015</p>
<p>Professor Bodo B Schlegelmilch, Former Dean of WU Executive Academy, Vienna University of Economics and Business Chair of the International Management Board Chair of the Human Resources and Nominations Committee</p>	<p>Appointed 25 September 2014 Appointed Chair 2 February 2018</p>
<p>Gary Narunsky, CA (SA), MBA, London Business School Chair of the Finance and Risk Committee</p>	<p>Appointed 15 June 2017</p>
<p>Steven Leendert van de Velde, Dean, Rotterdam School of Management, Erasmus University</p>	<p>Appointed 6 March 2018</p>
<p>Marianne W Lewis, Dean, Cass Business School, UK</p>	<p>Appointed 25 June 2018</p>



CHAIR'S REPORT

Bodo Schlegelmilch

As the new Chair of AMBA's Board of Trustees, appointed in February 2018, I am delighted to share my first report with you.

Following AMBA's 50th anniversary in 2017 – and the variety of exciting initiatives that took place – I am pleased to let you know that AMBA's activities in the financial year 2017/18 have been just as exciting, and the path ahead equally promising.

In 2018, AMBA organised events around the world, including our Global Conference in Stockholm, and regional events for Deans and Directors in Latin America (Buenos Aires, Argentina) and Asia Pacific (Melbourne, Australia). While the events covered a range of management education topics and featured a variety of high-level speakers from academia and industry, AMBA firmly placed the implications of digitalisation on our industry at the centre of these events. My favourite was a hologram speaker, having a life-like interaction with our audience in Stockholm, but from Toronto.

Our monthly magazine, *AMBITION*, also invested and further

developed expertise in digital delivery. This has opened up further channels of communication with all our stakeholders, to ensure we deliver high quality, relevant and contemporary content. The quality of contributions from our Schools – as well as business leaders from across the world – provides a wealth of food-for-thought.

Our newly launched Research and Insight Centre provides equally compelling studies into the issues in business education, and I know the team has several more plans for projects set to launch within the coming months.

The past financial year has brought further growth in our student and graduate membership and accredited Business Schools. We now have a network of more than 37,000 diverse, enthusiastic, passionate and trailblazing MBA student and graduate members and accredit 260 world-class Business Schools, with campuses in more than 75 countries.

The Board of Trustees is aware that too many accredited Business Schools would dilute the value of an AMBA accreditation, so we have decided to restrict the number of accredited Schools to about 300. This will make AMBA accreditation even more valuable for top MBA programmes and ensures it remains a true hallmark of excellence.

Another key decision taken by the Board is to launch the Business Graduates Association (BGA). The BGA will be a membership, validation and accreditation service for a range of Business Schools, passionate about making a continuous impact on this ever-changing world, and igniting change for the better. You will learn more about our exciting BGA initiative in the coming months.

As AMBA looks back with pride on another successful year and looks forward to the year ahead, I would like to express my gratitude to our Business Schools and members. We will work hard to ensure that you can continue to extract excellent value from AMBA. I would also like to thank our corporate partners and sponsors for their truly remarkable backing.

My thanks also go to AMBA's Chief Executive, Andrew Main Wilson, and his team, for their continued effort, innovation and achievements. Whether working on accreditation, event organisation, research, communications or in any other function, the team are passionate about their jobs and willing to go the extra mile. It has been a pleasure to work with them.

Finally, I want to thank my fellow Board members, who work tirelessly for the benefit of AMBA. Their guidance is invaluable, and their commitment makes a difference to the organisation at every level.

As we move ahead, I am keen to have conversations about our ambitious strategic trajectory with as many of our internal and external stakeholders as possible.



THE YEAR IN REVIEW

Andrew Main Wilson, CEO, AMBA

I am delighted to report that once again AMBA has achieved a record year, in terms of accredited Business School growth and student and graduate membership growth.

We recruited 14 new accredited Business Schools and our Business School portfolio now comprises 260 Schools in more than 75 countries worldwide.

More than 37,500 students and graduates from these Schools are now AMBA members and like our Schools, represent a truly global mix of members, from more than 150 countries.

Business Schools

Our 14 newly-accredited Schools are from 11 different countries, highlighting the truly global nature of AMBA and include world-renowned Schools such as Singapore Management University and Frankfurt School of Finance and Management. We also accredited the number one Schools in Ecuador and Thailand, representing their countries in the AMBA network for the first time.

The AMBA Development Network (ADN), in which we

champion the raising of standards in developing economies, grew to 44 Schools, of which 18 were recruited in 2017/18 alone. These included our first Schools in Macau, the Netherlands and Bolivia.

During our International Management Board future-strategy meetings this year, we have taken a decision to further strengthen the exclusivity and excellence of the AMBA Schools network by restricting membership to just 300 top quality Schools worldwide.

Membership

Student and graduate membership increased from 30,484 to 37,845 (an increase of almost 25%) in just 12 months, demonstrating a growth of more than 750% during the past four years. Our membership is now truly international and geographically representative of our Business School portfolio, in terms of both ethnicity and geographical diversity.

Four years ago, 93% of our members graduated from UK AMBA-accredited Business Schools. Today, 37% of members have graduated from UK Schools, 22% from continental European Schools, 19% from Asian and Middle Eastern schools, 8% from African Schools, 9% from Latin American Schools and 3% from Oceania Schools.

Business Graduates Association

We are ambitious to grow not only our AMBA Schools network to 300 and our student and graduate membership to 75,000. We also want to make an even bigger impact in advising and supporting enhanced management education quality, beyond MBA and masters programmes, to include undergraduate programmes around the world too.

We were originally formed in 1967 as the Business Graduates Association. We changed our name to the Association of MBAs in 1987, focusing exclusively on MBA and masters in management programmes. We decided to relaunch the Business Graduates Association in January 2019, which will be the biggest and most exciting launch in our 51-year history.

The team have worked very hard throughout this year to prepare for the launch of BGA, as well as delivering all our AMBA 2017/18 targets.

BGA will be a Business School accreditation and membership brand, aiming to accredit a Business School's entire programme portfolio, including undergraduate programmes. BGA's focus will support and recognise Schools that can demonstrate a commitment to practical, entrepreneurial teaching and learning, combined with a passion for responsible management and sustainability principles across all their programmes. BGA will offer three levels of participation: bronze, silver and gold, equating to member, validated and accredited tiers of achievement.

Like AMBA, BGA will also be a powerful membership organisation for BGA Schools' students and graduates. Membership will be free of charge, but exclusively for BGA Schools' students and graduates.

Our vision is for AMBA and BGA to become the best-known brands in our industry sector, by both Business Schools and students and graduates, respected for our efforts to improve business education standards globally and champion the value and impact that our Schools and members can make for the benefit of the economies in 150 countries in which our Schools and members are based.

AMBA's staff and International Management Board

It has been a pleasure to welcome and work with our new Chair, Bodo Schlegelmilch. It was highly appropriate that with such ambitious growth plans, we should appoint our first ever Dean as Chair. Bodo's knowledge of Business Schools worldwide has been very helpful in fine-tuning our future strategy for both AMBA and BGA. We are delighted to welcome Marianne Lewis, Dean of Cass Business School, University of London and Steef van de Velde, Dean of Rotterdam School of Management, Erasmus University, to our International Management Board as well as Enrique Bolaños, President of INCAE, the highly respected Latin American Business School, based in Costa Rica and Nicaragua.

We have further strengthened the size and quality of our AMBA and BGA staff team, in preparation for the launch of BGA, as we build further on the growth AMBA has achieved during these past five years.

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14 New Schools
Accredited

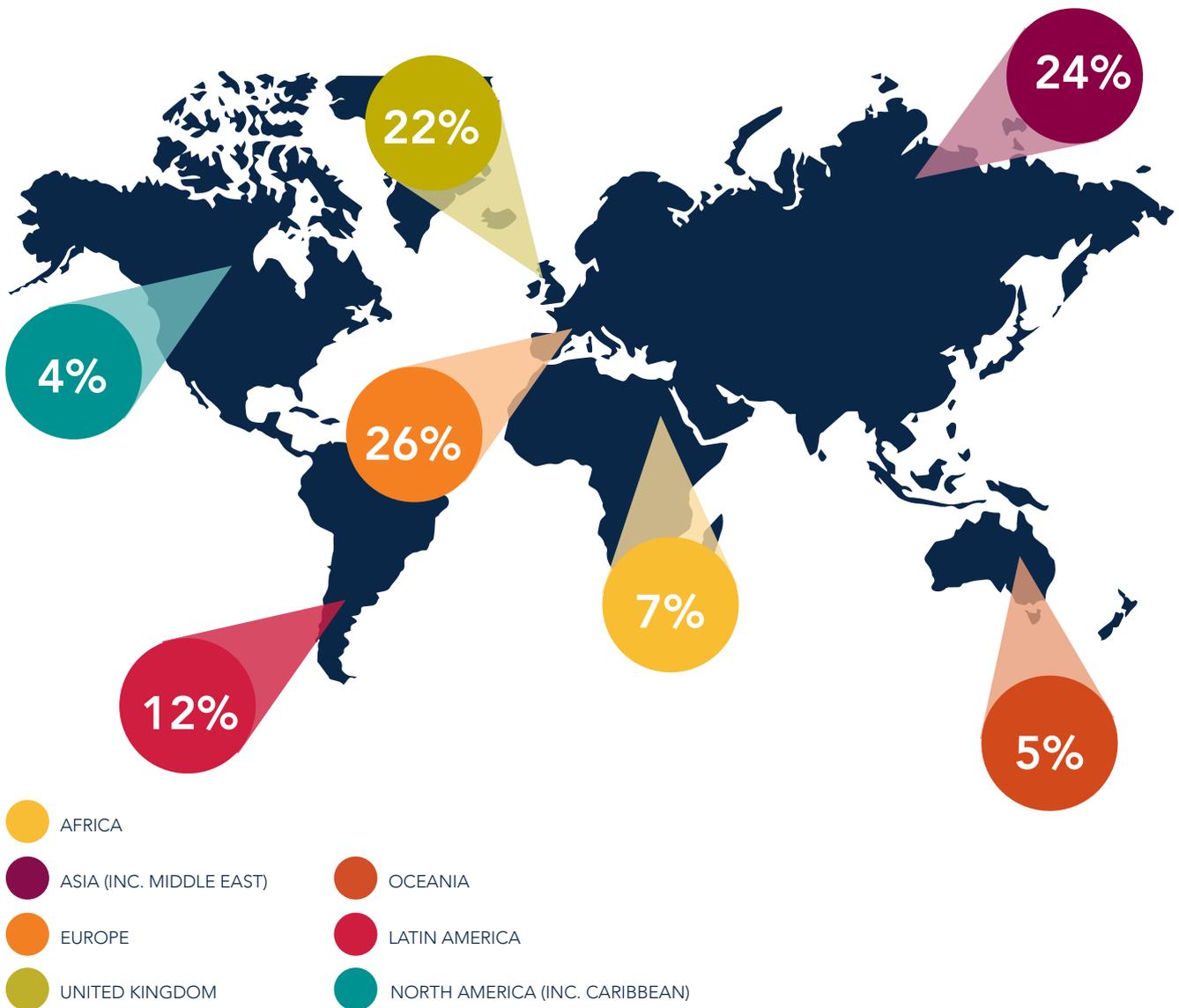


22 Events



7,361

New members



Global demographics of AMBA members newly recruited in 2017/18

Schools: accreditation

In 2017/18, 14 new institutions joined the AMBA family, while three existing Business Schools were not re-accredited, taking our total accredited network to 260 Business Schools. The expanded AMBA network welcomes the Lee Kong Chian School of Business at Singapore Management University, the Frankfurt School of Finance and Management, and INCAE Business School into the exclusive club of 'triple crown' accredited institutions. Three additional initial assessment visits were carried out, resulting in a recommendation to not accredit at this time.

A total of 57 Business Schools across the globe received re-accreditation visits from AMBA panels. The reassessment of programme quality and the enhancement of standards undertaken by a peer review visit at least every five years are important elements of AMBA's rigorous and developmental accreditation process.

AMBA accreditation provides Schools with holistic, detailed analysis comprising: the quality of the institution; strategy; mission and resources; teaching standards and research track record; programme administration; career and alumni services; student admission standards; diversity and cohort size; curriculum content and assessment standards; programme mode and duration; and learning outcomes. A focus on graduate attributes, impact and responsible management, continues to be well received.

The International Accreditation Advisory Board (IAAB), comprising highly-experienced Deans and MBA Directors, remains crucial to our accreditation activities. The IAAB is the delegated authority for accreditation decisions and additionally has responsibility for the safeguarding of the AMBA accreditation criteria.

As part of our objective to significantly increase AMBA brand awareness and build relationships with new Schools, AMBA staff from the accreditation team have spoken at or attended several MBA industry conferences, including the Global China Dialogue Conference in London, the Association of African Business Schools' Conference in Dar es Salaam, and the Association of Polish Universities for Internationalization Accreditation Conference in Warsaw. Additionally AMBA provided sponsorship and attended the Association of Asia Pacific Business Schools Annual Conference and the Australia and New Zealand MBA Directors Annual Conference.

AMBA is already the accreditation market leader in the UK, France, China, India, South Africa and Latin America, and we

anticipate continued growth in Africa, Asia and some parts of Europe. Our continued promotional initiatives in these three regions will lay the foundations for future success.

AMBA's unique history in supporting and promoting the MBA means we are positioned as the leading experts in postgraduate management education.

Our focus on the MBA, masters and DBA qualifications is a key strength when Schools choose their external accreditation body.

Student quality

AMBA believes that the MBA is uniquely distinctive due to its focus on the peer-to-peer learning experience. Student quality and class size is paramount for this reason. AMBA is the only accreditation body to require MBA entrants to have work experience and for programmes to have a minimum cohort size. This is a key strength for graduates from AMBA-accredited MBA programmes.

Experienced peer review teams

AMBA Accreditation Assessors have a wealth of experience with a significant proportion having sat on more than 50 assessment panels. This experience brings real value to the AMBA accreditation process.

Dedicated account manager

AMBA cares about the Business School experience and every panel includes a highly experienced member of the accreditation team, who ensures consistency of standards and bespoke advice to Schools undergoing the accreditation process.

Timely decisions and transparency

AMBA panels provide Schools with their recommendations regarding accreditation on the day of the assessment visit, in person and in significant detail. Endorsement is carried out electronically and is a swift process.

Streamlined accreditation process

The AMBA accreditation steps are straightforward, transparent and cost-efficient. New Schools can acquire accreditation promptly, providing the criteria are met. There are no requirements to attend events or pay unnecessary additional fees.

Flexible criteria

The AMBA accreditation criteria do not seek to bring uniformity to postgraduate management education or stifle innovation. The criteria allow AMBA to accredit a range of Business Schools, each with their own differing priorities and areas of expertise.

Consultative assessment

The AMBA approach to accreditation is holistic and focused on quality enhancement as much as quality improvement; we ensure Schools receive consultative and development advice

during the accreditation process and in so doing strive to further postgraduate management education.

Portfolio approach

The AMBA accreditation criteria require that the entire portfolio of MBA programmes offered by the school are subject to assessment. Business Schools only receive accreditation if all programmes they provide meet the AMBA accreditation criteria. This provides clarity for the MBA consumer in line with our history as a membership organisation.

New Schools Accredited in 2017 /18

School	City	Country
Donghua University, Glorious Sun School of Business and Management	Shanghai	China
ESIC Business and Marketing School	Madrid	Spain
ESPAE Graduate School of Management, ESPOL Escuela Superior Politecnica del Litoral	Guayaquil	Ecuador
Flinders Business, Flinders University	Adelaide	Australia
Frankfurt School of Finance and Management	Frankfurt	Germany
INCAE Business School	Alajuela	Costa Rica and Nicaragua
Institute of Industry Management, RANEPa	Moscow	Russia
ISCAE Business School, Groupe ISCAE	Casablanca	Morocco
Jiangnan University	Wuxi	China
Lee Kong Chian School of Business, Singapore Management University	Singapore	Singapore
PAD Escuela de Dirección, Universidad de Piura	Lima	Peru
Stockholm Business School, Stockholm University	Stockholm	Sweden
Tianjin University of Finance and Economics Business School	Tianjin	China
Zhejiang Gongshang University, MBA School	Hangzhou	China

Schools: the AMBA Development Network

The AMBA Development Network (ADN) continued its expansion in the financial year of 2017/18 by adding an additional 18 Business Schools.

These Schools will work towards attaining AMBA accreditation by taking part in the annual desktop review of their MBA degree portfolio, highlighting recommendations and needed improvements before accreditation can officially begin.

Alongside that, the Schools can leverage the mentorship scheme available to them, which will guide them towards achieving AMBA accreditation standards.

During the financial year Glorious Sun School of Business



and Management Donghua University and MBA School of Zhejiang Gongshang University, both in China, became the first ADN Schools to achieve full AMBA accreditation.

The following Schools joined during the financial year 2017/18.

School Name	Location
Rajagiri Business School	India
Shanghai International Studies University	China
Mahan Business School	Iran
City University of Macau	Macau
Zayed University	UAE
UPF Barcelona School of Management	Spain
Manipal International University	Malaysia
EAE Business School	Spain
ITESO	Mexico
UDLA	Ecuador
USACH	Chile
Wittenborg University	Netherlands
American University in Bulgaria	Bulgaria
MODUL University Vienna	Austria
ADEN International Business School	Argentina
Universidad Privada Boliviana	Bolivia
China University of Petroleum	China
Universidad Nebrija	Spain

Schools: Business Graduates Association (BGA)



A MBA is excited to be launching its sister brand, the Business Graduates Association (BGA), in January 2019. BGA is a continuous improvement system consisting of a unique set of engagement levels – membership, validation and accreditation.

BGA focuses on responsible management, lifelong learning and impact, utilising our Continuous Impact Model (CIM) to support Business Schools in the measurement and development of their impact on graduates, society and the economy.

All aspects of BGA are underpinned by its Charter, which all members commit to upon joining:

1. Meeting demands of the economy, contributing to economic growth and development and driving social transformation
2. The principles of CSR, Ethics and Sustainability (reflecting the United Nations SDGs)

3. Good governance, institutional sustainability and integrity
4. Generating value by building tangible connections with other academic institutions
5. Continuous improvement
6. Impact, innovation and excellence
7. The involvement, inclusion and respect of all stakeholders
8. The principles of equality and diversity
9. Graduate employability and corporate relations

The membership service will include an annual desktop review - enabling Schools to receive in-depth analysis and benchmarking from industry experts on a chosen aspect of their current offering – as well as research and thought leadership, networking opportunities and bespoke events, in addition to exclusive access to mentorship, validation and accreditation products.

Membership: highlights

Individual membership of AMBA has continued to grow rapidly and surpassed 37,500 by the end of September 2018. Growing numbers of Business Schools around the world are promoting AMBA membership to their current students and members of their alumni networks.

Membership of AMBA is exclusively offered to students and alumni who are studying for – or who have completed – an AMBA-accredited programme. Schools have been active in reminding individuals of the complimentary membership offered by virtue of their AMBA accreditation.

Membership: in numbers

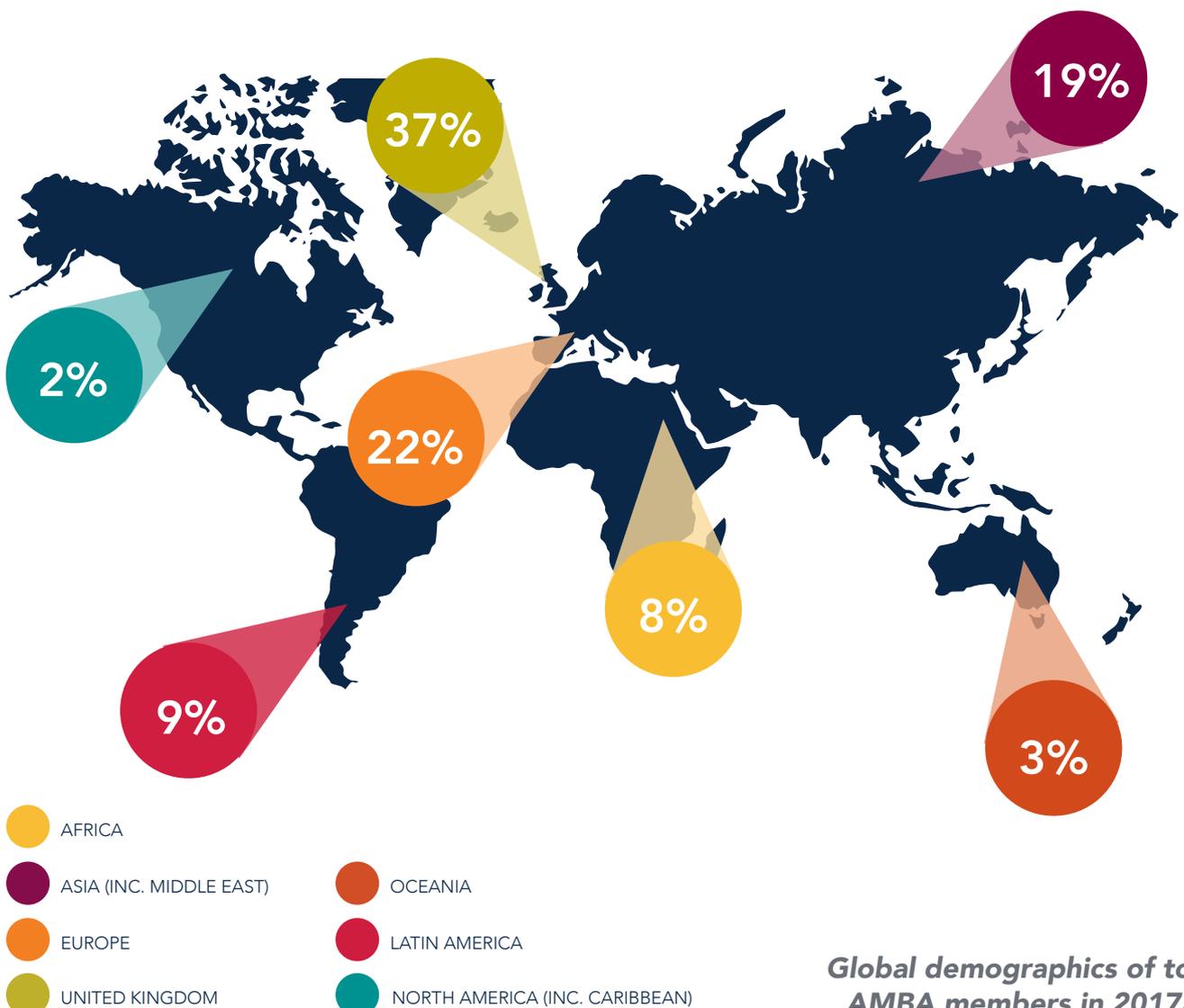
In 2017/18 membership increased by 7,361 to give a total of 37,845 – equating to approximately a 25% increase on the previous year.

Through continued engagement with Business Schools,

new members were recruited from 223 schools.

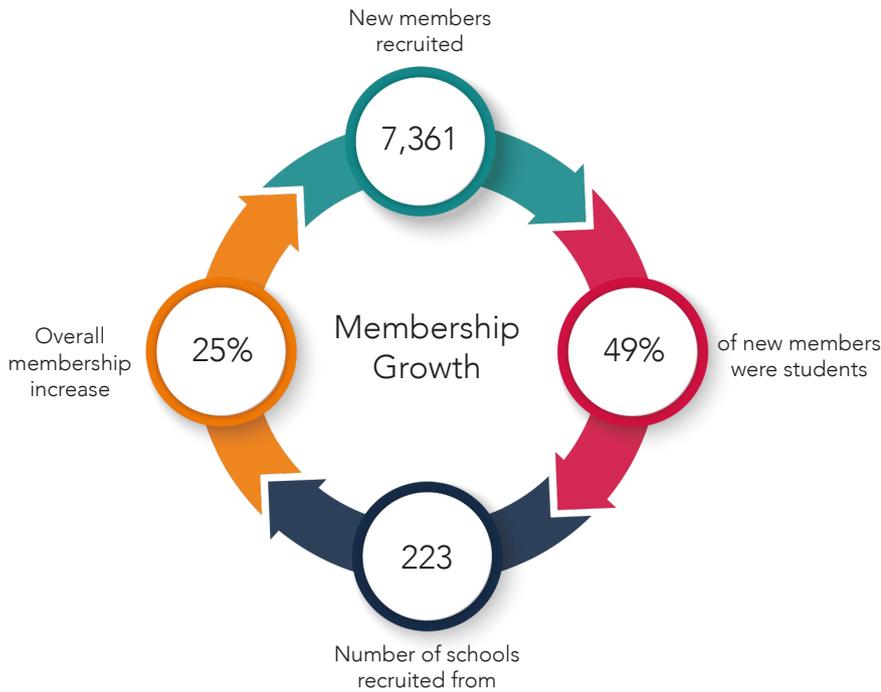
New membership is increasingly diverse and global. Approximately 53% of new members are male and 47% female. The total number of members from Asian and Middle Eastern Schools now make up 19% of the membership, up from 9%, and members from UK Schools now make up 37% of the membership, down from 41% last year and 53% the year before. This international growth is the result of consolidated international marketing and visits to Schools, as well as membership-marketing kits being circulated in four languages.

Members are engaging positively with AMBA's benefit proposition, with a 66% increase in visitors to the Career Development Centre and similar increased engagement with *AMBITION* magazine, AMBA Connect events and the AMBA online community.

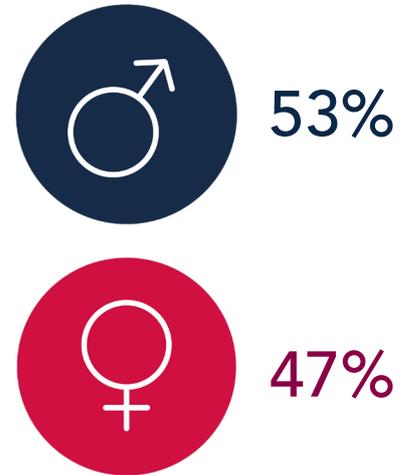


Global demographics of total AMBA members in 2017/18

AMBA membership recruitment in 2017/18



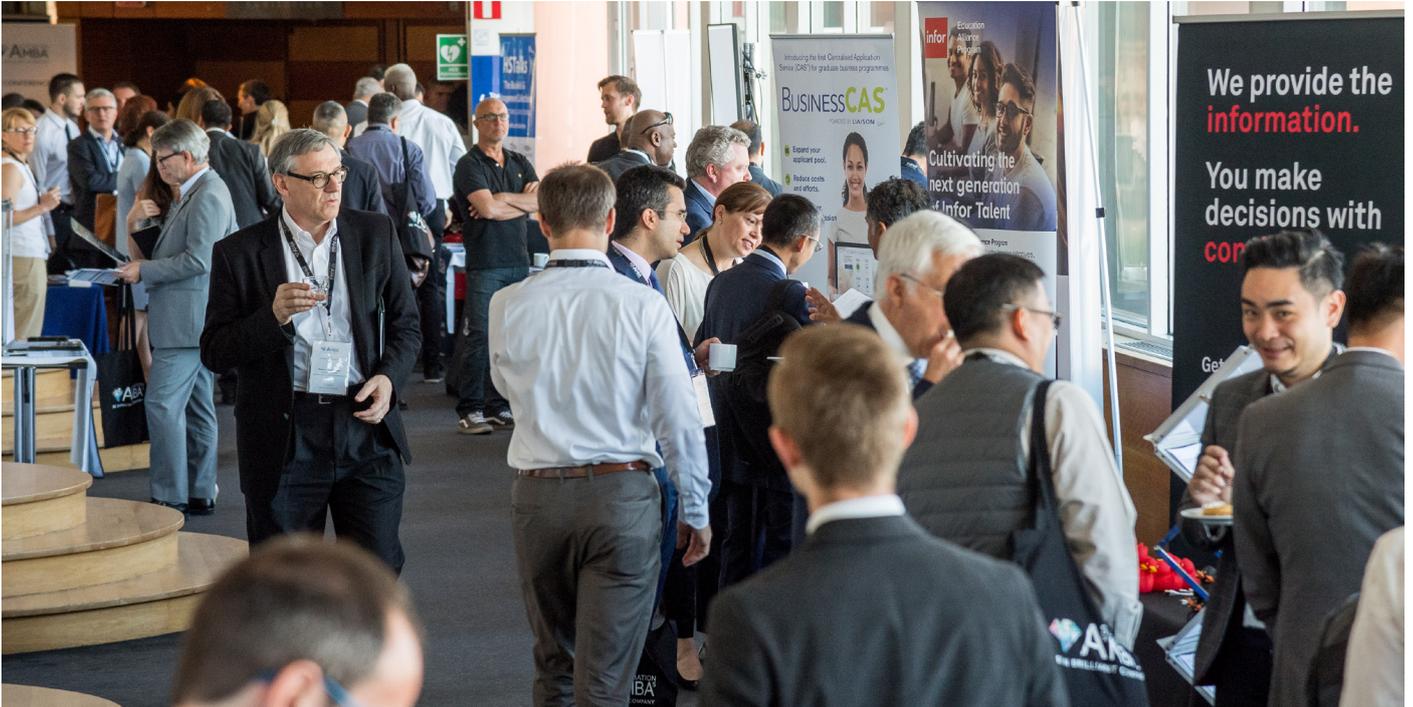
Gender mix of new AMBA members



Community and social media



Corporate: sponsors and partners



AMBA has retained all six of its corporate partners, which are organisations that are committed to improving the Business School sector through products, services and insight.

Events

In the financial year 2017/18, AMBA helped promote 24 brands including Salesforce, Infor, Tableau, *The Economist* and S&P Global at our events.

AMBA's Global Conference in Stockholm accommodated 19 organisations that supported the event through sponsorship. AMBA achieved record-breaking revenue at this year's event increasing revenue by 25% from the 2017 equivalent.

AMBA's Business School Professionals Conference in Amsterdam also attracted the highest amount of sponsors and revenue it has seen since the event began in 2016.

Roundtable

In 2018, AMBA held its first roundtable in association with Peregrine Academic Services which involved eight Business School leaders engaging in a fascinating debate around MBA learning outcomes.

AMBITION

Our monthly magazine *AMBITION* has enabled nine brands to promote their services and thought leadership to Business School leaders. Advertising features and commercial advertising were the options taken up by our clients.



Online advertising

AMBA has offered organisations such as Canvas VLE and *The Economist* advertising options through email campaigns giving organisations a solution to online promotion and furthering brand awareness.

Corporate: employers and world leaders



Careers and Talent Forum

This year, AMBA's annual 'Employers Forum' was more appropriately renamed and rebranded to 'Careers and Talent Forum'. The event was historically established for Business Schools to make new employer contacts. With the evolving nature of business politically, economically and socially, there was a need to ensure that this forum provided the audience with an opportunity to connect and learn about the current and future hiring landscape, in addition to being able to share their recruiting experiences, challenges and insights with a view to enable more effective candidate placement.

The main theme for the event was future-proofing and how both candidates and employers needed to adequately prepare themselves to remain competitive, particularly in light of artificial intelligence, the volatile political landscape and the changes in the skills needed for the future. Speakers included highly-regarded industry experts from organisations such as PwC, the London Stock Exchange Group, Mercer, Saïd Business School and Penningtons Manches. Issues addressed at the event included the future of work, the hiring gap, the MBA, the candidate and the market, legislative changes, game-changing contributions and thriving in an era of disruption.

In total there were more than 50 delegates in attendance. The delegates included careers services professionals from AMBA-accredited Business Schools across Europe, and

employers from corporates including Gartner, GSK, PwC and the Recruitment and Employment Confederation.

HR Magazine was also in attendance for the second year running as AMBA's official media partner for the forum. The publication subsequently featured a piece about the forum in print and also promoted the event on social media. Several speakers were interviewed separately and were featured as standalone pieces in *HR Magazine*, further enhancing AMBA's reach and influence in this space.

This was a highly successful event. The attendees said they found the content valuable and that they would return the following year.

Industry representatives and world leaders

Throughout the year, AMBA worked tirelessly to bring thought leaders from the world of employment to its events and thought leadership portfolios, to build ever-stronger links between Business Schools and industry.

These employers included Fujitsu, Lego Education, BP, Shell, Gartner, Lyca Group, Misuga Holland, GSK, Vungle, Aurelius, Virgin, Schibsted Media Group and HSBC among many others.

They addressed topics including recruitment and retention of MBAs, HR trends and issues, as well as insight into challenges and opportunities being faced by employers amid the continuing war for talent.

Events: Business Schools

Asia Pacific Conference for Deans and Directors 8–10 January 2018, Harbin, China

This year's events calendar kicked off with AMBA's Asia Pacific Conference in Harbin, China, where delegates heard from speakers from leading corporates including Lego, Beijing NavRoom Co Ltd, and iPIN Inc. The event had the largest delegation in its history, with 86 paying attendees; 113 in total.

AMBA hosted two gala dinners: one at the Crowne Plaza and ballroom and the second at the Russian-inspired Europa Hotel.



Gala Dinner and MBA Awards 2 February 2018, London, UK

AMBA's annual Awards and Gala Dinner took place at the stunning One Great George Street, where 245 delegates and journalists were entertained by comedian Paul Sinha and celebrated each other's success with the annual MBA and Business School Awards.

Global Deans and Directors Conference 14–16 May 2018, Stockholm, Sweden

The annual Global Conference in the breathtaking city of Stockholm – during one of the hottest weeks of the year – attracted a total of 288 delegates of which 204 were paying.

As always, delegates made the trip from more than 40 countries, to hear speakers from BP, HSBC and Saïd Business School as well as experience the latest hologram technology, while debating issues such as digital learning and the future of education. The delegate experience started with a networking tour of Stockholm and cruise on the Baltic Sea, prior to the conference.

Delegates dined among opulent surroundings in the Golden Hall – the iconic banqueting room in Stockholm City Hall, home to the Nobel Banquet – as well as the Vasa Museum, the most-visited museum in Scandinavia and home to the only almost fully intact 17th-century ship ever salvaged from the ocean.



Business School Professionals Conference 2–3 July 2018, Amsterdam, Netherlands

This year's Business School Professionals Conference brought together 91 delegates (51 paying) for a day and a half of learning and networking. Speakers included representatives from GSK, Imperial College Business School, and Amsterdam Business School. Topics comprised demand marketing; social media; programme design; and MBA recruitment, from the employer perspective.

Delegates, representing 13 countries, dined at Amsterdam's famous Olympic Stadium in the new MaMa Kelly restaurant.



Month	Event	Location	Country
January 2018	Asia Pacific Conference for Deans and Directors	Harbin	China
February 2018	Gala Dinner and MBA Awards	London	UK
May 2018	Global Conference for Deans and Directors	Stockholm	Sweden
July 2018	Business School Professionals Conference	Amsterdam	Netherlands
July 2018	Careers and Talent Forum	London	UK
September 2018	Latin America Conference for Deans and Directors	Buenos Aires	Argentina
September 2018	Accreditation Forum	Grenoble	France



Careers and Talent Forum 9 July 2018, London, UK

AMBA's newly-rebranded Careers and Talent Forum was hosted at the prestigious London Stock Exchange with 51 delegates (42 paying) and speakers represented PwC, London Stock Exchange Group and Mercer.

Latin America Conference for Deans and Directors 3–5 September 2018, Buenos Aires, Argentina

AMBA's Latin America Conference was attended by 72 delegates (55 paying) and the audience spanned 13 countries, with some travelling to Argentina for the event, from as far afield as India and China.

The networking activities included a walking tour of Buenos Aires, a canapé reception at the Brick Hotel by Sofitel and

dinner at the award-winning Alvear Palace Hotel, part of the Leading Hotels of the World group.

Keynote presentations addressed the digital revolution, disruptive trends in MBAs, and specialist masters programmes and their impact on the MBA market.

Accreditation Forum 27–28 September 2018, Grenoble, France

AMBA rounded off a successful year of events with its annual Accreditation Forum. A total of 77 delegates (59 paying) from 20 countries met to discuss best practice in AMBA accreditation. Delegates enjoyed networking events at Château de la Commanderie and heard presentations on how to maximise their chances of success in accreditation, and managing multiple accreditations.





Page 16 (top to bottom): delegates networking; Fiona Devine, Head of Alliance Manchester Business School; networking breaks; Leila Triki, Dean, MSB Mediterranean School of Business. This page clockwise: dinner at the Golden Hall; Peter Tufano, Peter Moores Dean at Saïd Business School, University of Oxford; delegates at AMBA's Global Conference; Andrew Main Wilson presents as a hologram; delegates visit the Vasa Museum

Events: MBA student and graduate members

Month	Event	Location	Country
October 2017	AMBA Webinar – Standing out from the crowd: creating your own development journey	Online	Global
November 2017	AMBA Webinar – Innovation in an age of uncertainty	Online	Global
November 2017	AMBA Connect – Trinity College Dublin	Dublin	Ireland
December 2017	AMBA Connect – Christmas Edition	London	UK
January 2018	AMBA Webinar – Making an impact in the 2018 job market	Online	Global
February 2018	AMBA Webinar – Going global: thriving in an international career	Online	Global
March 2018	AMBA Webinar – Effective self-marketing: how to move culture, location, industry and function	Online	Global
April 2018	AMBA Connect – London	London	UK
April 2018	AMBA Webinar – The power and simplicity of the strengths-based revolution	Online	Global
May 2018	AMBA Webinar – Game-changing teams	Online	Global
May 2018	AMBA Connect – Paris	Paris	France
June 2018	AMBA Webinar – Middle out decisions, organisational momentum and human bias in strategic decision making	Online	Global
July 2018	AMBA Connect – Amsterdam	Amsterdam	Netherlands
September 2018	AMBA Connect – Buenos Aires	Buenos Aires	Argentina
September 2018	AMBA Webinar – ‘Oh #@! I’ve got to run a brainstorm’: developing a point of view to generate ideas	Online	Global

Events: Awards



On 2 February 2018, international Deans and Directors, distinguished MBA alumni and MBA students representing a wealth of AMBA-accredited Business Schools met in London for the Annual AMBA Gala Dinner and MBA Excellence Awards, sponsored by Peregrine Academic Services, *The Wall Street Journal*, and Liaison International.

AMBA hosted a glittering Gala Dinner in London's One Great George Street, where it presented four AMBA Excellence Awards:

- MBA Student of the Year Award (sponsored by *The Wall Street Journal*)
- MBA Entrepreneurial Venture Award
- MBA Innovation Award (sponsored by Liaison International)
- MBA Employer and Business School Partnership Award

The AMBA Excellence Awards and Gala Dinner celebrate the quality and achievements of post-graduate business education at the forefront of leadership excellence, recognising the talents and contributions made by AMBA-accredited Schools and their students.

AMBA's Gala Dinner was attended by 193 Business School leaders representing 74 Schools and 24 countries across the world.

Antoinette Catonia Mia Bailey, a social entrepreneur with 10 years of management experience, from the Chinese University of Hong Kong Business School, won the MBA Student of the Year

Award, proudly sponsored by *The Wall Street Journal*.

During her MBA, Antoinette was elected President of the Student Association, was a Harvard Business School HPAIR Entrepreneurship and Technology delegate, and founded the InterMBA Asia initiative to create a sharing economy between Hong Kong's best and brightest Business Schools. Antoinette has a proven track record in innovation, entrepreneurship, sustainability, and social enterprise.

She has also led multiple fundraising projects for social enterprises during her MBA programme such as the 'Nurturing Social Minds' programme run by a Hong Kong family's philanthropic organisation, and was one of 12 finalists at the UBS Social Innovators APAC Summit in Singapore.

The MBA Entrepreneurial Venture Award winner was Jack Langworthy, an MBA graduate from Copenhagen Business School, Founder and CEO of NINAYO.com, an online trading platform for agriculture in East Africa. NINAYO allows farmers and markets to advertise to one another, drop a GPS pin on a map, and connect online.

NINAYO, launched in Tanzania in 2015, uses crowd-sourced data to provide actionable business intelligence for its users. NINAYO users, typically small holder farmers with an average annual income of \$637USD (£447), are earning hundreds of US dollars more with

◆ Above: AMBA's Gala Dinner; right: Antoinette Catonia Mia Bailey, MBA Student of the year Award (sponsored by the Wall Street Journal)

this tool. NINAYO has partnered with the most successful Silicon Valley entrepreneurs to develop the preferred tool for agricultural trade for aid groups like the United Nations, United States Agency for International Development, and the farmers of East Africa. The mobile-friendly platform has over 22,000 active users and is providing access to over 16,000 tons of food. NINAYO was also endorsed in a speech by US former President Barack Obama during the seventh annual Global Entrepreneurship (GES) Summit in Silicon Valley on 25 June 2016.

The winner of the MBA Innovation Award (sponsored by Liaison International) was Mona School of Business and Management, University of the West Indies, for the Bloomberg Financial Markets Lab. Mona School of Business and Management (MSBM), University of the West Indies is the only institution in the English-speaking Caribbean to house a Bloomberg Financial Markets Lab.

The lab provides a range of services that include data, analytics, communication, electronic trading and a wide array of economic data, and is equipped with a global financial markets simulator provided by Stock-Trak. This virtual trading room is the first of its kind in the Anglophone Caribbean and brings the School's technical infrastructure on par with leading international Business Schools.

The MBA Employer and Business School Partnership Award winners are Donbasenergo Public Joint Stock Company and International Management Institute (MIM) Business School. They have more than 10 years of co-operation.

After the 2014 revolution in Ukraine, Donbasenergo went into multi-staged transformation, meaning the partnership acquired a new nature, integrating various academic activities and consulting projects.

These ranged from top performers and talent pool representatives taking open MBA programmes at the School, to a series of corporate programmes which included people who reside in the occupied territories. MIM Business School participated in the establishment and current operations of the Internal Academy of the Donbasenergo.

The partnership is also an instrument of the social coherence company-wise and region-wise. The MIM / Donbasenergo partnership sets the standard of business and educational organisation partnerships in Ukraine and across the national and regional markets.

The Winners and Finalists

The MBA Student of the Year Award, sponsored by *The Wall Street Journal*

- **Winner: Antoinette Catonia Mia BAILEY, CUHK Business School**
- **Highly Commended: Juan Víctor Fajardo, IESA**
- Christy Tan, Alliance Manchester Business School
- Elyse Krumholz, SDA Bocconi School of Management

- Glory Enyinnaya , Lagos Business School
- Jennifer Wascak, Westminster Business School

MBA Entrepreneurial Venture Award

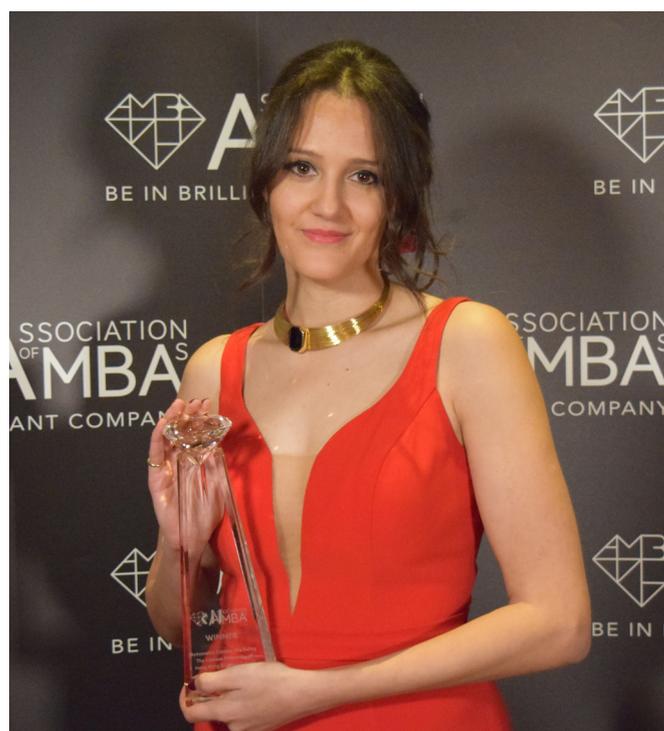
- **Winner: Jack Langworthy for NINAYO.com, Copenhagen Business School**
- Amir Reuven Kaplan, IE Business School
- Emmanuel Aidenehi Okosun, Lagos Business School
- Gabriel Méndez Labbé, Facultad de Economía y Empresa UDP
- Gerardo Salandra, CUHK Business School

MBA Innovation Award

- **Winner: Mona School of Business and Management, University of the West Indies**
- **Highly Commended: Amsterdam Business School**
- IEEM Business School
- Imperial College Business School
- QUT Graduate School of Business
- Westminster Business School

MBA Employer and Business School Partnership Award

- **Winner: Donbasenergo Public Joint Stock Company and International Management Institute (MIM) Business School**
- Beijing He Zhonghe Information Technology Co and Business School, Central University of Finance and Economics
- Iberdrola and University of Strathclyde
- Intel and Gdansk University of Technology, Faculty of Management and Economics



Communications: public relations

The motivation of the communications team at AMBA is to create holistic and cross-functional outreach strategies for all our communications campaigns; comprising thought leadership in our monthly magazine *AMBITION*, content marketing, press relations and social media.

In the financial year 2017/18, AMBA was mentioned 3,160 times in international press – increasing the number of press inclusions by almost 1,000 year-on-year. AMBA achieved a potential audience reach of 1,045 million people and an advertising value equivalent (the calculated amount this volume of coverage would have costed in terms of paid-for commercial promotion) of £9.67 million.

AMBA launched its media relations activity for 2018, with an initial focus on AMBA's Gala Dinner and Excellence Awards, hosting journalists from leading international publications, including *The Sunday Times* and *China Daily*, at the event, and running a major global PR campaign following the event, featuring interviews with the winners and finalists.

From this campaign the PR team secured more than 40 print, online and broadcast news stories about the awards, published across every continent (except Antarctica).

We launched AMBA's inaugural research study into the role of MBAs within corporate teams in partnership with The GC Index, and examined the psychology of the MBA graduate, their proclivities within the workplace and their views on what makes collaborations succeed or fail. The PR campaign resulting from this work secured coverage across business, education and HR publications globally.

Our second major research launch was AMBA's annual *Application and Enrolment Report*, which was published in May to coincide with the AMBA Global Conference in Stockholm.

Additional PR activity has focused on showcasing the quality of an AMBA-accredited MBA to potential students and employers as well as raising the profile of AMBA as a thought-leading organisation.

We hosted a press event with several Scandinavian Deans and Directors in Stockholm, securing coverage in *Times Higher Education*.

The team continued to create media kits for newly-accredited Schools and ADN Schools, launch media campaigns around their accreditation and, where appropriate, we have worked closely with media teams at Schools internationally to assist in raising the profile of AMBA-accredited programmes and building strong relations both with Schools and international press.

Global coverage included featured articles in the following selection of publications (in alphabetical order):

- América Economía
- Business Because
- Business Live (South Africa)
- CFO South Africa
- China Daily
- Diario Sur (Spain)
- DollarsAndSense.sg (Singapore)
- Dubai Forum
- Education Dive (US)
- Education Times (India)
- El Economista (Spain)
- Executive Global
- Financial Times
- Find MBA
- Global Business School Network (US)
- Gulf News
- HR Magazine (UK)
- India Education Diary
- Jamaica Observer
- La Rioja (Spain)
- Le Monde (France)
- Mail & Guardian (South Africa)
- MBA News Australia
- MBUniverse (India)
- Mumbai News Network
- Personnel Today (UK)
- Plantão News (Brazil)
- Poets and Quants (US)
- Strategic Finance Magazine (US)
- Study International
- The Australian Financial Review
- The Business Times (Singapore)
- The Economic Times (India)
- The Financial Express (India)
- The Hans India
- The Hindu
- The PIE News
- The Pioneer (India)
- The South African
- The Star (Malaysia)
- Times Higher Education
- Times of India
- University Business
- USA Today
- Venezuela Today

Research and insight

In 2018, AMBA launched its Research and Insight Centre. This is an in-house research service, run by AMBA's communications team, which seeks to understand the Business School community, the MBA market as well as the issues which impact on its role in management education.

The Centre aims to consolidate and expand on the existing body of research conducted by AMBA, by developing a systematic programme of research and insight projects that will add value to accredited Business Schools, keep AMBA members up-to-date with issues pertinent to their aspirations and inform the wider business community about the positive role of the MBA in engendering excellent management practice throughout the world.

The creation of the Research and Insight Centre occurred in the last quarter of the financial year, and a research programme has been designed for 2018/19. This will include exploring issues relating to the MBA student experience, the work of Business Schools in educating students on corporate social responsibility and an evaluation of the MBA rankings criteria.

During 2018, prior to the development of the Centre, AMBA conducted the following three major research studies.

Application and Enrolment Report (formerly Intake and Graduation Report)

AMBA published the results of the 2017 Application and Enrolment study. In total, 223 accredited Business Schools completed forms which detailed the number of applications, enrolments and graduations, as well as the mix between men and women and domestic and overseas students. The results

demonstrated that the MBA market is consolidating following a challenging few years since the global economic crisis of 2008. The report was distributed to all accredited Schools and findings were presented at subsequent AMBA conferences.

Fieldwork for the 2018 study was also completed, with 230 Schools returning the form. Results from this study will be available in the first quarter of 2019.

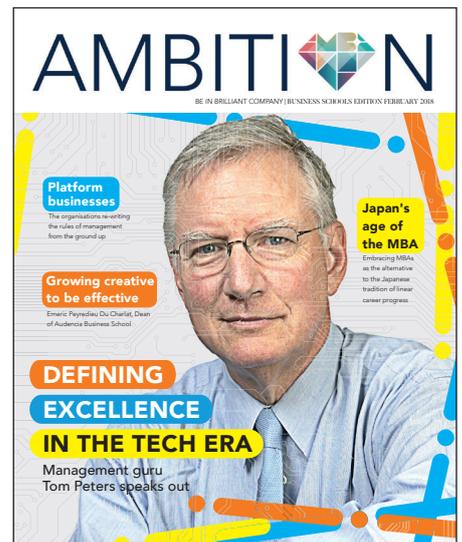
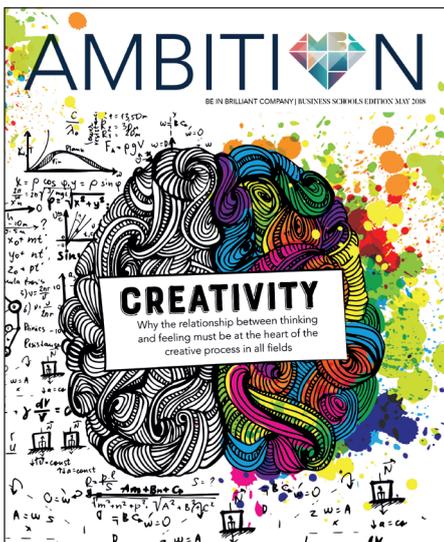
Game-changers research

AMBA conducted a study of MBAs looking at their proclivity towards certain leadership styles. The research was conducted in collaboration with the GC Index, who offered consultation on how AMBA's data aligned to the Index's interpretation of each leadership proclivity.

An online survey was completed by 865 MBAs. The results indicated that MBAs considered themselves to have a wide range of leadership styles, ranging from those who mainly see themselves as 'strategists', to those who believe themselves to be 'implementers', as well as 'game changers' among other types of leadership styles.

Careers research

Every two years AMBA conducts a study which looks at the career paths of MBA graduates. The 2018 research has been remodelled so that it incorporates the views of the most recent graduates, those from the past couple of years, so that it best captures both the perceived contribution of the MBA and their aspirations. It also ensures that views of the MBA are contemporary. More than 1,500 graduates participated in the study and the results are due to be released in the first quarter of 2018/19.



Communications: editorial and thought leadership

AMBITION

AMBA's editorial team remains in-house, but we maintain a focus on strong and ground-breaking quality content, balanced with integrity and ethics, very much aligned with AMBA's sustainability and responsible management agenda.

This year we've investigated topics including robotics, AI, blockchain, luxury business, social intelligence, entrepreneurship, disruption and multiculturalism, international mobility, geopolitics, negotiation and infonomics, to name just a few; and have featured leading thinkers and practitioners including Vincent Kompany, Captain of Manchester City Football Club and marketing guru Tom Peters, as well as a wealth of prolific authors, speakers and commentators.

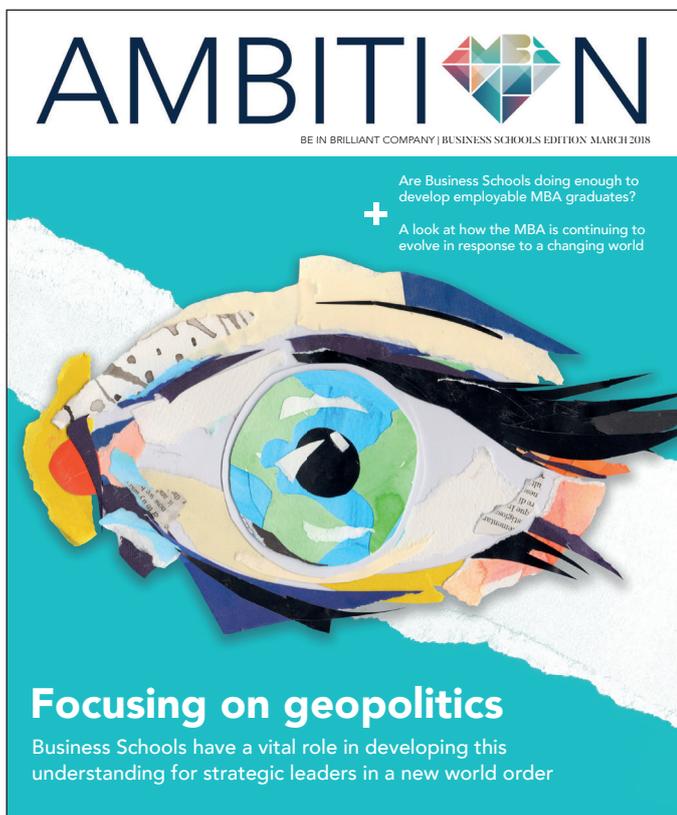
This content is segmented for the most appropriate audience and shared in hard copy, through digital magazines, in video, on our websites and across social media.

We have also worked to include AMBA-accredited Schools and ADN Schools in our editorial strategy to help them with their own communications offering. In 2017/18, these included Saïd Business School, University of Oxford; Politecnico di Milano

School of Management; CENTRUM Católica Graduate Business School; ESIC Business and Marketing School; Telfer School of Management, University of Ottawa; Newcastle University Business School; University of Cape Town Graduate School of Business; HEC Paris; Nyenrode Business Universiteit; ESADE; Adam Smith Business School, University of Glasgow; Nagoya University of Commerce and Business (NUCB) Business School; Grenoble Ecole de Management; ESMT Berlin; Aalto University School of Business; University of Exeter Business School; and Imperial College Business School.

The communications team at AMBA also increased the circulation of the flagship publication from six issues per year to 20 editions (10 editions each for Business School professionals, and students and graduates respectively) with exclusive targeted features for each audience.

From September 2018, we also produced and circulated print editions of the magazine to each AMBA-accredited and ADN Schools in order to further increase engagement and attract new sponsors and partners.



2017/18 communications campaigns examples

AMBA-accredited Schools: resilient to the challenges facing MBA recruitment

AMBA's 2017 Application and Enrolment Report provides evidence of the sustainability and resilience of MBA programmes to attract students, despite a volatile education market. **William Dawkins** reports

GENDER OVERVIEW
Over 2017, the number of applications for MBA programmes increased by 4% and the average enrolments per programme increased by 2%.

THE CHANCES OF [WOMEN] CONVERTING AN APPLICATION INTO A PROGRAMME PLACE DOES NOT DIFFER TO THOSE OF MEN*

CONCLUSION
The AMBA Accredited Schools' resilience to the challenges facing MBA recruitment is a testament to the quality and sustainability of these programmes. The fact that the number of applications and enrolments has increased over the last year, despite a volatile education market, is a testament to the quality and sustainability of these programmes. The fact that the number of applications and enrolments has increased over the last year, despite a volatile education market, is a testament to the quality and sustainability of these programmes.

EXPLORING THE TEAM DYNAMICS of MBA students and graduates

In 2017 and 2018 AMBA joined forces with The GC Index to conduct groundbreaking research into how MBAs are impacting game-changing teams. **David Woods-Hale** and **Dr John Mervyn-Smith** take a look at the results

KEY FINDINGS
The research shows that MBAs are more likely to be team players, with a focus on collaboration and communication. They are also more likely to be leaders, with a focus on vision and strategy. The research also shows that MBAs are more likely to be innovative, with a focus on new ideas and solutions.

CONCLUSION
The research shows that MBAs are more likely to be team players, with a focus on collaboration and communication. They are also more likely to be leaders, with a focus on vision and strategy. The research also shows that MBAs are more likely to be innovative, with a focus on new ideas and solutions.

HOW LUXURY BRANDS COULD SAVE THE PLANET

By embracing sustainability, luxury companies could win over business and push physical components out of the market, while satisfying the demands of millennial consumers. **Angelo Alessandro Brun**

CONCLUSION
The research shows that luxury brands are more likely to be sustainable, with a focus on ethical sourcing and environmental friendliness. They are also more likely to be innovative, with a focus on new materials and technologies. The research also shows that luxury brands are more likely to be socially responsible, with a focus on community support and philanthropy.

With its drastically different price margins, luxury has the opportunity to pay fair wages

CONCLUSION
The research shows that luxury brands are more likely to be socially responsible, with a focus on fair wages and ethical sourcing. They are also more likely to be innovative, with a focus on new materials and technologies. The research also shows that luxury brands are more likely to be sustainable, with a focus on environmental friendliness and ethical sourcing.

ADDRESSING TOXIC WORKERS TO PROTECT THE BOTTOM LINE

CONCLUSION
The research shows that toxic workers are more likely to be disruptive, with a focus on negative behavior and lack of collaboration. They are also more likely to be unproductive, with a focus on low performance and lack of engagement. The research also shows that toxic workers are more likely to be costly, with a focus on high turnover and low productivity.

Figure 3: Applications and enrolments by gender since 2012

CONCLUSION
The research shows that the number of applications and enrolments for MBA programmes has increased over the last five years, with a focus on sustainability and resilience. The fact that the number of applications and enrolments has increased over the last five years, despite a volatile education market, is a testament to the quality and sustainability of these programmes.

Collaboration is best achieved when team members are aligned to purpose and practice

CONCLUSION
The research shows that collaboration is more likely to be successful when team members are aligned to purpose and practice. They are also more likely to be innovative, with a focus on new ideas and solutions. The research also shows that collaboration is more likely to be sustainable, with a focus on long-term success and ethical sourcing.

ARE THERE OTHER IDEAS THAT YOU THINK CAUSE BREAKDOWNS IN TEAM PROJECTS?

CONCLUSION
The research shows that there are several factors that can cause breakdowns in team projects, including ego, culture, and trust. They are also more likely to be innovative, with a focus on new ideas and solutions. The research also shows that there are several factors that can cause breakdowns in team projects, including ego, culture, and trust.

With its drastically different price margins, luxury has the opportunity to pay fair wages

CONCLUSION
The research shows that luxury brands are more likely to be socially responsible, with a focus on fair wages and ethical sourcing. They are also more likely to be innovative, with a focus on new materials and technologies. The research also shows that luxury brands are more likely to be sustainable, with a focus on environmental friendliness and ethical sourcing.

The underlying principle is that leading luxury businesses respect both people and planet

CONCLUSION
The research shows that leading luxury businesses are more likely to be socially responsible, with a focus on fair wages and ethical sourcing. They are also more likely to be innovative, with a focus on new materials and technologies. The research also shows that leading luxury businesses are more likely to be sustainable, with a focus on environmental friendliness and ethical sourcing.

A starting 5% of leadership working with a toxic culture can significantly impact the rest of the organization

CONCLUSION
The research shows that a starting 5% of leadership working with a toxic culture can significantly impact the rest of the organization. They are also more likely to be innovative, with a focus on new ideas and solutions. The research also shows that a starting 5% of leadership working with a toxic culture can significantly impact the rest of the organization.



Accounts and financial statements

Report of the Board of Trustees of AMBA

The Board of Trustees of AMBA submits its annual report and group financial statements for the year ended 30 September 2018.

Charitable objective

The Association of Masters in Business Administration's objective is to advance business education at a postgraduate level.

The organisation

The Association of Masters in Business Administration also known as the Association of MBAs ('AMBA') is a body incorporated under the Companies Act 2006 as a company limited by guarantee and does not have share capital. The governing documents are the Memorandum and Articles of Association as approved by the members. It is also registered as a charity with the Charity Commission (registered number 313412).

AMBA has a wholly owned subsidiary, AMBA Commercial Limited, which was originally known as the Business Graduates Association, incorporated in the United Kingdom, which is run as a conduit for the non-primary purpose trading. The investment in this subsidiary is included in the charity balance sheet at a value of £65.

The Board of Trustees

AMBA is governed by a Board of Trustees ('Board'), which comprises a Chair, Treasurer and up to eleven other board members. The day to day affairs of AMBA are managed by the Chief Executive and the operational team.

Up to seven members of the Board are elected by AMBA's graduate and individual members. They serve for three years and are eligible for appointment for one further consecutive term of up to three years. In addition, where specific skills are required to enhance the board and to provide a breadth of knowledge and experience, the trustee's may co-opt up to six individuals to be members of the Board. The co-opted members serve for one year and can be co-opted again for up to six years. These members can be representatives of business schools (up to two co-options) and employers (up to two co-options) with up to a further two co-options to be used at the discretion of the Board. On appointment, Trustees are required to complete a declaration of interests and are given a Trustee Handbook that includes the Memorandum and Articles of Association and policies and procedures on issues such as diversity, equal opportunities, levels and delegation of authority, and other guidance. There is also a formal induction process and Trustees may undertake relevant training where appropriate.

The composition of the Board was reviewed as part of the exercise to review and update the Articles of Association during the year, to ensure that it had representation of all of its stakeholders.

There are four formal Board committees – Finance and Risk Committee, International Accreditation Advisory Board, Membership Committee, and Human Resources and Nominations Committee. The Board has approved the Terms of Reference for all Board Committees. All Trustees are non-executive and work for AMBA in a voluntary capacity. The current Chair of the Board and all Trustees are listed on page 3.

Principal activity

The Board is responsible for the overall governance and strategic direction of AMBA. It meets regularly during the year to consider, determine and review AMBA's strategies and policies, and to receive reports from the CEO and the operational teams.

The strategy and activities of AMBA are based on the charitable objective to advance postgraduate business education. This is done by delivering a world class accreditation service and connecting a global network of MBA students and graduates through membership.

In shaping the activities for this financial year, the Board has considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. AMBA relies on income from business school fees and charges made to our student and graduate members. In setting the level of fees, charges and concessions, the Board gives careful consideration to the accessibility of AMBA for those experiencing financial hardship.

Public benefit

AMBA Trustees have a duty to report in the Trustees' Annual Report on AMBA's public benefit remit. They have a duty to demonstrate that:

1. There is clarity of purpose surrounding the activities of AMBA and report such activity in the Annual Report and Financial Statements. This report therefore describes in some detail the activities carried out within AMBA's charitable objectives, the types of programmes undertaken and the number of members and business schools who benefit from our actions.
2. The main charitable objective is to advance business education at a postgraduate level.
3. The people who benefit from AMBA's services do so according to criteria set out in the charity's objectives. Wherever possible, the views and opinions of members and business schools, as well as other relevant stakeholders are taken into account. This approach helps to ensure that programmes are targeted to the relevant audience, and takes into account their assessment of their own needs.

The Trustees are therefore confident that AMBA meets the public benefit requirements, and they confirm that they have taken into account the guidance contained in the Charity Commission's general guidance on public benefit where applicable.

AMBA continues to contribute to the advancement of postgraduate management education and offers a public benefit with its impartial advice and information, and its services that assist those wishing to study for an MBA, DBA or MBM. It assists in the advancement of postgraduate management education by setting standards for accrediting MBA, DBA and MBM programmes, investing in research and lobbying governments where necessary to raise the profile of the value of the MBA.

AMBA offers benefit to its accredited business schools and MBA student and alumni members by providing educational activities and services designed to assist members in managing their careers. It organises conferences and forums that initiate ideas and debate to assist in the advancement of postgraduate management education. Its services include research, policy, newsletters, magazines, online information, events and AMBA's general contribution to the awareness of the sector.

Results for the Year

The results of the group for the year ended 30 September 2018 are set out in the attached financial statements. A surplus of £9,317 was added to the accumulated fund. Further review of the group's activities for the period is given in 'the year in review' (page 5 and following).

Review of the financial position

The financial statements include the results of AMBA and its sole subsidiary, AMBA Commercial Ltd for the year ending 30 September 2018. Total income grew by 4.2% to £3.16m and expenditure increased by 3.8% to £3.17m. The net loss before transfers and investments was (£14,117) (2017 loss: £25,856).

Fixed assets

Details of fixed assets are given in note 8 to the financial statements.

Reserves policy

The Board of Trustees are of the opinion that reserves should be at least at a level to ensure the charity can run efficiently and meet the needs of the beneficiaries and sustain its development. It is AMBA's stated long-term objective to retain sufficient accumulated reserves to cover its running costs and other contingencies.

The proposed use of AMBA's designated funds are set out more clearly in note 12. It is the Trustee's intention to utilise these funds as part of our strategic planning and thus enhance our service delivery to members and business schools alike.

AMBA follows a policy to retain General funds to cover its overheads. Due to the contractual nature of fee income, the Trustees feel this policy is adequate. The value of the General Fund at 30 September 2018 was £1,365,143 (2017: £1,333,276) which represented 4 months of fixed overhead expenditure. Free reserves at the year end are £689,479 (2017: £649,545).

A part of the Reserves are treated as Designated Funds and are set aside for specific purposes in the near future (Designated funds consist of a Development Fund, and a Property Fund). In addition, cash and readily available funds are maintained at a level to at least meet all predicted expenditure.

The reserves policy currently in place was agreed in December 2012 and is reviewed annually by The Finance and Risk Committee.

AMBA is committed to using its reserves in pursuit of its charitable objectives. It is also committed, to maintain a level of available funds to enable it to:

- a) meet ongoing liabilities
- b) ensure that all service delivery commitments can be met and to protect the long-term future of the operations
- c) ensure the availability of sufficient short term working capital commitments to meet obligations as they fall due
- d) enable further investment in the development of the organisation
- e) to provide capacity to manage unexpected losses of income or increase in costs to ensure that services can be maintained

AMBA resolves therefore to maintain a level of reserves equal to four months fixed overhead expenditure. Fixed overhead expenditure is defined as all overhead and staff costs not specifically covered by restricted funds and costs not affected by revenue levels.

Reserves are defined as unrestricted funds which are freely available for our general purposes and do not include the Development Fund, or Property Fund, and also excludes funds tied up in fixed assets

Pay policy for key management personnel

The pay of key management personnel is reviewed periodically by the HRNC Committee. The Committee will look at benchmarked salary information and set pay levels based on a mix of market rate and affordability.

Key risks and uncertainties

The Finance and Risk Committee of the Board ('the FRC') review and maintain the risk register in conjunction with AMBA's operational team. This process ensures that the Trustees have assessed the risks to which AMBA is exposed and put mitigation plans into place in order to minimize potential risk. The FRC meets on a quarterly basis to analyse serious business risks that could impact on the charity, to set out the measures that staff must take to manage those risks, and to assess progress in implementing the risk management measures.

The FRC considers the likelihood and impact of each potential risk. This allows Trustees and the Executive to identify levels of risk within the organisation and assists in the prioritisation, management, and mitigation of all know risk.

The risk review covers three key areas:

- External environmental factors – such as MBA market demand, potential consolidation of Accreditation Organisations, and Government policy changes.
- Internal factors- such as, going concern, revenue mix, and balancing future growth with cash and resource limitations.
- Management and reporting infrastructures- covers disaster recovery plans, key staff retention and management succession, and governance.

Trustees are aware of their responsibility to ensure that the major risks to which the charity is exposed are identified and to

establish systems to manage those risks. In order to fulfil these duties effectively, the Trustees have divided the risk review into the three key areas, as noted.

The Trustees review the Risk Management Policy bi annually and at interim intervals if there is a perception that a major risk is identified that requires management attention.

AMBA is currently reviewing the key performance indicators to ensure that the operational team has more strategic focus. In addition, the process will assist the Trustees in the management of identified risk.

Investments

AMBA seeks to maximise the return on assets while not making investments that could put AMBA at significant risk. AMBA's Investment Policy is to hold cash on deposit and on readily realisable investments, due to the organisations requirement to release cash from the Designated Funds to meet forthcoming expenditure. Investment Fund advisors report on a quarterly basis regarding the makeup and suitability of the investment portfolio. The cumulative total unrealised loss on the investment portfolio during the year was (£7,221).

Realised gains of £30,655 were made during the year. The market value of the investment portfolio at 30 September 2018 was £623,233 (2017- £603,082).

Key achievements

- Number of accredited business schools increased to 264 schools globally, marking AMBA's first accredited schools in Ecuador, increasing our market share in South America and underlining our continued quest to raise educational standards in that market.
- Membership grew by 7,016 in the year, reaching 37,500, increasing our global reach and offering student and graduate members an increasing range of membership benefits such as a Career development platform, thought leadership articles, an array of affinity partnership benefits and networking opportunities. All benefits are offered free of charge and help the member in their studies and chosen careers.
- The annual Deans and Trustees Conference in Stockholm attracted a record number of delegates and sponsors, where key market trends are discussed and the latest innovations for business schools are rolled out

Financial outlook

AMBA will continue to develop ways of promoting the benefits of postgraduate business education, increasing quality accreditation internationally and providing a range of relevant services to its members. The current financial plan is considered realistic and prudent by the Trustees, in view of the continuing challenging economic environment. The budget for the coming year shows a breakeven position.

Going concern

The Board confirms that, after making appropriate enquiries, it has a reasonable expectation that AMBA has adequate resources to continue in operational existence for the foreseeable future and has assets to fulfil all obligations. For this reason, it continues to adopt the going concern basis in preparing these financial statements.

Statement of Trustees' responsibilities for the financial statements

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the group and AMBA, and of the surplus or deficit of the group for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that AMBA will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of AMBA and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of AMBA and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that the report of the Board of Trustees and other information included in the Annual Report is prepared in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. The Trustees are responsible for the maintenance and integrity of the corporate and financial information on AMBA's website.

Disclosure of information to auditors

At the date of making this report, each of AMBA's Trustees, as set out on page 3, confirm the following:

- so far as each Trustee is aware, there is no relevant information needed by AMBA's auditors in connection with preparing their report of which AMBA's auditors are unaware
- each of the Trustees has taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant information needed by AMBA's auditors in connection with preparing their report and to establish that AMBA's auditors are aware of that information.

Auditors

Kingston Smith LLP, were appointed as auditors during the year.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

By order of the Board of Trustees.



Louise Park – Company Secretary

01 February 2019

Independent auditor's report to the members and Trustees of The Association of Masters in Business Administration

Opinion

We have audited the financial statements of The Association of Masters in Business Administration ('the company') for the year ended 30 September 2018 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and the parent charitable company's affairs as at 30 September 2018 and of the group's incoming resources and application of resources, including 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 Companies Act 2006 and 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not required to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees report and from preparing a strategic report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 33, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with these Acts. 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates

and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.



Sandra De Lord – Senior Statutory Auditor

for and on behalf of Kingston Smith LLP, Statutory Auditor
Devonshire House
60 Goswell Road
London
EC1M 7AD

21 February 2019

Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Consolidated statement of financial activities

For the year ended 30 September 2018

	Note	General Fund 2018 £	Designated Fund 2018 £	Year ended 30 September 2018 £	Year ended 30 September 2017 £
INCOME FROM:					
Charitable activities					
Membership activities and services	3(a)	998,131	-	998,131	964,684
MBA accreditation	3(b)	1,314,014	-	1,314,014	1,170,639
			-		
Other trading activities					
Conferences and forums		837,134	-	837,134	880,621
Investment income		10,498	-	10,498	15,219
Total Income		3,159,777		3,159,777	3,031,163
EXPENDITURE ON:					
Raising funds					
Conferences and forums		294,132	-	294,132	364,077
Charitable Activities					
Membership activities and services	3(a)	1,399,553	-	1,399,553	1,278,112
MBA accreditation	3(b)	840,939	-	840,939	754,254
Other - MBA awareness	3(c)	616,720	22,550	639,270	660,576
Total Charitable Activities	4	2,857,212	22,550	2,879,762	2,692,942
Total Expenditure		3,151,344	22,550	3,173,894	3,057,019
Net gains on investments	5	23,434	-	23,434	47,309
Net Income/(Expenditure)		31,867	(22,550)	9,317	21,453
Total Funds B/Fwd at 1 October 2017		1,333,276	251,318	1,584,594	1,563,141
Total Funds C/Fwd at 30 September 2018		1,365,143	228,768	1,593,911	1,584,594

All operations detailed above are continuing and there have been no recognised gains or losses other than those included above.

The notes on pages 39 to 51 form part of these Financial Statements.

Balance sheets

As at 30 September 2018

	Note	Consolidated		Charity	
		30 September 2018 £	30 September 2017 £	30 September 2018 £	30 September 2017 £
Intangible Assets	8	33,664	58,619	33,664	58,619
Tangible Fixed Assets	2(e) & 8	18,767	22,030	18,767	22,030
		-	-	-	-
Investments	5	623,233	603,082	623,298	603,147
Total Fixed Assets		675,664	683,731	675,729	683,796
Current Assets					
Debtors	9	960,221	1,189,484	936,840	1,101,284
Cash at bank and in hand		1,266,168	848,195	1,263,732	845,551
Total Current Assets		2,226,389	2,037,679	2,200,572	1,946,835
Creditors and Deferred income					
Amounts falling due within one year	10	(1,308,142)	(1,136,816)	(1,496,058)	(1,236,425)
Net Current Assets		918,247	900,863	704,514	710,410
Total Net Assets		1,593,911	1,584,594	1,380,243	1,394,206
Reserves	12				
General Fund		1,365,143	1,333,276	1,151,475	1,142,888
Designated Funds		228,768	251,318	228,768	251,318
Total Reserves		1,593,911	1,584,594	1,380,243	1,394,206

The financial statements are prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. Approved by the Board of Trustees and signed on its behalf by



Bodo Schlegelmilch – Chair

01 February 2019

Company number: 921702

Consolidated statement of cashflows

As at 30 September 2018

	Note	2018 £	2018 £	2017 £	2017 £
Cash flows from operating activities:					
Net income			9,317		21,453
Adjustments for:					
Depreciation		33,611		24,521	
Gains on Investments		(23,434)		(47,309)	
Disposal of laptop		428		-	
Interest and dividends receivable		(10,498)		(15,219)	
Decrease/(Increase) in debtors		189,937		(499,279)	
Increase/(Decrease) in creditors		210,652		(75,101)	
Net cash used in operating activities			410,013		(590,934)
Cash flows from investing activities					
Purchase of investments		(65,059)		(118,096)	
Proceeds from sale of investments		95,714		90,030	
Dividends and interest received		10,498		15,219	
Purchase of property, plant, equipment & software		(5,821)		(78,526)	
Net cash used in investing activities			35,332		(91,373)
Change in cash and cash equivalents in the reporting period			445,345		(682,307)
Cash and cash equivalents at the beginning of the reporting period	13		857,908		1,540,215
Cash and cash equivalents at the end of the reporting period	13		1,303,253		857,908

Notes to the financial statements

1. Organisation

The Association of Masters in Business Administration ('AMBA') is incorporated under the Companies Act 2006 as a company limited by guarantee and not having a share capital. Under the terms of the guarantee AMBA's members may be liable to pay a sum not exceeding £1 each in the event of a winding up. There were 37,500 individual members at 30 September 2018 and 264 accredited business schools.

2. Accounting Policies

a) Convention

The financial statements of the charity are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. They are drawn up on the historical accounting basis except that investments held as fixed assets are carried at market value as at the balance sheet date. The charity meets the definition of a public benefit entity under FRS 102. The financial statements are prepared in sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

b) Basis of consolidation

The group financial statements consolidate the financial statements of AMBA Commercial Ltd. No Statement of Financial Activities is provided for AMBA as permitted by s.408 of the Companies Act 2006. During the year there were transactions of £84,631 (2017: £36,123) between the charity and its trading subsidiary, with £232,508 owing to AMBA Commercial Ltd at year end (2017: £147,876).

c) Membership subscriptions

Business School and Corporate Membership subscriptions are dealt with on a receivable basis the unexpired portion remaining at the period-end, in both cases, is carried forward to the next accounting period.

d) Expenditure

Expenditure headings include an allocation of staff salaries and associated costs based upon an assessment of time spent. Similarly, a proportion of establishment and facilities costs is also allocated based upon a formula that reflects the usage of such resources by the various sectors of the organisation. Governance costs represent the allocation of staff time and associated costs spent in managing and administering AMBA.

e) Intangible fixed assets and amortisation

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably. Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives. Website costs are amortised over 3 years.

f) Tangible fixed assets and depreciation

Each class of tangible fixed asset is included at cost. There is no minimum value below which fixed assets are not capitalised. Fixed assets are depreciated over their estimated useful life on a straight-line basis. Computer equipment and Website Development are depreciated over 3 years (33 1/3% p.a.) and fixtures and fittings over 10 years (10% p.a.). When the annual impairment review is undertaken and there is evidence of impairment, fixed assets are then written down to their recoverable amounts. Any such write-downs are charged to operating surplus.

g) Pension costs

The charity has a policy of making contributions to a Group Personal Pension Plan for eligible employees, which are recognised in the Statement of Financial Activities as incurred.

h) Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Notes to the financial statements (cont)

i) Key estimates and judgements

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the opinion of the Trustees, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 8 for the carrying amount of the property, plant and equipment and note 2.f for the useful economic lives for each class of asset.

Recoverable value of fee debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 9 for the net carrying amount of the debtors and associated impairment provision.

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements

j) Foreign currency

Assets and liabilities denominated in foreign currency are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. All exchange gains and losses on settled transactions are reported as part of the surplus or deficit for the year.

k) Investments

Investments are stated at market value, at the balance sheet date. The Statement of Financial Activities include the net gains and losses arising on revaluation and disposal throughout the accounting period.

l) Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the terms of the leases.

m) Funds

General funds are incoming resources received or generated for expenditure on the general objectives of the Charity. Designated funds are those which the Trustees have set aside for particular future purposes. These funds form part of the unrestricted funds and can be used at the discretion of the trustees.

The property fund is intended to be used on the anticipated extensive office refurbishment programme.

n) Financial instruments

The company holds only basic financial instruments as defined by FRS 102 and these are recognised when the company becomes party to the contractual provisions of the instrument.

Debtors and creditors received or payable within one year of the reporting date are recognised initially at their transaction price and subsequently at settlement value.

Cash and cash equivalents include cash at bank and in hand and short-term deposits with a maturity date of three months or less.

3. Activity

Of the total income 81% relates to overseas income and the total is analysed as follows

	%	£
UK	19%	£600,358
Rest of Europe	38%	£1,200,715
North & South America	13%	£410,771
Rest of the World	30%	£947,933

a) Membership activities and services

This income and expenditure relates to the membership activities, events and services designed to assist members in the management of their careers, keep up to date with professional developments and current management thinking and to benefit from being a part of a large membership organisation. This includes the cost of activities and events that support membership including the publication, mailing and/or digital delivery of *Ambition*, AMBA Connect networking events, Careers Workshops and Research.

b) MBA accreditation

This is the income and expenditure appertaining to the provision of AMBA's quality accreditation service. Registration and pre-assessment income is recognised when the business school has agreed to undertake the service provided with the remainder of the income recognised on the completion of the assessment.

c) Other MBA awareness

This income and expenditure relates to the activities that raise awareness of the MBA and of AMBA's work in its mission to advance postgraduate business education. It includes the organisation of business school fairs for prospective MBA students and the promotion of the value of management education in general. This is achieved through research, lobbying government bodies, engaging with the public and employers, plus the business and educational press. It also includes AMBA's annual MBA Awards.

4. Expenditure analysis

	Staff costs	Direct Costs	Support Costs	Year ended 30 September 2018 Total
	£	£	£	£
Raising funds				
Conferences and forums	-	294,132		294,132
Charitable activities				
Membership activities & services	931,445	358,322	109,786	1,399,553
MBA accreditation	341,568	380,798	118,573	840,939
Other – MBA awareness	301,103	257,875	80,292	639,270
Total	1,574,116	1,291,127	308,651	3,173,894

	Staff costs	Direct Costs	Support Costs	Year ended 30 September 2017 Total
	£	£	£	£
Raising funds				
Conferences and forums	-	364,077		364,077
Charitable activities				
Membership activities & services	816,967	313,327	147,818	1,278,112
MBA accreditation	390,092	247,505	116,657	754,254
Other – MBA awareness	309,929	238,323	112,324	660,576
Total	1,516,988	1,566,595	376,799	3,057,019

All direct costs are attributed to the relevant cost centres on a percentage basis, apportioned based on revenue levels. Staff costs are apportioned on the basis of time spent by staff directly engaged in the relevant activities of a particular cost centre.

A misallocation error in the prior year has resulted in a restating of the Other – MBA awareness staff costs, with £76,627 being recognised as MBA accreditation staff costs.

The breakdown of support costs is as follows:

	Year ended 30 September 2018 Total £	Year ended 30 September 2017 Total £
Fees paid to AMBA's auditor for the audit of the financial statements and other related services	13,716	10,666
Depreciation	33,611	24,521
Operating leases:		
Equipment	13,782	13,921
Property	117,585	114,112
Irrecoverable VAT	71,402	100,175
Governance costs	35,373	76,188
Legal & Professional costs	22,754	37,216
Loss on disposal of laptop	428	-
Total	308,651	376,799

5. Fixed asset investments

	Consolidated		Charity	
	30 September 2018 £	30 September 2017 £	30 September 2018 £	30 September 2017 £
Investment funds	623,233	603,082	623,233	603,082
Investments in subsidiary	-	-	65	65
	623,233	603,082	623,298	603,147

Investment funds

The group has invested funds in a portfolio of listed securities, which are being managed by a third party fund manager.

	£
Carrying value at 1 October 2017	593,369
Additions	65,059
Disposals	(95,714)
Realised and unrealised gains in the year	23,434
Carrying value at 30 September 2018	586,148
Cash held in investments	37,085
Total	623,233

The historic cost of the investment is £450,000 and the value as at 30 September 2017 was £603,082. The following investments represent more than 5% of the investment portfolio by market value.

	%	£
Vanguard Investments – US Equity Index	8.3	48,811
FIL Investment Services – UK Fixed Interest	6.0	35,182
Fundsmith LLP – International & Thematic	5.9	34,971
Royal London Sterling Credit – UK Fixed Interest	5.1	29,631

Investments in a subsidiary

AMBA has a wholly owned subsidiary, AMBA Commercial Limited (Company number 01274955) which is incorporated in the United Kingdom, and whose registered office is 25 Hosier Lane, London, EC1A 9LQ. AMBA Commercial Limited organises fund raising activities on its behalf. The subsidiary covenants its taxable profits to AMBA. A summary of its trading results is shown below. Audited accounts will be filed with the Registrar of Companies. The investment in this subsidiary is included in the company balance sheet at a value of £65, this being the equity shareholders' funds. The historical cost was £100.

Statement of Comprehensive Income for the year ended 30 September 2018

	Year ended 30 September 2018	Year ended 30 September 2017
	£	£
Turnover	837,134	880,621
Cost of sales	(294,132)	(364,077)
Gross profit	543,002	516,544
Administration expenses	(329,334)	(326,156)
Operating profit	213,668	190,388
Tax on profit	-	-
Profit for the year	213,668	190,388

The net assets at the balance sheet date were £23,280 (2017: £23,078).

6. Employees and trustees

The average number of staff employed during the year was 29 (2017 - 30).

	Year ended 30 September 2018 £	Year ended 30 September 2017 £
	£	£
Wages and salaries	1,326,822	1,305,323
Social Security costs	161,221	139,356
Pension costs	69,779	47,934
Medical scheme	16,294	24,375
Total staff emoluments	1,574,116	1,516,988

The number of employees paid over £60,000 during the year was:

	2018	2017
£60,000 - £70,000	4	4
£70,000 - £80,000	-	-
£190,000 - £200,000	1	1

Of the total pension costs above, £27,252 relates to contributions for higher paid staff. (2017 - £24,828). No trustees received remuneration during the year (2017: Nil). Two trustees received £6,500 in fees for school accreditation visits, from the charity during the year (2017: £4,000). During the year, the total expenses reimbursed to 10 Trustees amounted to £27,063 (2017: 10 Trustees £28,769). This primarily represents reimbursed travelling expenses incurred in attending Trustees' meetings and the cost of meetings, training and induction expenses. In addition, AMBA has a professional indemnity insurance policy, which includes cover for the Trustees. The annual premium payable is £2,355 (2017 - £2,355).

The key management personnel of AMBA comprises the Chief Executive Officer, the Finance and Commercial Director, the Membership & Operations Director and the Accreditation Directors. The total employee benefits of the key management staff of AMBA were £583,720 (2017: £586,094).

7. Taxation

AMBA has charitable status and is exempt from Corporation Tax. No Corporation Tax charge arises for the year from the results of AMBA Commercial Limited.

8. Intangible Assets & Tangible Fixed Assets (consolidated and company)

	Intangible Assets	Computer Equipment	Fixtures & Fittings	Total
Cost as at 01 October 2017	74,865	73,819	58,894	207,578
Additions	-	4,386	1,435	5,821
Disposals	-	(1,400)	-	(1,400)
As at 30 September 2018	74,865	76,805	60,329	211,999
Depreciation as at 01 October 2017	16,246	62,545	48,138	126,929
Charge for the year to date	24,955	6,632	2,024	33,611
Disposals	-	(972)	-	(972)
As at 30 September 2018	41,201	68,205	50,162	159,568
Net Book Value at 30 September 2018	33,664	8,600	10,167	52,431
Net Book Value at 30 September 2017	58,619	11,274	10,756	80,649

9. Debtors

	Consolidated		Charity	
	30 September 2018 £	30 September 2017 £	30 September 2018 £	30 September 2017 £
Trade debtors	604,640	831,227	541,933	743,027
Sundry debtors	168,887	171,067	208,213	171,067
Prepayments	186,694	187,190	186,694	187,190
Total	960,221	1,189,484	936,840	1,101,284

Included in the above are financial instruments of £773,526 (2017: £991,280)

10. Creditors and deferred income

	Consolidated		Charity	
	30 September 2018 £	30 September 2017 £	30 September 2018 £	30 September 2017 £
Subscriptions in advance	492,875	479,915	492,875	479,915
Creditors	194,456	164,842	194,456	164,842
Amounts owed to subsidiary undertaking	-	-	232,508	147,877
Accruals and deferred income	504,853	381,942	460,261	333,674
Tax and Social Security	35,958	40,117	35,958	40,117
Provisions	80,000	70,000	80,000	70,000
Total	1,308,142	1,136,816	1,496,058	1,236,425

Included in the above are financial instruments of £488,055 (2017: £378,959)

Deferred income

	£
Deferred income brought forward	218,725
Movement in year	66,439
Deferred income carried forward	285,164

Included in deferred income are the reaccreditation and new school visits scheduled for Q1 of the new financial year, but invoiced at the year end. Also included is the prepaid delegate fees for the Charity's APAC Conference which took place in November 2018 and, lastly, that portion of the annual Commercial Partnerships revenue which relates to the next financial year.

11. Operating lease commitments

At the period end, the company was committed to make the following payments in respect of operating leases.

	Year ended 30 September 2018	Year ended 30 September 2017	Year ended 30 September 2018	Year ended 30 September 2017
	Land and buildings		Office equipment	
	£	£	£	£
Amounts payable:				
Within one year	130,800	130,800	5,792	5,792
Between 2 and 5 years	392,400	523,200	4,316	10,108
Total	523,200	654,000	10,108	15,900

Rental costs in respect of operating leases are charged to the statement of financial activities on a straight-line basis over the term of the leases.

12. Reserves

	General Fund	Business Development Fund	Property Fund	Total
	£	£	£	£
Balance at 1 October 2017	1,333,276	184,255	67,063	1,584,594
Income	3,159,777	-	-	3,159,777
Expenditure	(3,151,344)	(22,550)	-	(3,173,894)
Gains on investments	23,434	-	-	23,434
Balance at 30 September 2018	1,365,143	161,705	67,063	1,593,911

The General fund represents the free funds of the charity & those tied up in fixed assets, which are not designated for specific purposes.

	General Fund	Business Development Fund	Property Fund	Total
	£	£	£	£
Balance at 1 October 2016	1,290,143	205,935	67,063	1,563,141
Income	3,031,163	-	-	3,031,163
Expenditure	(3,035,339)	(21,680)	-	(3,057,019)
Gains on investments	47,309	-	-	47,309
Balance at 30 September 2017	1,333,276	184,255	67,063	1,584,594

Designated funds

The Business development fund is intended to provide for the global expansion of educational activities in new regions and to cultivate and grow expanded relations with employers, and increase services to members. The Property fund is intended to be used on the anticipated extensive office refurbishment programme. The Net assets of the charity are all attributable to the General Fund.

13. Analysis of net cash

	As at 1 October 2017	Cashflows	As at 30 September 2018
	£	£	£
Cash at bank and in hand	848,195	417,973	1,266,168
Cash held within investments	9,713	27,372	37,085
Total cash	857,908	445,345	1,303,253

