

CREATING

through



MISSION AND GOAL

Helping people and businesses in the private and public sectors to succeed by being the most relevant organisation in the management accounting space.

MARKETS

The rapid pace of globalisation and technological progress is making change harder to predict and organisations more vulnerable.

Large and small, private and public, businesses must compete in an increasingly interconnected and international market.

The aftermath of the global economic crisis and a lack of public trust in business also create more hurdles.

Organisations must do more to respond appropriately to risks and protect the value they create.

See page 6

GOVERNANCE

At CIMA our governance policies and processes determine the agility of decision making and our ability as an organisation to effect change and deliver our strategy.

See page 4

BUSINESS MODEL



Our business model describes how we will deliver our strategy. It identifies the resources and relationships that are the basis of our organisation, how we create value from these, where our opportunities and risks lie, and the key initiatives that we will undertake to exploit these opportunities and mitigate the risks.

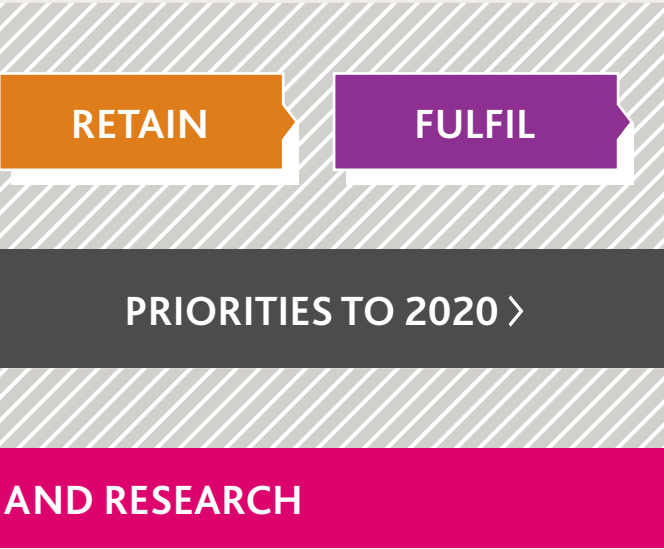
Our value chain is the part of the business model that describes what we do, but you will see on pages 8 to 17 that we consider all aspects of the business model in the context of the value chain. This ensures that our organisation, from top to bottom, is aligned in delivering our mission, and creating value for all our stakeholders.

VALUE

our business model



STRATEGIC OBJECTIVES



VALUE CREATION



- To ensure management accounting is seen as a critical driver of sustainable success.
- For the CGMA Global Management Accounting Principles© (the Principles) to be prevalent in successful private and public sector organisations.
- To foster a growing professional CGMA community committed to lifelong learning, underpinned by market-based research.
- To develop a best in class research-based business model, infrastructure, people and resources for CIMA and our joint venture with the American Institute of Certified Public Accountants (AICPA).

VALUE CREATION

The value our business model creates for all our stakeholders is defined by our strategic objectives. We measure progress towards these objectives using our strategic Key Performance Indicators (KPIs). These are the **employability** of our members and students, growing **income** to enable ongoing reinvestment in our operations, and the size and influence of our global **community** of CGMAs. For more information on the value we create see pages 23 to 25.

ACQUIRE

RELEVANCE

the rule of attraction



HIGHLIGHTS

- Revised professional syllabus launched with innovative assessment methods to replicate the world of work.
- Introduced the Certificate in Shared Services.
- Introduced examinations in Chinese.
- Recruited over 35,500 new students.

2015 INITIATIVES

- Increase sales of the Certificate in Shared Services to 1,500 units.
- Launch a revised Certificate in Business Accounting syllabus in 2015 for first exam sittings in mid-2016.

RISKS

- Failure to maximise advantage through core partnerships.
- Strong pound erodes competitiveness outside the UK.

PRIORITIES TO 2020

- Aim to attract new students to CIMA by developing and launching our updated syllabus and new assessment process.
- Plan to address and develop new markets, based on an in-depth understanding of global urbanisation trends.
- Develop strategic partnerships with education providers, universities and governments to provide gateways into CIMA.
- Provide a full range of certifications and study routes that cater for students wanting the professional qualification and those seeking modular certification.

Attracting students to study for the CIMA qualification and achieve the CGMA designation enables us to fulfil our most important performance indicator – that of growing membership numbers.

To attract students, our marketing activities and member advocacy need to show them how their learning will be fully relevant to the current and future business needs they will address during their careers.

The refreshed syllabus, launched in 2014 for examination in 2015, is firmly based on what organisations in both the public and private sectors say is important to them today. It fully takes into account vital trends like big data, analytics and integrated reporting and thinking, which in turn assist in best practice decision making. And it has been designed to easily evolve and adapt to new and emerging future needs.

THREE LEVELS OF LEARNING

The revised syllabus is designed to promote employability by closing the widely recognised gap between the academic and working worlds. It addresses the challenges businesses face, the performance needed to overcome them, the competencies required and the learning systems involved. And it sets three levels of learning around the key operational, management and strategic stages of a successful management accounting career.

While the syllabus has the clear medium and long-term potential to drive increased student recruitment through enhanced employability, we also appreciate that there is a short-term risk of students not wishing to be among the first intake studying under a refreshed syllabus.

Marketing support for the syllabus launch was therefore designed to ensure that a student's decision on whether or not to study for CIMA is based on a full understanding of the qualification's relevance to business and its consequent appeal to employers.

CAREER-LONG SKILLSETS

Developing and launching the syllabus, however, was far from the only major achievement relating to the Acquire part of the CIMA value chain. In February, we also launched the CGMA Competency Framework to show aspiring, studying and practising management accountants the skills that they will need at every stage of their careers.

Another vital development was the introduction of examinations in the Chinese language, which is already attracting new students and experienced

financial practitioners alike to the CIMA qualification in the world's largest economy.

In a departure from our core business, we also launched the Certificate in Shared Services as a career development tool for employees working anywhere in the world in shared service centres and business process outsourcing. Covering areas such as finance, HR, IT and procurement, this extends CIMA's range of non-management accounting qualifications to develop broader commercial opportunities. These will help us deepen relationships with existing corporate clients and facilitate the building of new relationships.

RECRUITMENT RATES

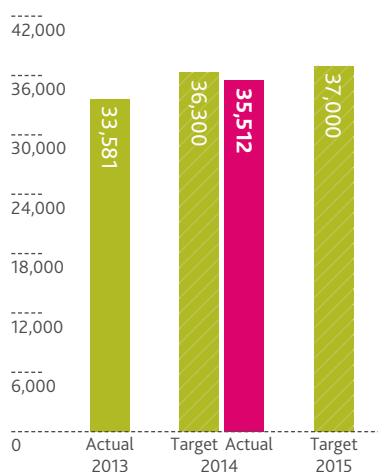
We recruited 35,512 students against an ambitious target of 36,300 in 2014. We believe this reflects challenges we encountered throughout the year in attracting new students from several countries, particularly those African nations where exchange-rate fluctuations have significantly increased the real cost of registration. While competing bodies also ran aggressive acquisition pricing campaigns, our approach is to protect the quality

of our brand with pricing that reflects the long-term value and career prospects of our students.

In light of this, growth across Africa was satisfactory in 2014. The highlight of the year was in South Africa, where an agreement with the Institute for Independent Education led to the registration of nearly 1,100 new students.

CIMA's strongest growth during 2014 was in South East Asia, where our student recruitment efforts via partnerships with universities and other organisations paid off strongly in Indonesia, Malaysia, Singapore and Vietnam.

KPI NUMBER OF NEW STUDENTS



DEEPEN

UNDERSTAND

to build stronger relationships



HIGHLIGHTS

- New assessment platform ready for the first exams in January 2015.
- CIMAconnect launched as our student support and community area.
- New practical experience requirements aligned with revised syllabus.
- New membership application tool in development for launch in 2015.

2015 INITIATIVES

- Deepening student relationships with our updated syllabus and new assessment platform.
- Driving exam participation via the new assessment platform.
- Improved study support to decrease the time taken to progress through the qualification.
- Achieving 30% of the student population using CIMAconnect to support progression through their exams.

RISKS

- Failure to leverage full advantage from our partnerships.
- Evolution of the traditional educational and institute business models.
- Failure to deliver the MA Framework benefits.
- Reducing student retention and falling exam progression rates.
- Competitors leapfrog our assessment technology.
- Failure to maintain student relationships.

PRIORITIES TO 2020

- Expand the range of examination languages, such as Russian and Arabic.
- Own the online delivery channel for student tuition through CIMAstudy.com.
- Ensure the updated syllabus retains value by creating confident and competent finance professionals who can guide their organisations to sustainable success.

The Deepen element of our value chain is all about strengthening our relationship with students, maximising the proportion of those who successfully become CGMAs once they have completed the CIMA qualification.

During the year the global population of CGMAs rose by 7,001. To continue this success, we must offer the most relevant assessment regime for students' needs. Future career success is fundamental to relationship building. During 2014, we developed CIMA's new computer-based examinations to ensure relevance for today's and future generations of students.

The new assessment achieves this in a number of ways. Firstly, replacing pen and paper with computers ensures it is relevant to how students work today. Next, our partnership with Pearson VUE provides access to 5,000 test centres. This means that, no matter where in the world they are based, students are likely to have one within a convenient distance.

Thirdly, and most importantly, the exams have been designed alongside our refreshed syllabus to be directly relevant to the world of work. They therefore test four key areas of competence – technical, business, people and leadership – which are all underpinned by ethics, integrity and professionalism.

ADDRESSING THE NEEDS OF BUSINESS

Each level of the exams comprises three objective tests that students can sit and, if necessary, resit whenever suits them. In addition, they now include a fourth test at each level, based around a practical case-study exercise that examines the candidate's ability to integrate and apply their learning to a range of stakeholder audiences and business needs. By doing so, this test also illustrates their communications skills, ability to think in an integrated way across the whole business, and their understanding of what good business and decision making consists of. The case study test is computer-based and can be taken four times a year.

During the year, we also developed new practical experience requirements, aligned with the revised syllabus, which were launched in early 2015.

RAPID EVOLUTION

We are very proud of the assessment procedure we have developed, which tests a candidate's skills without a prohibitively time-consuming process. It uses learning and assessment technology in a way that is currently unique, and we anticipate a rapid and significant evolution of our approach over the near and medium-term future.

COMMUNITIES AROUND THE WORLD

Technology is also at the core of our other key Deepen initiative of 2014 – our new online student community, CIMAconnect, which launched in November.

This was a massive internal development task for CIMA. Teams from our marketing, learning and operations functions worked together closely, and with a third-party specialist, to scope, conceive and build a key resource that will be at the heart of our students' lives for years to come.

Created as an interactive community site for CIMA students, it is a one-stop resource providing access to a raft of study materials, examination tips and more. It is also designed to host peer-to-peer discussion as students build up communities that cover the world.

In essence, the site helps students around the world build relationships and interact with stakeholders and content that can help them progress through the CIMA qualification.

The reach of smartphones and other mobile devices among the pre-millennial generations make this initiative highly relevant to the lifestyle and expectations of existing and aspiring CIMA students. Our goal is to have 30% of the student population using it by the end of 2015.

UPDATING OUR TUITION PARTNERS

The past year has also seen much engagement with our global network of tuition providers and tutors. Prominent activities included a series of syllabus launch conferences held in London, Kuala Lumpur and Colombo to ensure our tuition partners were kept updated. Follow-up events were held later in the year to maintain engagement. We held events in 16 countries which were attended by over 300 CIMA tutors. Face-to-face events in the same countries were attended by over 6,000 students.

We also strengthened the global progression of students to membership by introducing Learning Business Partners in each region, who offer support to the growing number of local colleges looking to partner with CIMA on exam training.

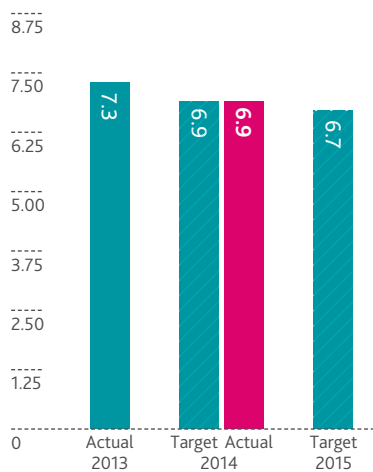
We further worked to produce comprehensive tutor support materials, which will help all CIMA tutors deliver effective training towards the 2015 professional qualification.

In addition, the publication of free-to-access practice exams illustrating the computer-based assessment methodology for the 2015 syllabus has aided students to prepare for the new assessment process.

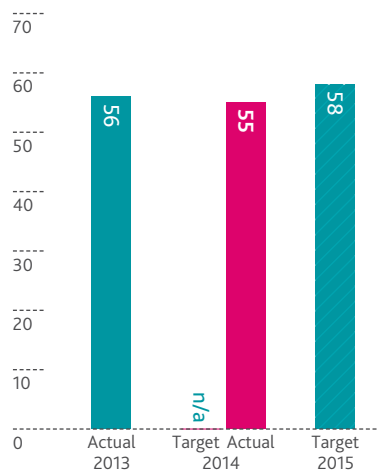
KPI NUMBER OF NEW MEMBERS



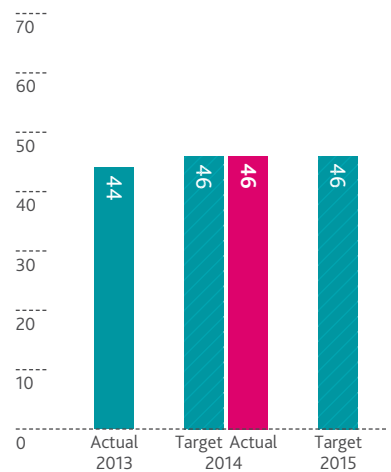
KPI AVERAGE TIME TAKEN TO MEMBERSHIP (YEARS)



KPI PROPORTION OF POPULATION TAKING EXAMS (%)



KPI EXAM PASS RATE (%)



RETAIN

ENGAGE

for long-term success



HIGHLIGHTS

- CIMA member population grown to 99,943, ahead of the target of 98,144, with new member target achieved in November.
- AICPA CGMA population grown to 43,494, ahead of target of 41,880.
- AICPA | CIMA Competency and Learning website developed for launch in early 2015.

2015 INITIATIVES

- Launch of the AICPA | CIMA Competency and Learning website.
- Deliver enhancements to the AICPA | CIMA Competency and Learning website that supports CGMA designation holders' career progression by helping them track and evaluate their professional development, as well as launch a more robust assessment tool.
- Hit the 100,000 member target.

RISKS

- Failure to maximise the benefits of our strategic partnerships.
- Failure to deliver the MA Framework benefits.
- Increase in the number of disciplinary cases.

PRIORITIES TO 2020

- Ensure that the joint venture is the most relevant and influential body of professional accountants by advocating on behalf of the profession, promoting public interest and driving the success of business and people worldwide.
- Assure a common approach to ethical matters as well as CPD and education by developing common CGMA standards.
- Continued enhancements to, and versions of, the AICPA | CIMA Competency and Learning website for different membership types.
- Develop our CIMA and CGMA communities.

This is the point in the CIMA value chain where our main attention is on engaging members and CGMA designation-holders so that they stay with us for the long term.

One of the most important factors in Retain is the CPD support we provide. Through this, members can keep their skills up to date, enabling them to fulfil the promise of continual relevance that holding the CIMA qualification and CGMA designation should always mean to employers.

In 2014, our member retention rate was 98.5%, and we ended the year with a CIMA CGMA population of 99,943. In order to support and retain CGMAs in years to come, we enabled members to align their CPD activities better than ever before with their chosen careers. Working closely with the AICPA, we created the AICPA | CIMA Competency and Learning website during the year, which is being rolled out in 2015.

MEETING PERSONAL AMBITIONS

The AICPA | CIMA Competency and Learning website will work in parallel with the CGMA Competency Framework we launched early in 2014, and will be the new CPD destination for CGMAs. The website brings together a variety of learning resources and self-assessment tools, enabling CGMAs to track and

report progress towards their learning goals. It empowers them to make important decisions around their career development and supports lifelong learning, equipping them with the skills they need throughout their careers.

For CIMA, CPD is key to ensuring CGMAs can show they are fit for purpose in a tough and competitive global marketplace. Unless members stay up to date with technical and regulatory change and with evolving work practices, they will find it increasingly difficult to fulfil the duties employers expect of them.

HIGH PROFESSIONAL STANDARDS

It is to assure both professionalism and integrity that all members must sign up to our Code of Ethics. The foundation of responsible business, this informs how management accountants should conduct themselves to uphold the good standing and reputation of the profession.

The most significant change in many years to affect this area took place in 2014, as we completed work with the

AICPA on aligning our ethical codes to ensure all CGMAs operate to the same benchmark.

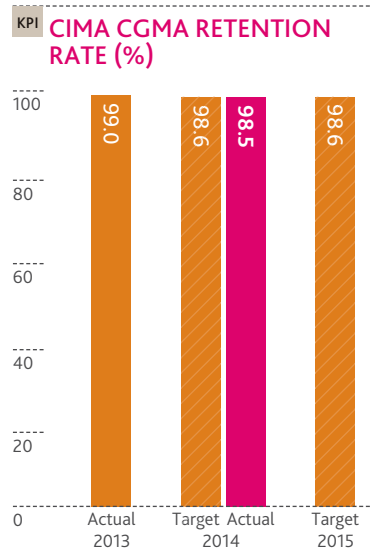
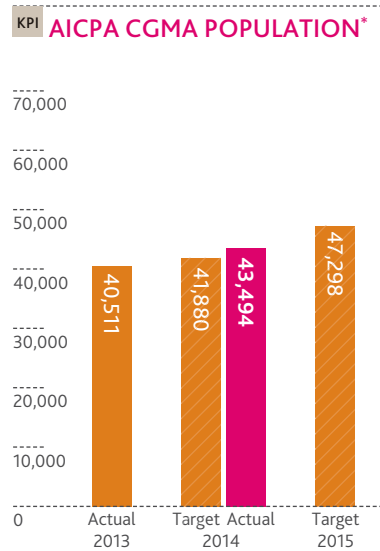
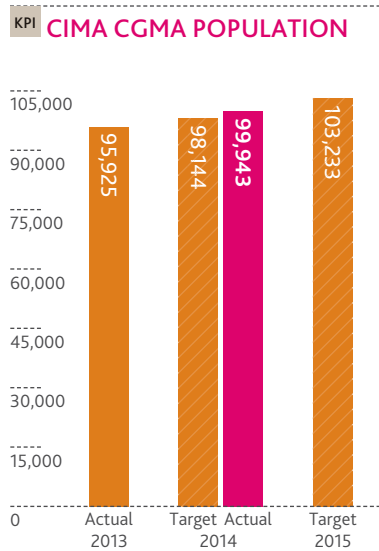
Throughout the year, we continued to communicate the need for high professional standards. We also focused on the continuous improvement of our regulatory and monitoring processes covering anti-money-laundering, quality assurance and members in practice application.

The Professional Standards Committee set up a working group which reviewed CIMA's conduct regime, both from an internal operational perspective and a customer and best-practice viewpoint. As well as Council and Committee members, the working group included senior personnel from the Royal Institution of Chartered Surveyors (RICS) and the FRC as participants or observers. Its findings confirmed that, while the existing three-tier structure of our conduct process (Investigation, Disciplinary and Appeal Committees) remains fit for purpose, certain protocols could be improved in terms of transparency of approach, communications and awareness-raising.

These enhancements are currently being rolled out.

We saw some significant growth during the year in the use of several CIMA resources that help members with ethical matters. These included the Code of Ethics, helplines and a member tool that uses real-life business scenarios to guide those facing ethical dilemmas to make the right decisions. We also continued a feature in our flagship magazine, *Financial Management*, that outlines ethical dilemmas and the correct procedures to resolve them.

VALUE CHAIN



FOR MORE INFORMATION VISIT:

CIMA CODE OF ETHICS
www.cimaglobal.com/Professional-ethics/Ethics/CIMA-code-of-ethics-for-professional-accountants

* These numbers relate to the end of the joint venture financial year, which is 31 July. They represent the number of AICPA members who have made an annual financial commitment to the CGMA designation.

FULFIL

INSPIRE

for powerful advocates



HIGHLIGHTS

- Member satisfaction at 81% against a target of 80%, a five-year high.
- Student value for money rating at a five-year high of 74%, despite decline in student satisfaction from 76% to 71%.
- Customer focus: in-depth training programme for customer contact staff. Training programme involved 23 modules with an exam at the end of each module.
- Customer centricity: all staff participated in customer-centricity workshops during 2014.
- Staff satisfaction at 66%, up 5% from 2013, 7% above target.
- Imperial sponsorship of WCOA.

2015 INITIATIVES

- Build a modern customer service-driven organisation, upping the pace and raising performance standards to reshape CIMA for the future.

RISKS

- Insufficient resources and the loss of key employees.
- Compromised agility and decision making speed.
- Failure to maximise the benefits of the joint venture or our core strategic partnerships.
- Overload and lack of focus resulting from too many projects, planned or underway.
- The launch of a viable CGMA alternative.
- Expenditure does not deliver benefits.

PRIORITIES TO 2020

- Continue to focus on our people portfolio to provide the framework to ensure we have the talent we need to deliver our goals.
- Investigate the impact of offering payment/pricing in multicurrency. Examine wider structural pricing developments to support our strategic objectives.

Under the Fulfil section of our value chain, we aim to instil pride in CIMA, the CGMA designation, and management accounting as a whole, among all our stakeholders. This is how we aim to inspire our members, students and staff in to acting as powerful advocates of the profession across the world.

In order to provide a backdrop that encourages satisfaction and advocacy, it is vital that we further stimulate even stronger “customer” relationships – those with our colleagues, our current and future members and our partners. This is an important focus for us, which influenced a number of the year’s activities. In 2014 we therefore focused training around customer-centricity with our Be the Change and Lead the Change programmes, helping staff and managers understand what excellence means for the internal and external customer. We also developed our Customer Promise, an internal initiative that sets the ambition for our customer services operations.

The year ended with global member satisfaction reaching a five-year high of 81% against a target of 80%. However, student satisfaction was lower than desired – 71% against a target of 84% – because of a desire for greater employer recognition as well as more support and guidance to help students study and ultimately pass their exams. These are issues that we continue to address. While it is difficult for a global organisation to provide face-to-face tuition with our geographically-dispersed students, initiatives such as CIMAconnect enable students from all over the world to form study groups irrespective of their location, getting the community support they need to succeed in their exams.

Both sets of results underline the need to refocus on our members’ and students’ needs and their experience of working with us. In order to achieve this and drive stronger levels of satisfaction next year, we are planning a Culture Change programme to continue strengthening CIMA’s interactions with key stakeholders.

A TRANSFORMATIONAL PROJECT

2014 saw CIMA deliver much of the groundwork on our transformational project to move our corporate centre and European region in 2015 from our long-term home in Pimlico to The Helicon, a modern building in the City of London.

By placing us in one of the world’s core business hubs, the move will have an immense positive impact on the CIMA brand. It will inspire advocacy by creating an environment our stakeholders can be proud of.

And by housing our UK-based staff on a single floor, it will also enable far better communication and collaboration between our people, ultimately enhancing our own ability to make agile and dynamic decisions. It will provide the technologically enabled and constantly refreshed and relevant working environment we need.

IN THE SPOTLIGHT AT WCOA

Another great Fulfil project of 2014 was our shared Imperial sponsorship with the AICPA of WCOA in Rome, where we showcased the strength of the CGMA designation to over 4,000 delegates and business leaders.

With the theme of ‘learning from the past, building the future’, focus was firmly on looking to new and emerging trends that will shape the future world of business.

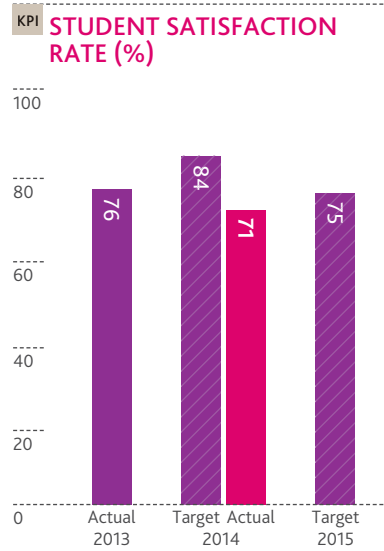
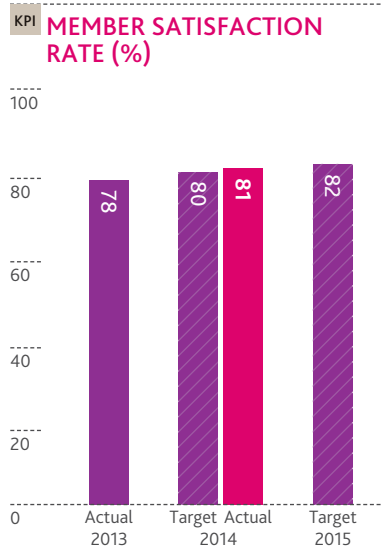
The CGMA designation dominated proceedings through a number of CGMA speaker presentations, exclusive partner events, comprehensive branding, futuristic stands, a 3-D printer and an interactive wall, marking a significant step forwards in developing the designation’s global profile.

This was the first time that management accounting and best-practice decision-making had been the focus of the world’s premier accountancy event, clearly indicating its increased prominence within the wider profession. We gave the opening address to a packed auditorium and launched a new CGMA report – **New Ways of Working – Managing the Open Workforce** – at the congress to show how organisations can make the right decisions and measure the success of changing practices.

One of the highlights of the event was our plenary session, **Businesses Thriving in Disruptive Times**. Speakers included Simon Henry FCMA, CGMA, CFO of Royal Dutch Shell and Tony Chanmugam FCMA, CGMA, CFO of British Telecom.

We sponsored the WCOA app which hosted all our launch collateral alongside details of the wider conference. The great success of WCOA content is reflected in nearly 20,000 downloads and views of our reports, articles and related materials.

We also secured global coverage of WCOA reports and material in several outlets including CNBC Africa, Reuters, Bloomberg *Businessweek* and the *London Evening Standard*.



FOR MORE INFORMATION ON WCOA VISIT: www.cgma.org/Resources/Reports/

REPUTATION AND RESEARCH

INSIGHT to understand and advance the profession



HIGHLIGHTS

- Launch of the Principles.
- Global Business Challenge (GBC) with the grand final held in Mumbai.

2015 INITIATIVES

- Endorsements of the Principles.
- New external affairs directorate, set up to enhance communications and lobby to raise profile.

RISKS

- Failure to maximise the value of our core strategic partnerships.
- Increasing competition and protectionism throughout global markets.
- Relevance and differentiation of management accounting.
- Poor-quality or irrelevant research.
- Failure to deliver MA Framework benefits.

PRIORITIES TO 2020

- Entrench the vital importance of the Principles and ensure their success in both the private and public sectors.
- Be recognised by employers, government, regulators, universities, members, students, and joint venture partners as the authoritative source that provides guidance on the role of management accounting, both in the present day and the future.
- Ensure that our commercial partnerships are mutually beneficial for both the partner and for CIMA and that we derive benefits in terms of student and member population growth.

CIMA's reputation for high-quality, global research underpins every part of our value chain. It attracts students and helps persuade members to stay and grow with us, cementing the pride in the CIMA brand that leads to advocacy. It showcases our continued relevance to organisations in both the private and public sectors and underpins our commitment to advancing the science of management accountancy.

To achieve such goals, we need a very clear understanding not only of what management accounting looks like today, but also of where it will go in future. For this reason, CIMA supports a wide range of research activities that drive better management accounting and better, more integrated reporting around the world. Ultimately, this will lead to better decision making from global businesses.

SUPPORTING CEOs AND CFOs

In October 2014, we published the first version of the Principles, which focus on the following:

- Communication provides insight that is influential
- Information is relevant
- Stewardship builds trust
- Impact on value is analysed.

In doing so, we have moved beyond our long-established role of helping to define and certify the skills that a qualified management accountant should learn through studying our syllabus. We have now entered the realm of helping boards globally – and in doing so the CEOs and CFOs – of public and private sector organisations to benchmark and improve their management accounting functions. The Principles do this by helping organisations make better decisions,

respond appropriately to the risks they face and protect the value they generate.

We believe the Principles are one of CIMA's most ambitious projects to date. They have already made a considerable impact with over 29,000 website views and nearly 4,600 document downloads. They have been endorsed by significant global organisations, including BAE Systems and Vodafone Group, and welcomed by the IIRC and the FRC. And they have garnered press attention in countries around the world leading to a global advertising value equivalent (AVE) of £2.3m.

We were delighted when multi-award-winning financial journalist Anthony Hilton of the *London Evening Standard* said the launch of Principles was more important than that of the International Financial Reporting Standards (IFRS).

2014 was also a very strong year for CIMA and CGMA research activities. We have produced a suite of reports from our cutting-edge research hub exploring the most topical issues affecting the finance function. Highlights of these include:

- two reports on employability. The first, the CGMA report **Addressing the Employability Crisis**, focused on the challenges employers face in finding people with the skills they need, despite high unemployment. The

second was **Ready for Business: Bridging the Employability Gap**, which explored the gap between educators' priorities and the skills businesses need. It explained how CIMA's updated syllabus and assessment regime aim to close that disconnect

- a guide for C-suite executives, **Tomorrow's Business Success**, was produced in partnership with the IIRC and Tomorrow's Company to help focus on better business by highlighting the importance of integrated thinking and reporting in creating value and telling the whole story of the organisation
- written in partnership with the CIPD, UKCES, IIP, CMI and RSA, the **Managing the Value of your Talent** report focused on how developing and managing people – any organisation's most important asset – must be effectively managed to release and drive value
- a suite of CGMA materials showcased at WCOA to complement the CGMA **New Ways of Working** report. These included reports on managing big data, on how integrated reporting can help gain competitive advantage, and on how to maintain a constant focus on ethical performance

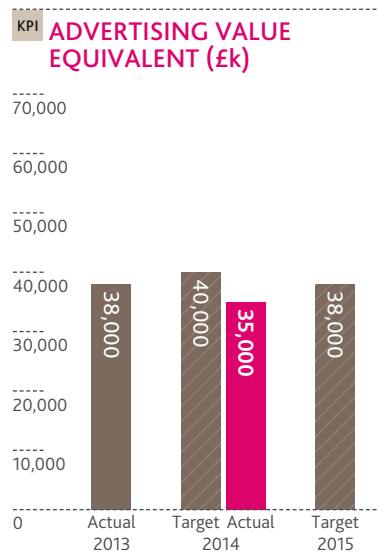
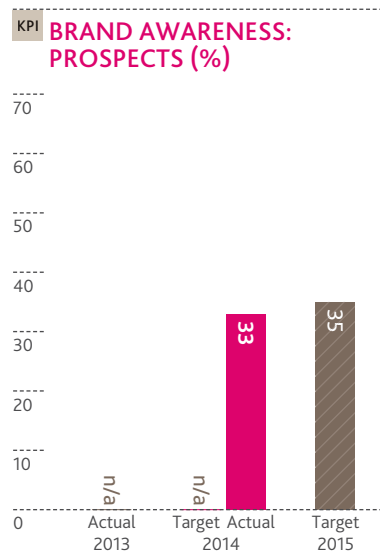
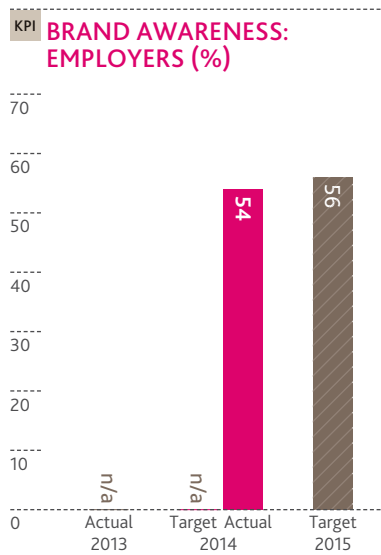
- a series of CGMA reports and case studies explored how businesses can manage their extended value chain to drive sustainable success
- again produced with Tomorrow's Company, this time in partnership with KPMG, Linklaters and the CIPD, the **Tomorrow's Relationships** report explored how to build business relationships that ensure lasting success.

CIMA's reputation, however, is based on more than research alone.

The annual Global Business Challenge (GBC), organised in partnership with Barclays bank, is a unique international business competition for undergraduates, designed to bring out the best in the business leaders of tomorrow. It is a truly global competition with participants entering from 24 countries around the world.

In 2014 the competition enabled CIMA to build and develop relationships with 589 universities. Nigeria and Ukraine will compete for the first time in 2015, bringing the total number of countries to 26. The final will be held in Warsaw in 2015, the first time it has been held in Europe.

Going forward, we will intensify our overall efforts to further strengthen our reputation and global reach with the introduction of an external affairs directorate. This will focus on raising the profile of CGMA and the importance of good decision making in business.



FOR MORE INFORMATION VISIT:

CGMA THOUGHT LEADERSHIP
www.cimaglobal.com/Thought-leadership/Research-topics/

CGMA RESEARCH
www.cgma.org/Resources/Pages/ResourcesDefault.aspx

GLOBAL MANAGEMENT ACCOUNTING PRINCIPLES©

www.cgma.org/Resources/Reports/Pages/GlobalManagementAccountingPrinciples