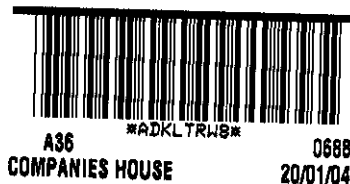


Business in the Community

(a company limited by guarantee)

report and accounts
30 june 2003



company registration number 1619253

President:

HRH The Prince of Wales KG KT PC GCB

Vice-Presidents:

Lord Laing of Dunphail

Lord Sheppard of Didgemere KCVO

Hon Sir David Sieff

Sir Mark Weinberg

The directors of the company, who served from 1 July 2002 until the date of this report, unless otherwise stated, are as follows:

Chairman

Mr David Varney	mmO ₂ Plc
-----------------	----------------------

Vice-Chairman

Mr Stephen O'Brien CBE	London First
------------------------	--------------

Deputy Chairmen

Mr Charles Allen	Granada Media Plc
------------------	-------------------

Sir Peter Davis	J Sainsbury Plc
-----------------	-----------------

Mrs Clara Freeman OBE

Mr Richard Handover	WH Smith Group Plc
---------------------	--------------------

Mr Derek Higgs	UBS Investment Bank
----------------	---------------------

Mr Nicholas Hood CBE *	@ Bristol
------------------------	-----------

Mr Allan Leighton	Royal Mail Group Plc
-------------------	----------------------

Mr Sandy Leitch	Zurich Financial Services (UKISA) Ltd
-----------------	---------------------------------------

Mr Tim Mason	Tesco Plc
--------------	-----------

Mr Eric Nicoli	EMI Group Plc (retired 24 September 2003)
----------------	---

Mr Mike Rake	KPMG LLP
--------------	----------

Mr John Spence	Lloyds TSB Group Plc
----------------	----------------------

Chairman of the Finance and Audit Committee

Mr Derek Wanless *	Northern Rock Plc
--------------------	-------------------

Other Directors

Sir Michael Bichard KCB	The London Institute (retired 4 November 2002)
Mr Alun Bowen	KPMG LLP Wales
Mr Geoffrey Bush	Diageo Plc (retired 9 July 2002)
Mr Bill Cockburn CBE TD	Parity Plc (retired 16 October 2003)
Mr Alastair Eperon	
Mr Stuart Etherington	National Council for Voluntary Organisations
Mr Richard Gregory	
Mr Phil Hodgkinson	HBOS Plc (appointed 16 October 2003)
Mr David Jackson	BP Plc (appointed 16 October 2003)
Mr Christopher Jonas CBE	
Mr Alan Jones OBE	TNT Post Group NV (retired 7 October 2002)
Mr Digby Jones	Confederation of British Industry
Mr Dennis Licence	First Trust Bank (appointed 4 July 2002)
Mr Jerry Marston	Whitbread Group Plc (appointed 18 March 2003)
Mr John Neill CBE	Unipart Group of Companies Ltd
Mr Mervyn Pedelty	Co-operative Bank Plc (appointed 15 October 2002)
Mr Angus Porter	Abbey National Plc (appointed 15 October 2002)
Mr David Robinson OBE	Community Links
Mr Ian Smith	Oracle Corporation UK Ltd (appointed 16 October 2003)
Councillor David Sparks	Local Government Association
Mr John Steele	British Telecommunications Plc (retired 10 July 2002)
Mr Martin Trees	Reality Group (retired 31 July 2003)
Mr Francesco Vanni d'Archirafi	Citibank International Plc (appointed 15 October 2002)
Mr John Williams	John Williams Associates

Members of the Finance and Audit Committee

Mr Derek Wanless *	Northern Rock Plc
Mr Nicholas Hood CBE *	@ Bristol
Mr Antony Barnes FCA	(retired 4 February 2003)
Mr Terry Jones	Centre for Effective Dispute Resolution
Mr John Kent	Vodafone Limited
Mr Ian Peters	Goldfish Bank Limited (appointed 7 October 2003)

* signifies director and member of the finance and audit committee

The Senior Staff and Advisers are as follows:

Chief Executive

Ms Julia Cleverdon CVO CBE

Deputy Chief Executive

Mr Peter Davies OBE

Company Secretary

Mrs Lesley Wolfenden

Finance Director

Ms Alison Grieve

Field Director

Mr Paul Rowson

Human Resources Director

Ms Anne Watts CBE

Bankers:

Barclays Bank PLC
54 Lombard Street
London EC3P 3AH

Solicitors:

Bates Wells & Braithwaite
Cheapside House
138 Cheapside
London EC2V 6BB

**Honorary
Auditors:**

Horwath Clark Whitehill
25 New Street Square
London EC4A 3LN

Registration Details:

- | | |
|------------------------------|---|
| Register of Charities | - Registration Number 297716 |
| Register of Companies | - Registration Number 1619253 |
| Registered Office | - 137 Shepherdess Walk
London N1 7RQ |
| Telephone | - 0870 600 2482 |
| Facsimile | - 020 7253 1877 |
| Website | - http://www.bitc.org.uk |

Report of the Directors
30 June 2003

The directors present their report and the audited financial statements for the year ended 30 June 2003.

Results

The financial statements for the year have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (October 2000).

The surplus for the year, representing the net increase in unrestricted funds per the Statement of Financial Activities, as set out on **page 11**, amounted to £196,446 (2002 - £137,983). This increases the total of the unrestricted funds from £1,063,784 at 1 July 2002 to £1,260,230 at 30 June 2003.

The net movement in the unspent restricted funds from year to year arises from the differences in timing between the recognition of the income and the incurring of the related expenditure. This year the restricted funds of £2,177,855 at 1 July 2002 increased by £203,487 (2002 increase - £678,332) to £2,381,342 at 30 June 2003, including the company's share of the net assets of its joint ventures (**note 7(a)**) which amounted to £96,162 (2002 - £33,431). The net movement in total funds was an increase of £399,933 (2002 increase - £816,315).

For internal management purposes the company prepares Management Accounts on an Income and Expenditure basis, matching income with related expenditure. This is therefore a different basis from that required for the statutory accounts. A Summary of these Accounts is shown in full on **Appendix 1**, an extract of which is set out below. Income shows an increase of 31%. This increase comes predominantly from public sector grants, especially in Yorkshire, with the Regional Development Agency (Yorkshire Forward) funding business engagement in areas of regeneration.

	30 June 2003 £	30 June 2002 £
Income		
Members' contributions	3,153,282	3,040,216
Sponsorship income	3,430,691	3,463,231
Fees, publications and sundry income	2,900,055	2,278,346
Public sector grants	8,535,804	4,995,701
Bank deposit interest receivable	62,413	54,666
	<hr/>	<hr/>
Income applied to general activities	18,082,245	13,832,160
Expenditure on general activities	(17,885,799)	(13,694,177)
	<hr/>	<hr/>
Net incoming resources in respect of unrestricted funds	£196,446	£137,983
	<hr/>	<hr/>

The notes on **Appendix 2** reconcile elements of the income per the Management Accounts with those shown in the Statement of Financial Activities on **page 11**.

Report of the Directors (continued)
30 June 2003

Principal activity

Business in the Community is a unique movement of companies committed to continually improving their positive impact on society.

Following the strategic review undertaken during the 20th anniversary year, the mission of the company has been redefined as 'to inspire, challenge, engage and support business in continually improving its positive impact on society'. This mission is being delivered through working with our member companies and by applying the principles of integrity, inspiration, innovation, integration and impact to everything we do.

At the heart of all our work is the membership commitment to action that asks our members :

- To continually improve the way in which the business manages, integrates, measures and communicates its impact on society in the workplace, the environment, the marketplace and the community.
- To work collaboratively to tackle disadvantage, maximising impact through partnerships focused on the most disadvantaged communities.
- To inspire, lead and innovate by sharing learning and experience in order to increase the positive impact of business on society.

The company is organised around central teams that develop its national campaigns and regional teams that deliver its work. *Members' contributions are used solely to finance expenses incurred in connection with the above mission.*

Review of activities

A full review of the company's activities will be given in the Impact Review of the Year, available on 4 December 2003, the day of the Annual General Meeting. Highlights of a year of considerable growth in activity are summarised below. Our achievements reflect the extent to which we are successful in engaging our members in action to improve and support the communities in which they operate.

- 94 new companies have made a commitment to continually improve their impact on society through their membership of Business in the Community and gives a total membership of 712 members.
- 823 companies have participated in benchmarking services covering impact in the environment, community and workplace, of which 122 companies participated in the first Corporate Responsibility index.
- The specialist diversity campaigns, Opportunity Now and Race for Opportunity, now provide services to 352 and 189 employers respectively.
- 958 business managers have been engaged as Partners in Leadership working with headteachers and community leaders, bringing the total since January 1999 to 5,448.
- Business Action On Homelessness provided 303 work placements for people who had been homeless and 74 of these have entered into permanent employment.
- The number of companies participating in volunteering has increased to 928 in 23 Cares Partnerships. 16,000 employees volunteered through these partnerships, a reduction on the previous year's figures caused in part by a number of companies choosing to run their programmes independently.
- Over 250 professional firms have been involved in 417 projects providing almost £1.3m worth of pro bono advice.
- 953 business leaders have been involved in 77 Seeing is Believing visits across the country
- In July 2003, 880 delegates attended the Gala Dinner for the Awards for Excellence event in London and a further 1,500 attended regional awards events.
- Widely regarded as the benchmark that endorses responsible business practice, 81 Big Ticks were awarded to companies achieving this rigorously assessed standard of performance and impact.

Report of the Directors (continued)

30 June 2003

Future developments

Our main aim is to focus our members' engagement within the 88 most deprived urban communities, prioritising 30 areas within the core cities in 2003/04 and focusing in 10 priority rural areas. In order to extend the reach of our work with all businesses we are piloting models of partnerships for local business community initiatives. Partnership development is a core element of the strategy for the next three years.

Organisation

The company is limited by guarantee, is a registered charity and is governed by its memorandum and articles of association. Its principal objects are to promote the practical interest and involvement of companies and other organisations in advancing industry by creating or assisting in the creation of opportunities for employment in disadvantaged areas; to advance research relating to the corporate social responsibility and community involvement policies and practices of industry and commerce, and otherwise to advance education, protect and preserve the environment and further other charitable purposes which are beneficial to the public.

Directors

The directors, who are the trustees, are elected by the members at the Annual General Meeting. Additional directors may be co-opted by the Board during the year. A list of present directors and those who served during the year, is set out on **pages 1 and 2**.

Governance

The full Board meets three times each year to determine the strategic direction and objectives of the company and to review its impact. The Chairman convenes a meeting of the Deputy Chairmen and the Chairman of the Finance and Audit Committee, known as the Chairman's Committee, five times a year to examine the progress of the company in achieving these objectives and to consider proposals for new initiatives for presentation to the Board. When necessary the Chairman's Committee acts as the Remuneration Committee.

The Finance and Audit Committee is a sub-committee of the Board and two members of it are Board members. It meets at least four times a year and is responsible for supervising the financial affairs of the company in relation to the plans the Board has approved and for reporting to the Board any significant variances against these plans.

The Board is responsible for the management of the risks faced by the company. Following discussions with the Finance and Audit Committee and the Chairman's Committee, a risk management process for the company continues to be developed and refined. The key risks facing the company have been reviewed, both in relation to the opportunities and the risks arising from the structure of the company and its culture, and highlighting in particular its entrepreneurial and campaigning nature and the strong emphasis on staff involvement.

Report of the Directors (continued)
30 June 2003

Governance (continued)

Through the risk management process that has been established, the directors have identified the key risks to which the company is exposed. These have been reviewed and systems are in place to both monitor and to mitigate the effects of such risks. It is recognised that systems can only provide reasonable and not absolute assurance that key risks have been adequately identified and managed.

The internal control procedures operated by the company are designed, inter alia, to highlight the progress being made towards achieving the company's mission, to maintain expenditure within the limits of available income and to safeguard the company's assets. The annual business plan forms the foundation of the year's activities, from which the annual financial budget is evolved. Performance against this budget is reviewed monthly by the senior staff team and at the meetings of the Finance and Audit Committee, the Deputy Chairmen and the Board.

Financial controls include the regular process of up-dating the forecast of the results for the year, expenditure authorisation procedures, an invoicing procedure for the recording of income due and the active management of outstanding debts.

The design of the systems and controls, which are operating as intended, is considered to be appropriate for the size and complexity of the company's activities. These procedures are regularly reviewed and amendments introduced to meet the changing needs of the organisation.

Statement of Directors' Responsibilities

The purpose of this statement is to distinguish the directors' responsibilities for the financial statements from those of the auditors, as stated in their report.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the company's state of affairs at the end of the year and of its surplus or deficit for that period.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

In preparing the financial statements for the year ended 30th June 2003 the directors confirm that, year on year:

- suitable accounting policies have been selected and applied consistently;
- reasonable and prudent judgements and estimates have been made;
- applicable accounting standards have been followed;
- the financial statements have been prepared on the going concern basis.

Report of the Directors (continued)
30 June 2003

Reserves policy

The company regards its free reserves as being represented by the net current assets of its unrestricted funds. The company holds these funds to provide working capital to finance its day to day operations and to provide a safeguard against a downturn in support or activity that could lead to expenditure exceeding income. Allowing for the increase in the costs of unrestricted activities, at 30 June 2003 these reserves represented 2.24 months (2002 – 1.96 months) of unrestricted expenditure. The company aims to increase these reserves over time to 3 months of unrestricted expenditure by retaining a proportion of its unrestricted income each year. This policy is monitored and reviewed annually by the directors. The company also holds unexpended balances of restricted funds that are fully committed to be spent after the balance sheet date and hence do not constitute free reserves.

Availability of funds

In the opinion of the directors, the company has sufficient assets to meet its obligations on the unrestricted and restricted funds, as set out in **note 12**.

Guarantors

The liability of each of the guarantors in the event of a winding up is limited either to £5 or to a voluntary but binding sum of £1,000. At 30 June 2003 there were 323 guarantors in the register of members of whom 291 guaranteed £5 and 32 guaranteed £1,000, producing a total level of guarantees of £33,455 at 30 June 2003.

In addition, 87 members have provided guarantees to Barclays Bank PLC amounting to £301,000 at 30 June 2003, in order to secure the company's overdraft facility. There was no overdraft at 30 June 2003.

Employment

Business in the Community wholeheartedly supports the principle of equal opportunities in employment and service delivery. It is committed to recruiting and maintaining a workforce and community involvement which broadly reflect the demographics of the United Kingdom. It gives full and fair consideration to applications from disabled people and makes every effort to continue the employment of those who become disabled during their employment. Access to training and career development opportunities are made available to all staff, based on their individual needs and job requirements, skills and abilities. Job opportunities are open to all staff and promotion is based solely on merit.

Business in the Community has been re-accredited as an Investor in People with effect from 1 October 2003. This gives external recognition to the importance it places on staff involvement, training and development. Monthly team briefings run throughout the organisation. Staff are consulted about matters which affect them through regular meetings with their line managers and informal meetings with the Chief Executive, Deputy Chief Executive, Field Director and Human Resources Director as appropriate. Consultation documents are issued to all staff for any major re-organisation to gather views and suggestions on the proposals.

Report of the Directors (continued)
30 June 2003

Related party transactions

Transactions between the company and related parties, together with their relationships with the company, are set out in **note 17**. All such transactions have been carried out in the normal course of the company's activities.

Fixed assets

Movements in fixed assets during the year are set out in **note 6** to the financial statements.

Auditors

It will be proposed at the Annual General Meeting that Horwath Clark Whitehill be re-appointed as auditors to the company.

Approved by the Board of Directors and signed on its behalf

A handwritten signature in black ink, appearing to read 'Derek Wanless', written in a cursive style.

Derek Wanless, Director
16 October 2003

We have audited the financial statements of Business in the Community for the year ended 30 June 2003 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of directors and auditors

The responsibilities of the directors, who are also the charity trustees for the purposes of charity law, for preparing the Directors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Annual Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charitable company is not disclosed.

We read other information contained in the Directors' Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

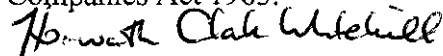
Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Unqualified Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charitable company as at 30 June 2003 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Horwath Clark Whitehill
Chartered Accountants and Registered Auditors
16 October 2003

25 New Street Square
London
EC4A 3LN

Statement of Financial Activities
for the year ended 30 June 2003

	Notes	Unrestricted funds £	Restricted funds £	Total 30 June 03 £	Total 30 June 02 £
Incoming resources	1b)				
From operational activities :					
Members' contributions		3,153,282	-	3,153,282	3,040,216
Sponsorship income		-	3,469,069	3,469,069	3,689,162
Fees, publication sales and sundry income		2,900,055	-	2,900,055	2,278,346
Public sector grants		-	8,747,432	8,747,432	5,511,825
Bank deposit interest receivable		50,859	11,554	62,413	54,666
Joint ventures' income	7a)	-	693,133	693,133	200,721
		<u>6,104,196</u>	<u>12,921,188</u>	<u>19,025,384</u>	<u>14,774,936</u>
Donations :					
For specific projects		-	765,943	765,943	973,475
Intangible income	3b)	<u>13,000</u>	<u>1,840,000</u>	<u>1,853,000</u>	<u>1,864,000</u>
		<u>13,000</u>	<u>2,605,943</u>	<u>2,618,943</u>	<u>2,837,475</u>
Deduct : Joint ventures' income		-	(693,133)	(693,133)	(200,721)
Total incoming resources		<u>6,117,196</u>	<u>14,833,998</u>	<u>20,951,194</u>	<u>17,411,690</u>
Resources expended	1c)				
Costs of generating funds		<u>399,307</u>	<u>809,596</u>	<u>1,208,903</u>	<u>879,994</u>
Charitable expenditure	4				
In furtherance of the objects :					
Delivering campaigns and supporting regional activity		4,909,821	9,954,734	14,864,555	11,164,956
Support services		565,200	1,145,955	1,711,155	1,556,958
Management and administration		33,422	67,764	101,186	92,269
Specific projects		-	875,193	875,193	1,051,861
Intangible expenditure	3b)	<u>13,000</u>	<u>1,840,000</u>	<u>1,853,000</u>	<u>1,864,000</u>
Total charitable expenditure		<u>5,521,443</u>	<u>13,883,646</u>	<u>19,405,089</u>	<u>15,730,044</u>
Total resources expended		<u>5,920,750</u>	<u>14,693,242</u>	<u>20,613,992</u>	<u>16,610,038</u>
Net incoming resources		<u>196,446</u>	<u>140,756</u>	<u>337,202</u>	<u>801,652</u>
Net interest in the results of joint ventures	7a)	-	62,731	62,731	14,663
Net movements in funds		<u>196,446</u>	<u>203,487</u>	<u>399,933</u>	<u>816,315</u>
Balances brought forward 1 July 2002		1,063,784	2,177,855	3,241,639	2,425,324
Balances carried forward 30 June 2003		<u>£1,260,230</u>	<u>£2,381,342</u>	<u>£3,641,572</u>	<u>£3,241,639</u>

The notes on pages 15 to 27 form an integral part of these financial statements.

Balance Sheet
as at 30 June 2003

	Notes	30 June 2003		30 June 2002	
		£	£	£	£
Fixed assets					
Tangible assets	6		159,890		226,862
Investments	7a)		<u>96,162</u>		<u>33,431</u>
			256,052		260,293
Current assets					
Debtors and prepayments	7b), 8	3,650,159		3,237,892	
Cash at bank and in hand	9	1,856,719		1,744,711	
		<u>5,506,878</u>		<u>4,982,603</u>	
Current liabilities					
Creditors - amounts falling due within one year	10	2,119,999		1,986,054	
		<u></u>		<u></u>	
Net current assets			3,386,879		2,996,549
			<u></u>		<u></u>
Total assets less current liabilities			3,642,931		3,256,842
Creditors - amounts falling due after one year	11		1,359		15,203
Net assets			<u>£3,641,572</u>		<u>£3,241,639</u>
Represented by :					
Unrestricted income funds			1,260,230		1,063,784
Restricted income funds			2,381,342		2,177,855
Accumulated funds	12		<u>£3,641,572</u>		<u>£3,241,639</u>

Approved by the Board of Directors on 16 October 2003 and signed on its behalf

David Varney

) 

) Directors

Derek Wanless

) 

The notes on pages 15 to 27 form an integral part of these financial statements.

Cashflow Statement
for the year ended 30 June 2003

	Year ended 30 June 2003		Year ended 30 June 2002	
	£	£	£	£
Net cash inflow from operating activities		66,271		734,525
Returns on investments and servicing of finance				
Interest received	62,413		54,666	
Interest element of finance lease rental payments	(1,521)	60,892	(2,162)	52,504
Net cash inflow / (outflow) from capital expenditure				
Payments to acquire tangible fixed assets	-		(95,549)	
Proceeds of the sale of fixed assets	-	-	28,030	(67,519)
Net cash inflow / (outflow) before financing activities		127,163		719,510
Financing activities				
Capital element of hire purchase contracts		(15,155)		(34,232)
Increase in cash and cash equivalents		£112,008		£685,278

Analysis of cash less finance lease liabilities

	At 1 July 2002	Cash flows	Non-cash changes	At 30 June 2003
	£	£	£	£
Cash at bank and in hand	1,744,711	112,008	-	1,856,719
Finance leases	(30,358)	15,155	-	(15,203)
	£1,714,353	£127,163	-	£1,841,516

Cashflow Statement (continued)
for the year ended 30 June 2003

**Reconciliation of Net movement in funds to
Net cash inflow from operating activities**

	Year ended 30 June 2003 £	Year ended 30 June 2002 £
Net incoming resources :		
- Unrestricted funds	196,446	137,983
- Restricted funds	203,487	678,332
	<hr/>	<hr/>
Net movement in funds	399,933	816,315
Less: interest received	(62,413)	(54,666)
Add : finance interest paid	1,521	2,162
Non cash share of net resources expended of Joint Ventures	(62,731)	(14,663)
Depreciation charges	66,972	85,268
Increase in debtors	(412,267)	(124,448)
Increase in creditors, (excluding obligations under hire purchase contracts)	135,256	24,557
	<hr/>	<hr/>
Net cash inflow from operating activities	<u>£66,271</u>	<u>£734,525</u>

Notes to the Financial Statements
for the year ended 30 June 2003

1. Principal Accounting Policies

A summary of the more important accounting policies of the company is set out below.

a) Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with current statutory requirements (Charities Act 1993 and Companies Act 1985), the requirements of the company's Memorandum and Articles of Association, the requirements of Statement of Recommended Practice "Accounting and Reporting by Charities" (October 2000) and comply with all applicable accounting standards.

b) Income

Existing members' ordinary contributions are recognised in full on the date on which they fall due. Ordinary contributions from members who have joined in the year are recognised when there is adequate certainty of receipt.

Sponsorship income, fees, public sector grants, sundry income and bank deposit interest are recognised on a receivable basis. To the extent that such monies represent restricted funds that have not been spent at the balance sheet date, they are included as balances carried forward.

Unrestricted funds received in advance are carried forward as deferred income on the balance sheet (**note 10**).

Intangible income represents the company's estimate of the cost to donors of donated services and facilities and the cost of seconded staff.

c) Expenditure

All expenditure is accounted for on an accruals basis.

Charitable expenditure is incurred in connection with the specific objects of the company and includes as support services the costs incurred in supporting those activities. Management and administration represents the costs of corporate management.

The costs of generating funds are incurred on promoting the company's mission and raising funds to support the company's activities.

The apportionment between charitable expenditure, including support services, management and administration and specific projects, and costs of generating funds, has been calculated by analysing staff time and by allocating all other costs by activity.

Input VAT is allocated to the costs on which it is incurred and recoveries of directly attributable tax credited against them. Residual input tax recovered is credited to support services in the Statement of Financial Activities and apportioned over expenditure in proportion to the underlying input tax incurred.

Notes to the Financial Statements (continued)
for the year ended 30 June 2003

Note 1 c) Expenditure (continued)

Expenditure includes, as intangible expenditure, the estimated cost of donated services and facilities and the cost of seconded staff.

d) Tangible fixed assets

Tangible fixed assets are stated at their purchase price, together with any incidental costs of acquisition. Individual assets are capitalised only when their cost of acquisition amounts to £12,000 or more. Costs of moving the main London base to Shepherdess Walk, London have been capitalised as leasehold improvements or equipment, fixtures and fittings as appropriate.

Where fixed assets have been donated, they have been included in the financial statements at their replacement cost at the date of donation.

Provision for depreciation is made so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful economic life of the assets concerned. The annual rates used for this purpose are:

Leasehold improvements	- over the remainder of the initial term of the lease
Equipment, fixtures and fittings	- 20% per annum.
Motor cars	- 25% per annum.

e) Investment in associate companies

The company consolidates its 50% share of the net incoming resources and net assets of The London Accord, The London Alliance and Teach First, as set out in **note 7(a)**.

f) Leases

Payments under operating leases are charged to the Statement of Financial Activities as incurred.

Fixed assets leased under hire purchase contracts are capitalised and depreciated as in **note 1(d)**. The finance charges are allocated over the primary period of the lease in proportion to the capital outstanding.

g) Pension Contributions

The company contributes to private pension policies for employees and the pension cost charge that is shown in **note 5(b)** represents the contributions payable to these policies.

Notes to the Financial Statements (continued)
for the year ended 30 June 2003

2. Business Names

The names used by Business in the Community for its principal initiatives are:

Name

Opportunity Now	To promote and develop excellence through
Race for Opportunity	diversity
Cause Related Marketing	To promote partnerships between businesses and
	charities or causes for mutual benefit
Business in the Environment	To inspire companies towards environmentally
	sustainable development
Cares	}
comm. unity	}
CommunityMark	}
Business Action on Homelessness	To engage business actively in building
ProHelp	sustainable and inclusive communities
Rural Action	}
Seeing is Believing	}
The London Accord	}
The Per Cent Club	}

3. Income and Expenditure

- a) The directors and auditors have agreed to provide their services on an honorary basis. Accordingly, no directors' emoluments, reimbursement of expenses or auditors' remuneration for audit services have been charged in these financial statements.
- b) The Statement of Financial Activities includes the cost of donated services and facilities amounting to £978,000 (2002 - £919,000) and the cost of staff seconded from member companies and organisations, details of which are given in **note 5(a)**.
- c) The results are stated after charging -

	Year ended 30 June 2003	Year ended 30 June 2002
	£	£
Operating lease rentals :		
Land and buildings	423,541	382,894
Hire of plant and machinery, including cars	92,459	77,535
Directors' indemnity insurance premiums	9,975	9,398
Auditors' remuneration - audit	-	-
- other services	6,069	25,727
Incidental costs in relation to the London office move	-	10,098

Notes to the Financial Statements (continued)
for the year ended 30 June 2003

4. Analysis of Statement of Financial Activities

a) Movement in deferred income on fees, publications and sundry income

	Year ended 30 June 2003	Year ended 30 June 2002
	£	£
Deferred income at 1 July 2002	(338,885)	(190,791)
Deferred income at 30 June 2003	<u>266,793</u>	<u>338,885</u>
Net increase(decrease) in deferred income during the year	<u>£(72,092)</u>	<u>£148,094</u>

b) Analysis of total resources expended (per page 11)

	Staff Costs	Other Costs	Total Year ended 30 June 2003	Total Year ended 30 June 2002
	£	£	£	£
Costs of generating funds	<u>677,329</u>	<u>531,574</u>	<u>1,208,903</u>	<u>879,994</u>
Charitable expenditure:				
Delivering campaigns and supporting regional activity	8,461,940	6,402,615	14,864,555	11,164,956
Support services	694,792	1,016,363	1,711,155	1,556,958
Management and administration	79,415	21,771	101,186	92,269
Specific projects	-	875,193	875,193	1,051,861
Intangible expenditure	<u>875,000</u>	<u>978,000</u>	<u>1,853,000</u>	<u>1,864,000</u>
Total charitable expenditure	<u>10,111,147</u>	<u>9,293,942</u>	<u>19,405,089</u>	<u>15,730,044</u>
	<u>£10,788,476</u>	<u>£9,825,516</u>	<u>£20,613,992</u>	<u>£16,610,038</u>

The 'other costs' of generating funds and support services comprise :

- Generating funds : The cost of corporate publications and all website expenditure
- Support services : London based central costs covering hardware and software
maintenance and replacement, training costs, rent and office costs

c) Analysis of resources expended - by activities :

	Year ended 30 June 2003	Year ended 30 June 2002
	£	£
National campaign operations	4,720,115	3,862,127
Regional operations	10,446,870	7,758,140
Promoting corporate social responsibility	<u>2,718,814</u>	<u>2,073,910</u>
Total expenditure on general activities	<u>17,885,799</u>	<u>13,694,177</u>
Expenditure for specific projects on behalf of donors	875,193	1,051,861
Intangible expenditure	<u>1,853,000</u>	<u>1,864,000</u>
	<u>£20,613,992</u>	<u>£16,610,038</u>

d) Accounting for separate funds

All funds are accounted for separately within the company's management accounts, none of which is sufficiently material to require separate disclosure.

Notes to the Financial Statements (continued)

for the year ended 30 June 2003

5. Employee Information, excluding joint ventures (note 7a)**a) Staff numbers**

At 30 June 2003, the company employed (excluding Directors) 382 salaried persons (2002 - 300). These staff were employed in the following activities :

	30 June 2003	30 June 2002
National campaigns	71	54
Regional operations	260	204
Central support services	23	21
Corporate communications, strategy and management	<u>28</u>	<u>21</u>
	<u>382</u>	<u>300</u>

Since a number of the company's employees worked part-time, the company had, on average throughout the year, the equivalent of 346 full time salaried staff (2002 - 272). In addition, the company enjoyed, on average throughout the year, the services of the equivalent of 23 full-time executives seconded by member companies, public sector and other organisations (2002 - 25). The cost of these secondees is included in the financial statements as if they had been employed directly by the company at an additional annual cost of approximately £875,000 (2002 - £945,000).

b) Analysis of cost of salaries

	Year ended 30 June 2003	Year ended 30 June 2002
	£	£
Total gross wages and salaries	8,786,704	6,627,228
Employer's national insurance contributions	862,710	623,300
Pension contributions	<u>264,062</u>	<u>221,182</u>
	<u>£9,913,476</u>	<u>£7,471,710</u>

In addition to the contributions to pension schemes, the company also provides life cover for employees of four times annual salary, at a cost of £30,520 (2002 - £31,390).

c) Number of employees who earned £50,000 or more

in income bands (including benefits – with the exception of employer's pension contributions)

	Year ended 30 June 2003	Year ended 30 June 2002
£100,000 - £109,999	1	1
£90,000 - £99,999	-	-
£80,000 - £89,999	1	-
£70,000 - £79,999	4	2
£60,000 - £69,999	2	3
£50,000 - £59,999	15	13

Notes to the Financial Statements (continued)
for the year ended 30 June 2003

6. Tangible Assets

	Leasehold Improvements	Equipment, Fixtures and Fittings	Motor Cars	Total
	£	£	£	£
Cost				
At 1 July 2002	128,595	531,402	71,790	731,787
Additions	-	-	-	-
Disposals	-	-	-	-
At 30 June 2003	<u>128,595</u>	<u>531,402</u>	<u>71,790</u>	<u>731,787</u>
Depreciation				
At 1 July 2002	30,043	450,063	24,819	504,925
Charge for the year	28,158	25,483	13,331	66,972
Disposals	-	-	-	-
At 30 June 2003	<u>58,201</u>	<u>475,546</u>	<u>38,150</u>	<u>571,897</u>
Net book values				
At 30 June 2003	<u>£70,394</u>	<u>£55,856</u>	<u>£33,640</u>	<u>£159,890</u>
At 30 June 2002	<u>£98,552</u>	<u>£81,339</u>	<u>£46,971</u>	<u>£226,862</u>

Included in the above total are assets held under hire purchase contracts with a net book value of £33,640 (2002 - £46,971). Depreciation charged on these assets in the year amounted to £13,331 (2002 - £15,167).

Notes to the Financial Statements (continued)
for the year ended 30 June 2003

7. Investments

a) Associate companies

The company has a 50% interest in three joint ventures with London First, all of which are companies limited by guarantee. These are The London Accord, which is a registered charity, The London Alliance and Teach First, a charity incorporated on 5 July 2002. The objects of these companies are to advance education and the education of those in greatest educational need, to relieve poverty, to further other charitable purposes and to promote the practical interest and involvement of organisations in the creation of opportunities for employment in areas of Greater London and its associated employment catchment areas.

All three companies have determined 31 March as being their year-end dates. Business in the Community has undertaken to contribute £1 to the assets of each company if they should be wound-up. The London Alliance was due no income, nor had it incurred any expenditure, on its own account by 30 June 2003.

The London Accord :

Business in the Community's 50% share of the incoming resources and resources expended of The London Accord for the year ended 30 June 2003, and the net assets at that date, based on the audited accounts for the year ended 31 March 2003 and the unaudited accounts for the period 1 April 2003 to 30 June 2003, are set out below.

	Total Restricted Funds Year ended 30 June 03 £	Total Restricted Funds Year ended 30 June 02 £
Incoming resources		
From operational activities :		
Sponsorship income	-	20,100
Public sector grants	74,933	161,871
Advisory income	2,471	1,250
Bank interest received	<u>104</u>	<u>-</u>
	<u>77,508</u>	<u>183,221</u>
Donations :		
Intangible income	<u>17,500</u>	<u>17,500</u>
Total incoming resources	<u>95,008</u>	<u>200,721</u>
Resources expended		
Charitable expenditure		
In furtherance of the objects :		
Delivering regional activity	86,497	164,121
Management and administration	4,552	4,437
Intangible expenditure	<u>17,500</u>	<u>17,500</u>
Total resources expended	<u>108,549</u>	<u>186,058</u>
Net (outgoing) incoming resources	<u>(13,541)</u>	<u>14,663</u>
Balances brought forward 1 July 2002	33,431	18,768
Balances carried forward 30 June 2003	<u>£19,890</u>	<u>£33,431</u>

Notes to the Financial Statements (continued)
for the year ended 30 June 2003

Note 7 a) The London Accord (continued)

Balance Sheet
as at 30 June 2003

	30 June 2003		30 June 2002	
	£	£	£	£
Current assets				
Debtors and prepayments	2,925		26,969	
Cash at bank and in hand	58,986		29,648	
	<hr/>		<hr/>	
	61,911		56,617	
	<hr/>		<hr/>	
Current liabilities				
Creditors - amounts falling due within one year	42,021		23,186	
	<hr/>		<hr/>	
Net current assets		19,890		33,431
		<hr/>		<hr/>
Net assets		£19,890		£33,431
		<hr/>		<hr/>
Represented by :				
Restricted income funds		19,890		33,431
		<hr/>		<hr/>
Accumulated funds		£19,890		£33,431
		<hr/>		<hr/>

Notes to the Financial Statements (continued)

for the year ended 30 June 2003

Note 7 a) Associate companies (continued)**Teach First :**

Business in the Community's 50% share of the incoming resources and resources expended of Teach First for the period ended 30 June 2003, and the net assets at that date, based on the audited accounts for the period ended 31 March 2003 and the unaudited accounts for the period 1 April 2003 to 30 June 2003, are set out below.

	Total Restricted Funds Period ended 30 June 03 £
Incoming resources	
From operational activities :	
Government grants	306,148
Corporate contributions, other grants and donations	266,702
Recruitment fees	25,275
	<u>598,125</u>
Donations :	
Intangible income	-
Total incoming resources	<u>598,125</u>
Resources expended	
Charitable expenditure	
In furtherance of the objects :	
Delivering regional activity	495,761
Management and administration	26,092
Intangible expenditure	-
Total resources expended	<u>521,853</u>
Net incoming resources	<u>76,272</u>
Balances brought forward	-
Balances carried forward 30 June 2003	<u>£76,272</u>

Notes to the Financial Statements (continued)
for the year ended 30 June 2003

Note 7 a) Teach First (continued)

Balance Sheet
as at 30 June 2003

	30 June 2003	
	£	£
Fixed assets		
Tangible assets		23,415
Current assets		
Debtors and prepayments	58,225	
Cash at bank and in hand	<u>48,923</u>	
	<u>107,148</u>	
Current liabilities		
Creditors - amounts falling due within one year	<u>54,291</u>	
Net current assets		52,857
Net assets		<u>£76,272</u>
Represented by :		
Restricted income funds		<u>76,272</u>
Accumulated funds		<u>£76,272</u>

Note 7a) Totals for joint ventures:		30 June 2003	30 June 2002
		£	£
Income	- The London Accord	95,008	200,721
	Teach First	<u>598,125</u>	<u>-</u>
		<u>693,133</u>	<u>200,721</u>
Results	- The London Accord	(13,541)	14,663
	Teach First	<u>76,272</u>	<u>-</u>
		<u>62,731</u>	<u>14,663</u>
Net investment	- The London Accord	19,890	33,431
	Teach First	<u>76,272</u>	<u>-</u>
		<u>96,162</u>	<u>33,431</u>

b) Subsidiary company - Action Resource Centre Limited

The company has a wholly-owned subsidiary, Action Resource Centre Limited, a company incorporated in England and Wales, which did not trade during the year and is insignificant to the company's position at 30 June 2003. Its cost to the company of £3 (2002 - £3) is included in debtors.

Notes to the Financial Statements (continued)
for the year ended 30 June 2003

8. Debtors and Prepayments

	30 June 2003	30 June 2002
	£	£
Trade debtors	2,600,977	2,590,103
Other debtors	94,005	67,159
Accrued income	731,735	362,804
Prepayments	223,442	217,826
	<u>£3,650,159</u>	<u>£3,237,892</u>

9. Cash at Bank and in Hand

	30 June 2003	30 June 2002
	£	£
Current accounts	17,186	41,642
Interest-bearing accounts	1,839,533	1,703,069
	<u>£1,856,719</u>	<u>£1,744,711</u>

10. Creditors: Amounts Falling Due Within One Year

	30 June 2003	30 June 2002
	£	£
Trade creditors	171,141	337,675
Other creditors	324,054	253,306
Obligations under hire purchase contracts	13,844	15,155
Taxation and social security costs	447,170	429,960
Membership contributions in advance	147,250	22,380
Deferred income	266,793	338,885
Accrued expenditure	749,747	588,693
	<u>£2,119,999</u>	<u>£1,986,054</u>

11. Creditors: Amounts Falling Due After More Than One Year

	30 June 2003	30 June 2002
	£	£
Obligations under hire purchase contracts :		
Year ending 30 June 2005	1,496	15,230
Year ending 30 June 2006	-	<u>1,496</u>
	<u>1,496</u>	16,726
Interest included in above	(137)	(1,523)
	<u>£1,359</u>	<u>£15,203</u>

Notes to the Financial Statements (continued)
for the year ended 30 June 2003

12. Analysis of Net Assets between Funds

	Unrestricted funds	Restricted funds	Total funds 30 June 2003
	£	£	£
Tangible fixed assets	159,890	-	159,890
Investment	-	96,162	96,162
Creditors – amounts falling due after one year	(1,359)	-	(1,359)
	<u>158,531</u>	<u>96,162</u>	<u>254,693</u>
Net current assets	1,101,699	2,285,180	3,386,879
Total net assets	<u><u>£1,260,230</u></u>	<u><u>£2,381,342</u></u>	<u><u>£3,641,572</u></u>

Unrestricted funds comprise income funds that represent the company's reserves and the fixed assets acquired with such funds.

Restricted funds comprise income funds obtained to undertake the company's activities, where such funds have been given for specific purposes. The balances carried forward at the end of the year represent the net assets of the company's share in its joint ventures and the net current assets that comprise the individual balances of the funds received for specific purposes in advance of the related expenditure being incurred.

Transfers between the funds occur through the allocation of corporate support costs to activities financed by restricted funds.

13. Lease Commitments

The company has financial commitments in respect of operating leases for land and buildings which may terminate after five years from the Balance Sheet date, and for plant and machinery which will terminate between two and five years from the Balance Sheet date.

The total amount payable under these leases in the year ending 30 June 2004 for land and buildings is £455,151 (2003 - £412,674) and for plant and machinery is £84,921 (2003 - £77,715).

14. Capital Commitments

No material capital commitments were contracted for at 30 June 2003 (2002 - £nil).

15. Taxation

The company is a registered charity under the Charities Act 1993 and as such is exempt from direct tax on its income and gains to the extent that such income and gains are applied for charitable purposes.

Notes to the Financial Statements (continued)
for the year ended 30 June 2003

16. Acknowledgements

The Incoming Resources of the Restricted Funds shown in the Statement of Financial Activities on page 11 include the following for the period 1 July 2002 to 30 June 2003:

Provider	Project	Amount £
Birmingham City Council – Housing Department	Ready for Work co-ordinator – outcome : 25 people onto Ready for Work placements	15,000
Bridge House Estates Trust Fund	Community Partnership	20,000
Community Fund	Liverpool Cares	51,631
Community Fund	North West ProHelp	47,514
Department for Employment & Skills	Education campaign	75,250
Department of Trade & Industry	Business Brokers programme	180,177
Department of Trade & Industry	CommunityMark	91,500
Department of Trade & Industry	Partners in Leadership with Community Enterprises	88,750
European Regional Development Fund	Preston Business & Community Partnership	55,314
European Social Fund	Education, training and employment	80,151
European Social Fund	Merseyside ProHelp	10,500
Home Office (ACU)	National Cares website development	253,000
Home Office (ACU)	Brighton ‘Get Active’ project	155,250
Home Office (ACU)	ProHelp	51,603
Home Office (ACU)	Corporate Community Investment	45,000
Home Office (ACU)	National Cares	45,000
Landfill Tax Credit Scheme	Environmental management and education	361,035
Leeds City Council	Leeds Cares	29,280
Lloyds TSB Foundation	Support for ProHelp in Cumbria and Bristol	14,000
New Opportunities Fund	Transforming waste programme in Northern Ireland	26,934
New Opportunities Fund	Learning Link programme in Wales	13,888
Welsh Assembly Government	Active Communities Fund	137,500
Welsh Assembly Government	Communities First project	117,325
Welsh Assembly Government	Voluntary Intermediate Services	37,543
Welsh Assembly Government	Community regeneration conference	11,000
Welsh Development Agency (through Welsh Assembly Government)	Rural recovery programme	13,183
Yorkshire Forward	Regional regeneration	2,465,000
Yorkshire Forward	Professional skills in market towns	49,627

17. Related Party Transactions

Transactions between the company and related parties, together with their relationships with the company, are set out below. The transactions with companies whose directors are Board members fall outside the disclosure requirements as they do not comprise related party transactions within the definition of the charities SORP. All such transactions have been carried out in the normal course of the company’s activities.

Organisation	Related Party	Relationship	Description	30 June 2003 £	30 June 2002 £
KPMG LLP) Mr Alun	Director) Advisory	23,666	12,068
) Bowen) fees		
) Mr Mike	Director) paid to		
) Rake) KPMG LLP		

Summary of Management Accounts
for the year ended 30 June 2003

		Year ended 30 June 2003	Year ended 30 June 2002
Income	Notes	£	£
Members' contributions		3,153,282	3,040,216
Sponsorship income		3,430,691	3,463,231
Fees, publications and sundry income		2,900,055	2,278,346
Public sector grants		8,535,804	4,995,701
Bank deposit interest receivable		<u>62,413</u>	<u>54,666</u>
Income applied to general activities		18,082,245	13,832,160
Additional incoming resources in SoFA, per Appendix 2		<u>2,868,949</u>	<u>3,579,530</u>
Total incoming resources per SoFA		<u>20,951,194</u>	<u>17,411,690</u>
Expenditure			
Salaries	5	9,913,476	7,471,710
Fees		1,996,460	1,404,404
Temporary staff, recruitment and staff training		727,381	685,129
Travelling, subsistence and entertaining		831,920	659,181
Seminars and conferences		1,011,429	782,926
Publications, promotion and website development		1,107,406	776,212
Printing, postage and stationery		366,476	361,387
Depreciation	6	66,972	85,268
Rent and rates		464,204	423,531
Telephone		263,563	265,237
Other premises costs		169,611	135,355
Other administrative expenses		905,232	591,642
Costs incurred in relation to London office move		-	10,098
Sundry expenses		<u>61,669</u>	<u>42,097</u>
Expenditure on general activities		17,885,799	13,694,177
Additional resources expended in SoFA, per Appendix 2		<u>2,728,193</u>	<u>2,915,861</u>
Total resources expended		<u>20,613,992</u>	<u>16,610,038</u>
Surplus for the year on general activities, being the net increase in unrestricted funds		196,446	137,983
Net incoming resources on restricted funds		140,756	663,669
Net interest in the results for the year of joint ventures	7a)	<u>62,731</u>	<u>14,663</u>
Net increase in total funds		<u>£399,933</u>	<u>£816,315</u>

Reconciliation of Management Accounts (Appendix 1) with incoming resources per Statement of Financial Activities (page 11)
for the year ended 30 June 2003

	Year ended 30 June 2003 £	Year ended 30 June 2002 £
Income applied to general activities per management accounts	18,082,245	13,832,160
Income received for specific projects on behalf of donees	765,943	973,475
Intangible income 3b)	1,853,000	1,864,000
Net increase(decrease) in unspent income		
Sponsorship income	38,378	225,931
Public sector grants	<u>211,628</u>	<u>516,124</u>
Additional income included in SoFA	<u>2,868,949</u>	<u>3,579,530</u>
Total incoming resources per SoFA	<u>20,951,194</u>	<u>17,411,690</u>
Expenditure on general activities per management accounts	17,885,799	13,694,177
Expenditure for specific projects on behalf of donors	875,193	1,051,861
Intangible expenditure 3b)	<u>1,853,000</u>	<u>1,864,000</u>
Additional expenditure included in SoFA	<u>2,728,193</u>	<u>2,915,861</u>
Total resources expended per SoFA	<u>20,613,992</u>	<u>16,610,038</u>
Surplus for the year on general activities, being the net increase in unrestricted funds	196,446	137,983
Net incoming resources on restricted funds	140,756	663,669
Net interest in the results of joint ventures 7a)	<u>62,731</u>	<u>14,663</u>
Net increase in total funds	<u>£399,933</u>	<u>£816,315</u>

	Year ended 30 June 2003 £	Year ended 30 June 2002 £
Sponsorship income		
Sponsorship income per management accounts	3,430,691	3,463,231
Deduct : unspent income at 1 July 2002	(952,953)	(727,022)
Add : unspent income at 30 June 2003	<u>991,331</u>	<u>952,953</u>
Net increase in unspent income during the year	<u>38,378</u>	<u>225,931</u>
Sponsorship income per SoFA	<u>£3,469,069</u>	<u>£3,689,162</u>
Public Sector grants		
Public Sector grants per management accounts	8,535,804	4,995,701
Deduct : unspent income at 1 July 2002	(1,046,024)	(529,900)
Add : unspent income at 30 June 2003	<u>1,257,652</u>	<u>1,046,024</u>
Net increase in unspent income during the year	<u>211,628</u>	<u>516,124</u>
Public Sector grants per SoFA	<u>£8,747,432</u>	<u>£5,511,825</u>