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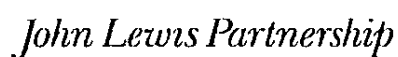
COMPANIES HOUSE

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# Annual Report 2013



Thank you to our top company supporters in 2012-13



## Foreword to 2013 Annual Report

It has been an uncertain year for the UK economy and for the businesses that operate within it. However, as a result of the organisational restructure, the drive through the teams to align to our campaigning ambitions, the resourcing of our flagship programmes and the focus on member value, we are in a much stronger position to scale up the impact we and our members have through focused action on key issues and areas. We are also now providing a much more coherent offer to our members and as a result, I believe, a greater challenge through the member services we provide. Our members are telling us this is what they want from us and we must ensure we deliver. The brand of Business in the Community has never been stronger and our visibility has never been higher. We have taken action to work as efficiently as possible, build new partnerships and capitalise on new opportunities.

I am proud of what has been achieved this year. Although there are some areas I had hoped we would have made more progress in, we have some exceptional outcomes in others. It is difficult to pick out any of the individual achievements from all that are listed in this Report. However, the growth of our flagship programmes, Business Connectors and Business Class is exciting and we are beginning to see real traction in the areas of greatest need. I am also enthused by the powerful work being delivered by our Workplace campaign, recognised as leaders in the field of research and development both on Diversity and on the Wellbeing agenda. We have seen much development in Marketplace Sustainability and the Start campaign, building on the new narrative and challenge set out in the Fortune Favours the Brave report. We are also seeing the impact of our emerging areas of work in Enterprise and Tackling Unemployment particularly amongst young people which is driving new ways of working for Business in the Community and we believe, greater focus for our members.

I would like to pay tribute to my Chairman Mark Price for his support and leadership and to the Board for theirs and the time they have given us this year. I would also add my gratitude to the 300 business leaders who have stood by Business in the Community driving our strategy and delivery through our Leadership and Advisory Teams across England, Northern Ireland and Wales. I would like to congratulate all our Award winners and thank M&S for their leadership as Company of the Year 2012 and welcome and congratulate Jaguar Land Rover for their Award this year. It is this collaborative leadership that helps us ensure all we do remains business led and drives positive change within those businesses we work with as well as the social change we strive for.

Increasingly responsible business leadership is a balancing act – balancing the action needed to help address the urgent and increasingly pressing issues of today in our local, urban and rural communities, alongside the action needed to manage the longer term fundamental global sustainability challenges of the future. The opportunities for Business in the Community to work with our members and make a real difference in the communities in which we operate, have never been greater. The challenges to business and the leadership needed to navigate the changes needed to respond, never more tested. I hope this Report shows that as well as driving the debate, we are also developing and driving the practical action to achieve sustainable impact.

I would like to close by thanking the staff team at Business in the Community. They work tirelessly and with unbounded energy and I remain exceptionally grateful to each and everyone for what they do and the contribution they make.



**Stephen Howard**

Chief Executive, Business in the Community

## Annual Report 2013

**Business in the Community stands for responsible business. Our vision is for every business to act responsibly.**

We are a unique business movement - the largest business-led charity of its kind - committed to building resilient communities, diverse workplaces and a more sustainable future

We work locally, nationally and internationally with members to transform businesses and transform communities and we believe that responsible leadership is the ability to balance doing both

### **We do two things:**

- **We offer a range of services that challenge, support and inspire members and help transform their businesses**
- **We ask our members to work with us on specific campaigns that have an impact in the workplace, marketplace and community**

### **Key achievements:**

- **37,000 young people** have benefited through our 253 Business Class partnerships 60% of our Business Class schools fall within the top 33% most deprived communities in England
- **£5.5m of leverage was secured for the neediest communities** through the secondment of 73 Business Connectors Not only are Connectors encouraging culture change in the companies they return to, but 69% of providers at local level are reporting that they will increase support to voluntary organisations in future
- **Nearly 46,000 volunteers** gave their time free of charge through BITC, including support to Business Class and Business Connectors, totally over 580,000 hours
- **£3m has been given in grants** from The Prince's Countryside Fund to help over 55,000 people living and working in the British countryside over the first three years of activity

Responsible  
business  
starts at  
[www.bitc.org.uk](http://www.bitc.org.uk)

## EDUCATION & YOUNG PEOPLE

Our ambition is for every young person, particularly those facing social disadvantage, to receive support from business to build successful working lives

37,000 young people have experienced high quality, long-term business engagement thanks to 171 businesses partnering with 253 schools through BITC's Business Class programme 5,000 students have been given access to a role model from business through the successful Mosaic initiative, while 2,600 business leaders and young people have been inspired through the Big Conversation which breaks down barriers and facilitates dialogue between senior business leaders and young people

### Key activities and progress up to 30 June 2013:

- The Talent and Skills Leadership Team companies have used the Big Conversation event model to bring together their sectors to discuss how they can work together to tackle youth unemployment through inspirational work experience, providing more accessible routes to work such as apprenticeships and providing more job opportunities These sector Big Conversations have brought together over 2,600 young people and senior business leaders
- 31,000 pledges from hospitality organisations all over the UK were gathered, with the help of Whitbread, to provide opportunities for young people, with a goal of a further 60,000 pledges in 2014
- 10,082 apprenticeships and 11,442 Work Inspiration places were created by the Facilities Management sector, galvanised by ISS and supported by BITC
- Through our 253 Business Class partnerships we have a positive impact on the lives of over 37,000 young people 60% of our Business Class schools fall within the top 33% most deprived communities in England
- Almost 5,000 students have been supported with the help of nearly 700 mentors through Mosaic In addition, Mosaic has worked with 40 primary schools, supporting over 800 mothers and daughters in primary schools, helped by over 175 mentors 83% of Mosaic's beneficiaries are in the 20% most deprived communities
- 7,597 people, focusing on education through employee volunteering, have directly benefitted by the ENGAGE Key Cities programme in 33 Cities around the world
- 800 children in primary schools across Northern Ireland received weekly reading support as a result of the intervention of business volunteers
- The European CSR Award Scheme initiated by the European Commission, designed and developed by BITC in partnership with CSR Europe and 33 partners across Europe, and supported by Alliance Boots, communicated case studies on education and young people and how they benefitted 45,000 people
- A cross-industry partnership, convened by The Prince's Rural Action Programme, led to the development of the Bright Crop initiative which is aimed at inspiring more young people to consider a career in farming and food supply
- Over 7,000 students across 204 schools in Northern Ireland in 40% of the most disadvantaged areas were inspired through our members to experience the world of work
- 2,000 young people gained access to hundreds of real jobs, apprenticeships and advice on how to set up a social enterprise or run their own business at Birmingham's biggest ever Youth Job fair in July Julian Buttery, a Business Connector on secondment from National Grid, facilitated this event as a direct result from our Seeing is Believing visits in the west of England, exploring issues around youth unemployment in Birmingham, Liverpool and Bristol

*By 2015, our target is that 75,000 young people in 500 UK schools in challenging circumstances will be positively supported and inspired through partnerships with business. 65% of these will be based in the most deprived communities*

## EMPLOYMENT

Our ambition is that everyone, particularly those with significant barriers to overcome, receives support from business to build the skills and confidence to gain and sustain employment

Our Work Inclusion programmes are a proven way of enabling individuals facing multiple disadvantages to gain and sustain employment. This year the programmes have helped 693 people into employment while also engaging almost 895 employees from businesses in the provision of mentoring and support for participants

This year we have focused on scaling up our programmes in order to reach a greater number of disadvantaged groups with business support and help them move into employment. We were delighted to receive strategic support from Impetus and Accenture to help us develop a model to expand our impact through employment programmes and campaigns

We have also had positive engagement with Government, particularly with the Department of Work and Pensions. Mark Hoban, Minister for Employment until October 2013, who visited the Ready for Work programme in February. The programme has consistently outperformed the Government's Work Programme in supporting people facing multiple barriers to work into employment. An average of 29% of Ready for Work clients entered sustainable work in comparison to 16% of the comparable group of Work Programme clients from June 2011 – July 2013

### Key activities and progress up to 30 June 2013:

- Through our Ready for Work and Get Ready! programmes we worked directly with 1,083 people facing multiple barriers to work, including homelessness, unspent convictions, and experiences of substance or alcohol misuse
- Ready for Work supported 722 people through the programme and 297 into work
- The Get Ready! pre-employment programme, supported by Department for Communities and Local Government engaged 361 people across England in partnership with ten homelessness agencies and three prisons
- 895 employee volunteers from 187 businesses were involved with our Ready for Work and Get Ready! programmes as job coaches, work

placements and volunteers to support people with multiple barriers to work into employment

- The Reducing Re-offending Through Employment campaign directly involved 11 employers through the Alliance Boots Supply Chain Taskforce to break down barriers to employment for ex-offenders. Alliance Boots estimate that the Taskforce represents approx 250,000 jobs in the UK, with the potential to open up this number to ex-offenders
- Northern Ireland companies supported two Jobs Fairs hosted by BITC in areas of deprivation with over 800 participants and 40 companies participating 70% of which offered live vacancies
- 155 delegates attended a reception during Responsible Business Week 2013 to debate whether it was time to 'Ban the Box' on job application forms asking about criminal convictions. This event has informed the development of a new Ban the Box campaign for BITC to be launched in October 2013
- Our RISE programme in Nottingham supported 60 care leavers to move towards work through a combination of training, 'Behind the Scenes' visits and work placements. Seven young people started work this year due to RISE
- Through the ENGAGE Key Cities programme we have directly assisted 6,542 individuals in 15 cities through employee volunteering programmes
- The European CSR Award scheme disseminated best practice on supporting 45,000 people in employment through giving 31,281 hours of volunteer time
- 42% of participants who completed the Ready for Work programme in London are now employed
- 399 long term unemployed were supported into work through direct interventions by BITC and its members in Northern Ireland

*By 2014, our target is that 1,500 people a year will be proactively supported to overcome significant barriers and gain employment; 300 businesses will commit to removing barriers and actively support those furthest from the workplace.*

Business Class  
partnerships are  
having a positive impact  
on the lives of over  
**37,000** young  
people



## ENTERPRISE AND CULTURE

Our ambition is for business to support the creation and growth of small & medium enterprises and of the arts, in order to stimulate economic growth, create jobs and reduce social deprivation

Last year we launched arc Building Better Business, our flagship enterprise programme with a goal of creating 1,000 jobs through supporting social enterprises in the deprived Olympic Host Boroughs

Three years from its launch, The Prince's Countryside Fund has 22 corporate supporters and has donated over £3m to help 55,000 people living and working in the British countryside, especially struggling hill farmers in upland areas 2012-13's worst weather for farming in decades prompted an emergency appeal that raised over £600,000 to support crisis charities carrying out relief work with those affected

3,000 students participated in Mosaic's Enterprise Challenge Bigger than ever before, the Challenge supports the next generation of entrepreneurs

Since the start of 2012, BITC has provided business support to over 4,200 people and has helped to create nearly 400 jobs

### Key activities and progress up to 30 June 2013.

- Since the launch of arc in September 2011, 66 social enterprises have received business support, helping them to create over 200 jobs in our target boroughs
- 489 people were supported to start up businesses in the East Midlands by the BITC-managed New Enterprise Allowance scheme
- 6,500 people in five cities were helped through employee volunteering by the ENGAGE Key Cities programme In addition, the European CSR Award scheme supported up to 1,500 beneficiaries by showcasing 14 case studies on enterprise
- After our largest and strongest Apax-Mosaic Enterprise Challenge, we have enhanced the programme's profile and impact through increased follow-up with all finalists and other successful students in celebrations in every region This year's finals were attended by music video entrepreneur Jamal Edwards and Conservative Party Chairman, Grant Shapps

- We have worked with The Mary Portas Team, convening business leaders to support their work on revitalising the High Street
- We helped 75 'hard to reach' dairy farming businesses improve their profitability by improving their management skills through a programme of technical workshops All of the farmers involved valued it, so the programme is rolling out to reach 100 more farms
- Analysis undertaken by Arts & Business showed that total private sector investment in culture rose by 7.6% to £660.5m highlighting the essential nature of this funding in times of severely reduced public funds
- Over 90 examples of commercial and cultural partnership entered the 34<sup>th</sup> Arts & Business Awards focusing on those that achieve the greatest impact
- Over 300 arts bodies received networking and skills-sharing services through Arts & Business to increase their resilience to current difficult conditions
- HRH The Prince of Wales personally awards the most generous and committed individual supporters of the arts 26 individuals have received his Medal for Arts Philanthropy since its inception in 2007
- In the east of England we brokered over £250,000 worth of professional support for community projects from a range of companies under the ProHelp initiative

*By 2015, our target is that 600 small businesses or social enterprises will have been supported in the most deprived areas; 1,500 jobs will have been created in these companies through support from major businesses.*



## MARKETPLACE SUSTAINABILITY

Our ambition is for every business to prosper through the coming environment and social changes around the world, and be able to provide for nine billion quality and sustainable lives in 2050.

In 2013, BITC successfully brought together three sustainability Leadership Teams Start, Environment, and Marketplace into one department – Marketplace Sustainability. Still with three distinct Leadership Teams, the department developed a single overarching sustainability narrative - the nine billion challenge.

The premise of the nine billion challenge is that the resources needed to give the world's seven billion people a decent quality of life do not exist, yet by 2050, there will be nine billion. We believe business has the ability to transform the way quality lifestyles are provided for people. Our programmes are designed to help companies, their customers and the public understand the path of this transition.

### Key activities and progress up to 30 June 2013:

- Engagement on the effect of global mega-trends on business (for example, global financial shocks, resource scarcity, population growth) have taken place with 24 Leadership Team members and other companies.
- Accenture, Marks & Spencer and BITC delivered a report and toolkit that revealed five opportunities for sustainable innovation to help UK businesses secure £100bn in productivity gains annually.
- The Prince's Accounting for Sustainability Project and BITC delivered an event, hosted by HRH The Prince of Wales, to explore risks and opportunities that pension funds face as a result of global trends.
- 18 CEOs attended Leadership Breakfasts, hosted by Ian Cheshire, Group CEO of Kingfisher on impacts of global trends.
- The Forces for Change online document was published and 130 members were engaged through workshops and an online network.
- BITC launched Be The Start as part of its Start initiative. 45 brands and organisations worked on a collaborative consumer engagement campaign during the month of May with support from CBS Outdoor, Smooth/Real Radio, The Marketing Society and MRM Meteorite marketing agency, reaching over eight million listeners and over three million viewers on the Underground.
- BITC and IBM held a national IBM/Start summit at the IBM Southbank addressing sustainable infrastructure and smarter cities.
- Working with United Utilities we established a national water campaign to support businesses to understand the risks and opportunities of water as a valuable natural asset.
- We held The Virgin Money Be the Start competition in collaboration with Google to uncover the UK's best new sustainable start-up with £10,000 cash prize from Virgin Money. The competition attracted over 80 individual entries.
- BITC reviewed applications and renewals for HRH The Prince of Wales's Royal Warrants against sustainability criteria. This year all applications and renewals for Royal Warrants of Appointments to HM The Queen and HRH The Duke of Edinburgh were also reviewed.
- Through our strategic partnership with the Northern Ireland Environment Agency we helped over 250 businesses in Northern Ireland to increase their sustainability by interventions ranging from environmental management system development projects to training events.
- BITC supported B&Q in taking its Streetclub initiative to a wider audience and worked together to develop a promotional film which saw over 100 new Streetclubs established.
- Waitrose ran the second of their Start sustainability campaigns in over 250 stores providing an opportunity for Waitrose customers to discover how to take sustainable steps whilst doing the weekly shop and at home.
- BITC held discussion forums for senior sustainability professionals. Professionals from leading member companies including Jaguar Land Rover, Kingfisher, M&S and Siemens discussed best practice on sustainability.
- In Northern Ireland 60 CEOs and 300 delegates considered the issues that will affect their business in the future through a major conference – The Future for Good Business.

*By 2014, we will have commenced a long-term programme to showcase how BITC members are making a real and positive impact on how people can live more sustainably.*

## WORKPLACE & EMPLOYEES

Our ambition is a workforce that is fully representative of the community and that contributes to business and society through a fair, enriching and highly productive workplace

Direct involvement from Opportunity Now with Government and through the Lord Davies review supported an increase from 12.5% to 17.3% of the number of women directors on FTSE 100 company boards

Our Workwell campaign conducted their first 2013 benchmark research on public reporting on employee engagement and wellbeing. Driven by investor demand, the pilot of FTSE 100 companies showed some exciting examples of leadership. However, the findings also highlighted the need to increase transparency of employee engagement and wellbeing practices to show whether robust people practices are in place. Disappointingly, the results also highlighted that public reporting on this topic is still very much in its infancy, shown most clearly through the lack of psychological health reporting.

Practical business delivery and engagement has resulted in nearly 46,000 employees participating in employee volunteering programmes across some 500 companies.

Generation Talent, a joint initiative between BITC and The Department for Work and Pensions (DWP) is working with over 90 employers, 35 of which are working actively with Jobcentre Plus (JCP) to radically change the way they manage the recruitment of young people into the workplace.

### Key activities and progress up to 30 June 2013:

- Significant and powerful engagement is seen across the Workplace campaigns. Over 67 business leaders are engaged in shaping the direction and delivery of the five Workplace campaigns. We also have some 290 memberships within the diversity campaigns, with 30 new organisations this year – a truly powerful business voice.
- Nearly 46,000 volunteers gave their time free of charge via BITC, including support to Business Class and Business Connectors. Of that number, over 22,000 were volunteers on Give & Gain Day 2013, with a record breaking

12,200 in the UK alone, brokering an equivalent of over £1.3m support into community groups, in one day.

- Of the 90 employers that are involved with Generation Talent, 20 have collectively committed to making over 25,000 vacancies visible in the last quarter of 2013 using JCP services. Of that number 10,000 job offers are anticipated to be made to unemployed people, with 7,000 of these made to young people (under 25 years old).
- 181 companies benchmarked their workplace practices, 105 Workwell benchmarks and 76 Gender and Race benchmarks.
- Eight learning networks to share health and wellbeing interventions and best practice were introduced in Northern Ireland, with 80 companies subsequently developing a strategic approach to wellbeing in the workplace.
- 165 business leaders and young people took part in the Skills Show with BITC to launch Generation Talent.
- Opportunity Now, in partnership with the Institution of Leadership & Management, published new research entitled 'Added values the importance of ethical leadership'.
- For the third year, Opportunity Now partnered with The Times to produce the Top 50 Employers for Women index and national supplement.
- Helena Morrissey CBE, CEO of Newton Investment Management and founder of the 30% Club, was appointed Chair of Opportunity Now.
- Support on wellbeing and employee engagement matters was provided to over 200 companies in the south of England.
- 2,000 employees from 70 companies volunteered, resulting in over 20,000 beneficiaries in communities across Wales.

*By 2014, our target is that 200 companies will benchmark their workplace practices and that 300 companies will access specialist advice and knowledge through membership of our gender and race diversity campaigns.*

# 46,000 volunteers



gave their time free  
via BITC's Give & Gain,  
Business Connectors  
Business Class,  
and other  
programmes

## OUR OFFER TO OUR MEMBERS

Our ambition is to offer our members practical support to help them integrate responsible business practices wherever they operate

### Key activities and progress up to 30 June 2013:

- Over 2,000 face-to-face meetings held by corporate advisers with member companies
- 357 delegates were involved with 21 visits to schools and community groups as part of The Prince's Seeing is Believing Programme
- Over a decade of measurement and reporting, the CR Index has been used by over 300 companies. During the 2012/2013 cycle 107 companies used the tool. The Index has been updated to include a new corporate wellness and engagement impact area, a set of new stretch questions that replace "Platinum Plus", and a refreshed online tool that has updated and improved the user experience
- We conducted nine important research projects across the breadth of responsible business. Many were produced in partnership with organisations, including ILM, Legal & General, M&S, Santander, Social Enterprise UK and Accenture
- We celebrated 126 Game Changer professionals – individuals who have made a personal and significant contribution to corporate responsibility during BITC's 30 year history
- 2013's Responsible Business Awards attracted 414 entries from businesses, with 192 Big Ticks awarded. Our rigorous assessment process involved 60 judges and 150 assessors from member companies and partner organisations, and was assured by Arthur D Little
- The CommunityMark recognised 40 exemplar companies who achieved this quality mark of excellence and leadership in community investment
- We offer a number of benchmarking tools to help businesses manage and measure their progress on responsible business. The Responsible Business Check-Up tool (designed for small and medium enterprises to better manage their responsible business practice) saw 44 participants, and 23 companies piloted the online Community Footprint
- 87 business people were trained in responsible business management and issues through BITC's accredited training services
- In Northern Ireland we created the Rethinking Responsibility network, engaging leading CR practitioners in understanding and tackling upcoming CR trends
- We welcomed 61 new companies into membership

*"There are lots of business membership organisations out there. BITC is different because it is a network of like minded companies from all sectors and sizes including large corporates and SMEs. With a shared commitment to responsible business practices as the starting point to your relationships, being part of the BITC network has truly provided us with some great business development opportunities founded on sound values. As a result, BITC have helped us secure existing client relationships and introduced us to new business."*

Andrew Diplock, MD, UES Energy

## SCALING UP

Our ambition is to take what works and scale up the impact of programmes by replicating best practice across the UK and internationally

We work locally through our area offices and network of Business Connectors, providing support to our members working in the eight English 'Core Cities', the capitals of Belfast, Cardiff and London, and elsewhere in the UK. We inspired and convene the CSR360 Global Partner Network (GPN) which is a network of local leaders who work with business to support the sustainable agenda locally and internationally across Europe, Africa, Asia and the Americas. We also work rurally through The Prince's Rural Action Programme.

This year we embedded changes to our three main English areas, bringing a renewed focus on the major cities, extending specialised account management, and creating a team of business development managers focused on income generation.

Our communication reach continues to grow, through our new website, key media partnerships with The FT, The Times and The Daily Telegraph, and with greater utilisation of the 'planter' by business on consumer-facing platforms.

### Key activities and progress up to 30 June 2013

- 73 Business Connectors, individuals seconded from business, supported and trained by BITC worked in 55 communities. They tackle social issues in local neighbourhood areas. In June 2012, the Big Lottery Fund awarded a grant of up to £4.8m to BITC to fund the development of this programme. The goal is to recruit and support over 670 Business Connectors to work in over 200 disadvantaged urban and rural areas within five years.
- The 21 companies who have seconded Business Connectors to date have contributed the equivalent of £3m in salary costs. Connectors secured £2.5m of local leverage support to voluntary organisations, schools and social enterprises, in cash, time or kind.
- Give & Gain Day 2013 activity took place in 24 countries engaging 397 companies, and over 22,000 employee volunteers overall. Coverage reached a potential audience of 6.7m people.
- In excess of £7.3m of volunteering time was brokered through BITC into community groups.
- The CSR360 GPN network now includes over 125 partners in 65 countries.
- The ENGAGE Key Cities programme continues to grow and includes 21 programmes in 34 Key Cities, across 14 countries.
- Business Connectors based in the West helped local organisations in 19 communities and made a total of 646 connections.

We continue to reach a large business audience

- Around 30,000 delegates attended national BITC events across the country and internationally with Give & Gain Day. This figure includes the National Awards Gala Dinner held on 2 July 2013.
- We had some 35,000 unique visitors per month to [www.bitc.org.uk](http://www.bitc.org.uk).
- Our commitment to our reduction of print has seen nine new online publications added to the library with a readership of almost 20,000.
- In 2012/13 there were 2,216 pieces of media coverage mentioning BITC and our campaigns, an increase of 2% on the same period last year. The coverage generated reflected the breadth of our campaigning agenda, with outlets as diverse as the Metro, Retail Week, The Sunday Telegraph, BBC London, and The London Evening Standard, covering BITC initiatives or quoting our spokespeople in print, online and through broadcast media.

*By 2014, our target is be active in every major city in the UK; over 10,000 companies will be engaged in our campaigns; and 81 communities will have a Business Connector with £10m in-kind support. The Prince's Countryside Fund will have supported 80,000 people in rural areas; 25,000 employees will participate globally through our CSR360 GPN partners in employee volunteering on Give & Gain Day with 15,000 in the UK.*

## OUR PEOPLE AND ORGANISATION

We are committed to providing a sustainable, inclusive, positive and productive workplace, and creating an environment which encourage high levels of engagement and professional and personal growth

We were proud to be listed in the top 100 Sunday Times Best Not for Profit Companies for the second year running. This is a reflection of the high levels of commitment from our staff to achieving the goals of the organisation

### Who we are

- We employ 400 people with an additional 50 seconded from business or volunteering with us in a wide range of locations in England, Wales and Northern Ireland. We expect the numbers of secondments to increase through our Business Connector programmes

### Improving our operations

- We continue to review our operational effectiveness both from a cost and impact point of view. In this year we reorganised our regional activities into five areas, whilst maintaining our local focus through our offices around the country and regional advisory teams. This has improved cross working and closer collaboration between the regional and London based teams
- We reviewed the way we support our members, reorganising and consolidating our Membership Team with a focus on more robust internal reporting, retention, recruitment and building greater engagement

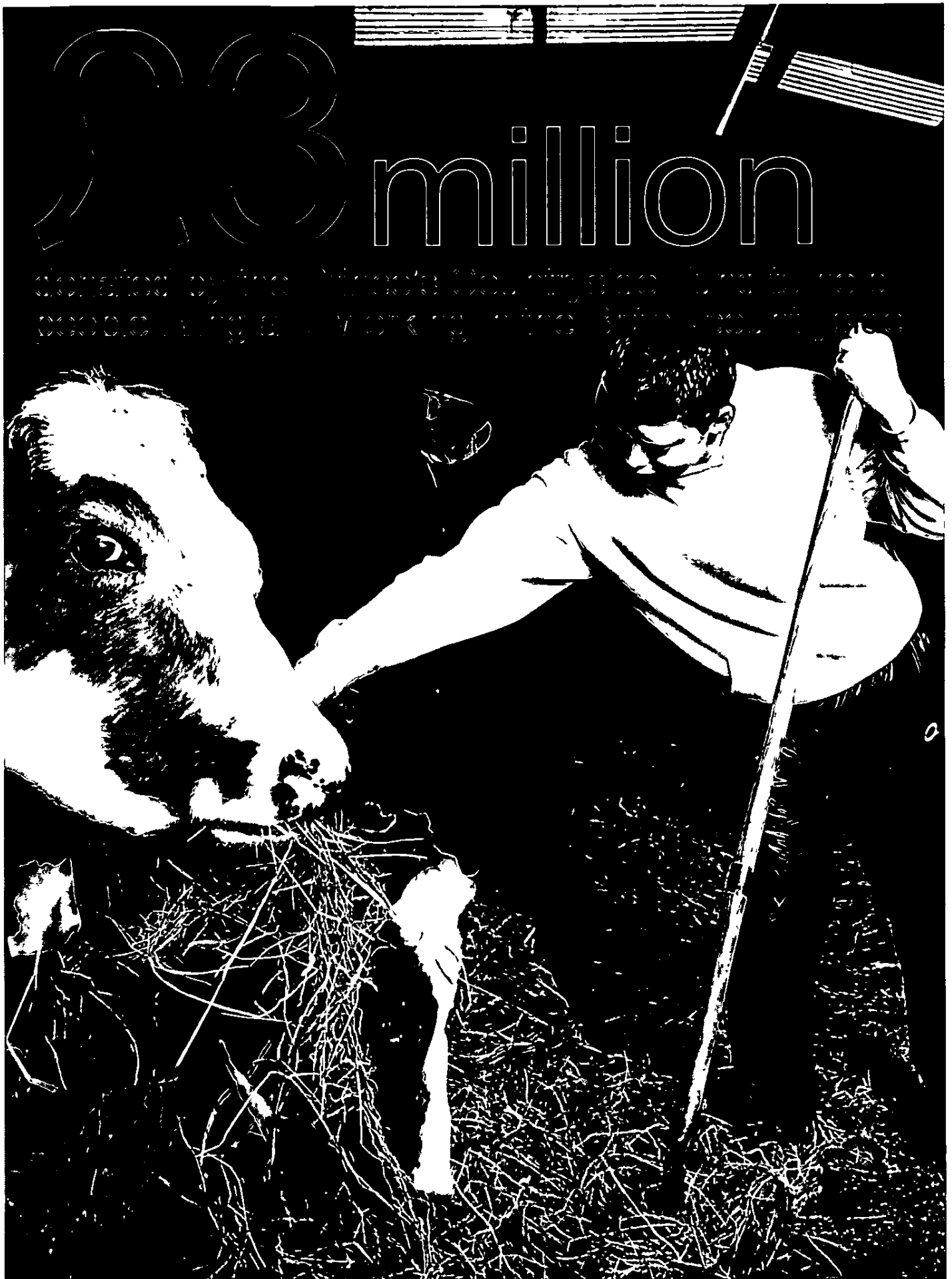
### Developing our people

- On average employees spent over seven days on learning and development activities during the year. We continue to run a number of core programmes focussed on leadership development, CR knowledge, fundraising, and company support, in addition to specific programmes run by and for individual teams. We also introduced an improved suite of e-learning packages to widen access to learning materials through our dispersed workforce

Improving employee engagement remains a priority

- We refurbished our London office, to create a more positive flexible working environment which fosters collaboration between teams. To achieve this we introduced a hot-desking approach for all staff based in this location
- Our new office has been designed to improve our environmental impact by considering energy saving solutions for every element of the fixtures and fittings, such as installing PIR sensors for light fittings, using a carpet made from recycled fishing nets, and having a master switch on every desk ensuring that no computers are left on stand-by overnight. A key part of the flexible design was to use the space more efficiently, so that we can accommodate more people in the same area and no part of the office is wasted space
- Work life balance remains important and we also launched an Employee Assistance Programme providing advice on a range of issues that we all face in our lives at one time or another
- We had a greater focus on creating internal opportunities for communication, running Road Shows taking Senior Management around the country, bringing employees together in a two day 'All Staff' and sending out regular video updates from the Chief Executive
- We remain committed to employee volunteering with opportunities being created around the country by managers. Many of our staff also took part in our national Give & Gain day in June 2013

*In 2014, our target is that we will continue to improve our Best Companies employee engagement scores*



# 23 million

of people who have been helped by the company's community programs since 2000. And that's just in the United States.

## LEADERSHIP

Our ambition is for our work to be led by business at the highest levels

The Prince's Seeing is Believing Programme is a catalyst for change with 218 senior business leaders attending visits across the UK last year. In addition, over 300 business leaders championed specific issues and campaigns in our Leadership Teams

President

**HRH The Prince of Wales KG KT PC GCB OM**

The present directors of the company are as follows

Chairman

- **Mark Price**  
Waitrose Ltd

Directors

- **Roy Adair**  
Belfast Harbour Commissioners  
(appointed 7 February 2013)
- **Yogesh Chauhan**  
Tata Consultancy Services
- **John Cridland CBE**  
CBI
- **Brendan Dick**  
BT Group Plc
- **Paul Drechsler**  
Wates Group Ltd
- **Philip N Green**  
Carillion Plc
- **Christine Hodgson** <sup>2</sup>  
Capgemini UK Plc
- **Phil Hodgkinson** <sup>1</sup>  
BT Group Plc
- **Steven Holliday**  
National Grid Plc
- **Christopher Hyman CBE**  
Serco Group Plc
- **Sir Richard Lambert**  
University of Warwick
- **Ruby McGregor-Smith CBE**  
MITIE Group Plc
- **John Neill CBE**<sup>1</sup>  
Unipart Group of Companies Ltd

- **Jeremy Pocklington** (appointed 1 October 2013)  
HM Treasury
- **Tim Porter**  
Lex Autolease (appointed 1 March 2013)
- **Chris Satterthwaite**  
Chime Communications Plc
- **John Spence CBE** <sup>2</sup>  
Callcredit Information Group Ltd
- **John Union**  
Barclays Plc
- **Francesco Vanni d'Archirafi**  
Citi Holdings
- **John Williams**  
The Porlock Group

The following directors have retired, who also served during the year

- **Alex Gourlay** (retired 1 October 2013)  
Alliance Boots
- **Ben Kernighan** (retired 25 July 2013)  
National Council for Voluntary Organisations
- **Carolyn McCall OBE** (retired 12 November 2012)  
EasyJet Airline Company Ltd
- **Alison Platt CMG** (retired 18 April 2013)  
Bupa
- **Paul Rooney** (retired 31 January 2013)  
PricewaterhouseCoopers LLP
- **Truett Tate** (retired 28 February 2013)  
Arora Holdings

<sup>1, 2</sup>, signifies member of the Audit <sup>1</sup>, Finance and Risk <sup>2</sup> Committees respectively

The following non-Board member serves on the Audit Committee

- **Denise Larnder**  
Ernst & Young LLP

The following non-Board members serve on the Finance and Risk Committee

- **Betsy Bassis**  
Centrica Plc
- **Nigel Beswick**  
MITIE Group Plc
- **David Maxwell**  
Grant Thornton



#### Vice-Presidents

**Dame Julia Cleverdon DCVO CBE**  
**Lord Sheppard of Didgemere KCVO**  
**Sir Stephen O'Brien**  
**Hon Sir David Sieff**  
**Sir Mark Weinberg**

#### Advisors

##### Bankers

**Barclays Bank PLC**  
1 Churchill Place  
London E14 5HP

##### Solicitors

**Bates Wells & Braithwaite**  
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London EC4M 6YH

##### Auditors

**Crowe Clark Whitehill LLP**  
St Bride's House  
10 Salisbury Square  
London EC4Y 8EH

#### Leadership Team Chairs

- Business Action on Homelessness

##### **John Varley**

Chairman of Marie Curie and Non Executive  
Director to the Boards of Rio Tinto and  
AstraZeneca

- Community

##### **Richard Howson**

Chief Executive, Carillion Plc

- Enterprise

##### **Stephen Leonard**

Chairman, IBM UK & Ireland

- Education

##### **Paul Drechsler**

Chairman & Chief Executive, Wates Group

- Environment

*Position vacant*

- International

##### **Francesco Vanni d'Archirafi**

Chief Executive Officer, Citi Holdings

- Marketplace

##### **Jeremy Hicks**

Managing Director, Jaguar Land Rover

- Opportunity Now

##### **Helena Morrissey CBE**

Chief Executive, Newton Investment  
Management

- Race for Opportunity

##### **Adrian Joseph**

Director, Search Advertising, Northern & Central  
Europe, Google

- Rural

##### **Mark Allen**

Chief Executive, Dairy Crest

- Talent & Skills

##### **Steven Holliday**

Chief Executive, National Grid

- Workwell

##### **Irwin Lee**

Vice President and Managing Director,  
P&G UK and Ireland

- Mosaic

##### **Khawar Mann**

Chairman, Medsi Group

- Arts & Business

##### **Jonathan Moulds**

- Start

##### **Ian Cheshire**

Group Chief Executive, Kingfisher

#### Regional Advisory Board Chairs

- East of England

##### **Paul Winter,**

Chief Executive, Ipswich Building Society

- East Midlands

##### **Ursula Lidbetter MBE**

Chief Executive Officer,  
Lincolnshire Co-operative

- London

##### **Rob Devey**

Non-executive Director, Octopus Investments

- Northern Ireland

##### **Roy Adair**

Chief Executive, Belfast Harbour  
Commissioners

- North East

##### **Richard Hutton**

Finance Director, Greggs Plc

- North West  
**Edwin Booth**  
Chairman, EH Booth & Co
- South East  
**Huw Davies**  
Chief Financial Officer, Wates Group
- South West  
*position vacant*
- Wales  
**John Union**  
Head of Wales, Barclays Corporate  
Barclays Bank Plc
- Yorkshire and Humber  
**Graham Holden**  
Chief Executive, Marshalls
- West Midlands  
**Stewart Towe CBE**, Chairman & Group  
Managing Director, Hadley Group Plc

BITC's Senior Staff are as follows

- Chief Executive **Stephen Howard**
- Community Director **Paul Buchanan**
- Communications Director **Gail Greengross**
- Finance Director **Alison Grieve**
- Field Director **Patrick Mallon**
- Membership Director **Patrick O'Meara**
- Executive Director **David Pemberton**
- Human Resources Director **Françoise Seacroft**
- Company Secretary **Lesley Wolfenden**

Area Directors

- Northern Ireland **Kieran Harding**
- England West **Raksha Pattni**
- Wales **Rosie Sweetman**
- England East **Liz Needleman**
- England South **David Williams**

#### Registration Details

Register of Charities Registration No 297716

Register of Companies Registration No 1619253

#### Registered Office

137 Shepherdess Walk, London N1 7RQ

Telephone 020 7566 8650

Website [www.bitc.org.uk](http://www.bitc.org.uk)

# £5.5million

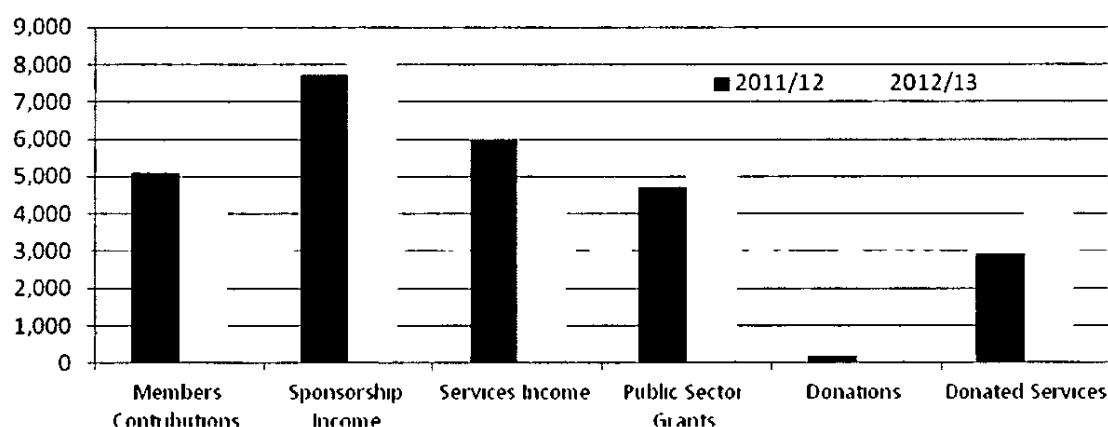


of local leverage support to voluntary organisations, schools and social enterprises in cash, time or kind through our Business Connectors.

**Financial Review**

The financial statements for the year have been prepared in full accordance with the Statement of Recommended Practice, *Accounting and Reporting by Charities (March 2005)*. They incorporate the results of Business in the Community, its trading subsidiary (BITC Trading and Advisory), The Prince's Countryside Fund, of which BITC is the sole member, and its trading subsidiary Countryside Fund Trading Ltd and Arts & Business and its trading subsidiary Arts & Business Services. All are for a full 12 months to 30 June 2013. Comparatives for 2012 include Arts and Business only for 7 months.

As reported in the Statement of Financial Activities on page 26 incoming resources rose in the year from £26.65m in 2012 to £28.47m in 2013 with growth across almost all sectors of the business.

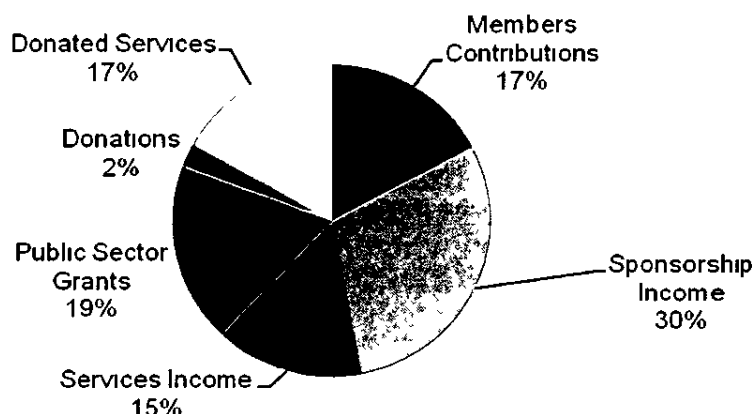
**Incoming Resources 2011/12 to 2012/13**

Our membership income fell slightly but the core funding from companies supporting campaigning initiatives remained steady, we repositioned our consumer facing sustainability programme, Start to increase the impact of the supporter companies through their direct actions whilst reducing the activities channelled through us, we saw substantial growth in the Mosaic initiative and in Diversity campaigns. Arts and Business is now integrated into the main campaigning activities. The timing of our annual national gala dinners in June 2012 (so falling into 2011/12) and July 2013 (falling into 13/14), with the matching of income and costs resulted in a reduction in event income and costs in these accounts as this is one of our largest flagship events in the year.

There has been growth in public sector support this year to support the development and roll out of the Business Connectors and the Business Class programmes, this has also leveraged the exceptional increase in non cash support from member companies. We have been successful in attracting funding for core programme in East Midlands and in Northern Ireland supporting people back in the workplace.

Total income delivered by regional operations was £8.4m representing 42% of the total income for BITC alone (2012 - £8.1m and 38%), considered to be an exceptional result in a difficult year which included a major reorganisation of this area of the charity's activities.

## 2013 Incoming resources



The Prince's Countryside Fund increased its impact on farming and rural challenges by a growth in both project grants funded from the sponsorship activity of participating companies and its response to the farming crisis in late 2012 /early 2013 which saw a targeted appeal for funds which were then awarded in grants to the farming help charities. Grants awarded rose from £888k in 2012 to £1,736k in 2013.

All income, including members' contributions is used solely to finance expenses incurred in connection with BITC's mission.

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 £2.6m at 1 July 2012 increased by £68k (2012 up 270k) to £2.33m at 30 June 2013, whilst the Endowment funds connected with the development of the BEAM project reduced by £12k to £519k (£5,331k). The total net increase in all funds this year was £166k (BITC alone £190k) compared to an increase last year of £405k (BITC alone £85k).

### Economic Conditions and Going Concern

We continue to be able to access funds from our member companies and from the public sector where our core initiatives demonstrate that they meet both societal need and funding expectation. Despite a challenging environment we have continued to meet our expectations in tailoring our costs to our income achievements.

Our operating costs have only increased this year in direct relation to new or growing income streams. The reduction in cash resources during this year was a situation which was anticipated and planned for and was largely the result of the expenditure on our principal office and the utilisation of funds relating to the Arts and Business acquisition. We retain the flexibility to reduce costs where this becomes necessary in response to reduced income. Consequently, we have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. The accounts have therefore been prepared on the basis that the charity is a going concern.

### Fixed assets

Movements in fixed assets during the year are set out in note 6 to the financial statements. These reflect the investment made this year in the office premises in London.

### Reserves policy

The company's free reserves are its corporate revenue reserves not committed for use as fixed assets for its own use nor for future projects. These amounted to £1.9m at the year end. Within this

figure, liquid reserves are represented by the net current assets of its unrestricted funds. The company holds free reserves to provide working capital to finance its day to day operations and to provide a safeguard against any unforeseen contingency, including a downturn in support or activity, that could lead to expenditure exceeding income, and ultimately to protect its solvency in the event of any curtailment of its activities. The policy determined by the Directors is to reflect what minimum level is adequate for its needs in a changing environment. An evaluation of the current costs of total cessation in a worst-case scenario has been carried out which estimated that the unfunded extra costs would require a minimum level of unrestricted free reserves of £1.9m. The calculation of our unrestricted funds included in note 12 demonstrates that the charity holds this level of funds.

**Grant making policy**

The Trustees of BITC's subsidiary, Prince's Countryside Fund (PCF), have established a grant making policy to achieve PCF's objective for public benefit to support projects in England, Wales, Scotland and Northern Ireland that clearly contribute towards one or more of the goals of the charity. The charity invites applications for grants from organisations to support capital, project and resource funding that contribute to the sustainability of British farming, rural communities and the countryside, particularly in areas of greatest need.

In addition grants are allocated by PCF's Trustees from their "emergency" funding to meet immediate and urgent needs arising from events which can have a devastating effect on rural communities. Full details of the application process including dates and criteria are available from The Prince's Countryside Fund website <http://www.princescountrysidefund.org.uk/>

**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.

**Organisation**

Business in the Community was incorporated as a company limited by guarantee on 2 March 1982 and was registered as a charity on 28 September 1987. It is governed by its memorandum and articles of association, as amended by special resolutions passed on 10 September 1987, 8 December 1994 and 4 December 2001.

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.

The directors consider that they have complied with their duty to have due regard to the Charity Commission guidance on public benefit.

**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 also served during the year is set out on page 14.

The Chief Executive is appointed by the Directors to manage the day-to-day running of BITC under powers delegated to him by the Board. He is supported by the senior staff.

**Governance**

The full Board met six times in the year. The role of the Board is to determine the charity's mission and purpose, and to guard the ethos and values. During the year the Board

- Agreed the business plan for the coming year including the review of brand and profile of BITC and how that should be enhanced,
- Agreed the budget for the year commencing 1 July 2012 and monitored financial performance through the Finance & Risk Committee and risk through the work of both the Audit Committee and Finance & Risk Committee,
- Reviewed the objectives and activities of the charity and its campaigning focus. The Directors confirm that in doing so they referred to the guidance contained in the Charity Commission's general guidance on public benefit,
- Approved the Report & Accounts for the year ended 30 June 2012 and recommended their adoption by members in general meeting
- Held an extraordinary meeting at Clarence House in the presence of HRH The Prince of Wales

The Finance and Risk Committee met four times in the year to supervise the financial affairs of the Company in relation to the plans the Board had approved, to report to the Board any significant variances against these plans and to review the risks to which the Company is exposed

The Audit Committee met twice in the reporting period to oversee the risk management and controls framework, review the accounting policies and financial statements, oversee the relationship with the external auditors and the procedures in place for detecting fraud and whistle blowing

Work also took place with the members of the Board and the Committees outside of the formal meetings

New board members received an induction into Business in the Community reflecting their individual and corporate responsibilities

The Company updates its Trustees Manual every six months, and this details the responsibilities of the Board, its sub-committees, and matters reserved for their approval. In addition, it lists Business in the Community's responsibilities and duties in regard to the charities office at Clarence House, and provides guidance and best practice based on recommendations of the NCVO on charitable boards

The Prince's Countryside Fund Board met on four occasions in the year to consider inter alia

- Overarching strategic objectives including profile of the charity and the engagement with new supporters,
- Grant strategy and criteria and the awarding and assessment of individual grants and their impact,
- Review of the activities of Countryside Fund Trading and the appointments of its directors

The Company has maintained insurance cover in respect of professional indemnity at an annual premium of £7k (2012 - £8k)

**Risk policy**

The Board is responsible for the management of the risks faced by the Company. A risk management process is in place and continues to be refined and enhanced with the assistance of the Finance & Risk Committee and the Audit Committee

Through this risk management process, the Directors have identified the key risks to which the company is exposed and these are as follows

- Maintaining the value of the membership proposition,

- Relevance of the campaigning offer and maintaining BITC at the forefront of responsible business practice,
- Delivery of impact and scale on major programmes,
- Management Focus required across the wide range of the agenda

Activities to mitigate these risks include

- a focus on key activities and priorities as determined by the annual business plan (which lays down the foundation of the years activities),
- membership surveys, a professional structure of corporate advisors who work closely with members to address changing needs and perception and thus maximising the number of members who view the responsible business agenda as integral to their business,
- campaigns working closely with leadership teams on all aspects of the agenda, but in particular on maintaining the relevance and challenge in relation to workplace, community and sustainability issues
- the use of an integrated customer relationship database across the organisation,
- regular financial re-forecasting and a focus to match costs, in particular staffing costs, to income and the re-alignment of staff teams (especially back office teams) to enhance productivity, internal consultative staff groups, including the 'Walk the Talk' initiative

The risks 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

Processes 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

An annual budget is set each year in line with the goals and targets of the business plan. Performance against this budget is reviewed monthly by the senior staff team and at the meetings of the Finance and Risk Committee and the Board. In addition regular re-forecasting exercises are undertaken to address changes in the economic environment and respond to changes in income expectations.

A set of key performances indicators has been established to focus on the major targets of the business plan covering both financial and non-financial measures.

The design of the systems and control 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. There is no evidence that there is any material failure of these controls.

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



**Statement of Directors' Responsibilities**

The Trustees (who are also the directors of Business in the Community for purposes of company law) are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards)

Company law requires the directors to prepare financial statements for each financial year. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and the application of resources including income and expenditure of the charitable company and of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

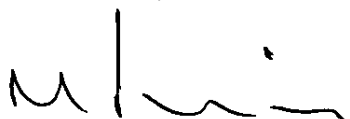
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group, and enable them to ensure that the financial statements comply with the Companies Acts and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the company and the group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware. The Directors have each taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Auditors**

Crowe Clark Whitehill LLP has indicated its willingness to be reappointed as statutory auditor and a resolution proposing their re-appointment will be submitted to the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on its behalf



Mark Price  
Chairman, Business in the Community

5 November 2013

## **Independent Auditors' Report to the members of Business in the Community** (a company limited by guarantee)

---

We have audited the financial statements of Business in the Community for the year ended 30 June 2013 which comprise the Group Statement of Financial Activities (incorporating the Group Income and Expenditure Account), the Group and Company Balance Sheets, the Group Cash Flow Statement and the related notes numbered 1 to 17

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and the charitable company's affairs as at 30 June 2013 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

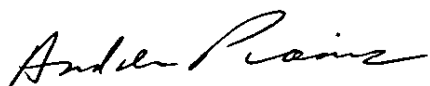
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion 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.

### Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent charitable company 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



Andrew Pianca

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

St Brides House

10 Salisbury Square

London, EC4Y 8EH

13 November 2013

## Business in the Community

(a company limited by guarantee)

### Consolidated Statement of Financial Activities (incorporating an income and expenditure account) for the year ended 30 June 2013

	Notes	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2013 £000	Total 2012 £000
<b>Incoming Resources</b>	1b					
<b>From Generated Funds</b>						
Voluntary Income	4a	384	4,412	-	4,796	2,939
Income from Excess of Fair Value	4a	-	-	-	-	470
Bank deposit interest receivable	4a	14	17	-	31	30
		398	4,429	-	4,827	3,439
From Charitable activities	4a	10,391	13,245	7	23,643	23,213
<b>Total incoming resources</b>		<b>10,789</b>	<b>17,674</b>	<b>7</b>	<b>28,470</b>	<b>26,652</b>
<b>Resources expended</b>						
Charitable activities	4b	10,548	17,595	19	28,162	26,058
Governance costs	4b	131	11	-	142	189
<b>Total resources expended</b>		<b>10,679</b>	<b>17,606</b>	<b>19</b>	<b>28,304</b>	<b>26,247</b>
<b>Net income/ (expenditure)</b>		<b>110</b>	<b>68</b>	<b>(12)</b>	<b>166</b>	<b>405</b>
<b>Balances brought forward</b>						
1 July 2012		2,833	2,260	531	5,624	5,219
<b>Balances carried forward</b>						
30 June 2013		2,943	2,328	519	5,790	5,624

All of the charitable company's operations are represented by continuing activities  
The charitable company has no recognised gains and losses other than those shown above

The notes on pages 29 to 41 form an integral part of these financial statements

**Business in the Community**  
(a company limited by guarantee)

**Consolidated and Company Balance Sheets**  
as at 30 June 2013

	Notes	Consolidated 30 June 2013 £000	BITC 30 June 2013 £000	Consolidated 30 June 2012 £000	BITC 30 June 2012 £000
<b>Fixed Assets</b>					
Tangible Assets	6	1,490	1,490	1,238	1,238
<b>Current Assets</b>					
Debtors	8	5,184	5,360	4,451	4,494
Cash at Bank and in hand	9	6,478	3,478	8,032	4,855
<b>Total Current Assets</b>		<b>11,662</b>	<b>8,838</b>	<b>12,483</b>	<b>9,349</b>
<b>Current Liabilities</b>					
Creditors—amounts falling due within one year	10	(7,017)	(4,948)	(7,397)	(5,397)
<b>Total Current Liabilities</b>		<b>(7,017)</b>	<b>(4,948)</b>	<b>(7,397)</b>	<b>(5,397)</b>
<b>Net current assets</b>		<b>4,645</b>	<b>3,890</b>	<b>5,086</b>	<b>3,952</b>
Creditors – amounts falling due after than one year	11	(345)	-	(700)	-
<b>Net assets</b>		<b>5,790</b>	<b>5,380</b>	<b>5,624</b>	<b>5,190</b>
<b>Represented by:</b>					
Unrestricted income funds		2,943	2,943	2,833	2,833
Restricted income funds		2,328	1,918	2,260	1,826
Endowment Funds		519	519	531	531
<b>Accumulated funds</b>	12	<b>5,790</b>	<b>5,380</b>	<b>5,624</b>	<b>5,190</b>

Approved by the Board of Directors on 5 November 2013 and signed on its behalf



Mark Price  
Chairman



John Spence CBE  
Chairman of the Finance & Risk Committee

The notes on **pages 29 to 41** form an integral part of these financial statements

Company Registration Number 1619253

**Consolidated Cashflow Statement for the year ended 30 June 2013**

	Year ended 30 June 2013	Year ended 30 June 2012
	£000	£000
Net cash inflow from operating activities	(1,251)	3,458
Returns on investments and servicing of finance	31	30
Capital Expenditure	(334)	(88)
<b>Net cash inflow/(outflow)</b>	<b>(1,554)</b>	<b>3,400</b>

**Reconciliation of net incoming resources to net cash (outflow)/inflow from operating activities**

<b>Net incoming resources</b>		
- Unrestricted funds	110	139
- Restricted funds	68	270
- Endowment funds	(12)	(4)
<b>Net movement in funds</b>	<b>166</b>	<b>405</b>
Less interest received	(31)	(30)
Depreciation and amortisation charges	82	61
(Increase)/ Decrease in Debtors	(393)	919
(Increase)/ Decrease in Accrued Income & Prepayments	(340)	99
Increase in Creditors less than one year	35	396
(Decrease) /Increase in Creditors greater than one year	(355)	553
(Decrease) /Increase in Accrued Expenditure & Deferred Income	(415)	1,620
(Decrease) in Provision for liabilities under leases	-	(565)
<b>Net cash inflow from operating activities **</b>	<b>(1,251)</b>	<b>3,458</b>
<b>Capital Expenditure</b>		
Payments to acquire tangible fixed assets	(334)	(88)
<b>Total Capital Expenditure</b>	<b>(334)</b>	<b>(88)</b>

**Returns on investments and servicing of finance**

Interest Received	31	30
<b>Total</b>	<b>31</b>	<b>30</b>

**Analysis of Cash**

	At 1 July 2012 £000	Cash flows £000	Non-cash Changes £000	At 30 June 2013 £000
Cash at bank and in hand	8,032	(1,554)	-	6,478

\*\* A major contributor to the net outflow of funds in 2012/13 is the utilisation of funds received on the acquisition of Arts and Business, which also contributed to the major increase in funds in 2011/12

## **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 2011 and Companies Act 2006), the requirements of the company's Memorandum and Articles of Association and the requirements of Statement of Recommended Practice "Accounting and Reporting by Charities" (March 2005) and comply with all applicable accounting standards. Consolidated accounts have been prepared on a line by line basis for the charity and its wholly owned subsidiaries.

As highlighted in the report of the directors, having assessed the charity's financial position, its plans for the foreseeable future, the risks to which it is exposed and the detailed cash projections the trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

### **b) Income**

All income received by the company is used to finance expenses incurred in furtherance of its objectives.

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 monies that have been claimed in advance to meet specific commitments arising, or services to be delivered, after the balance sheet date, they are carried forward as fees and other funds in advance within creditors on the balance sheet (note 10). Such income is not recognised as incoming resources in the Statement of Financial Activities until the certainty of entitlement has been established. The balances of unspent restricted funds are carried forward as Restricted Income Funds.

Donated services and facilities income, categorised as voluntary income, represents the company's estimate of the value to charity of donated services and facilities, the value of the donated long lease and the cost of seconded staff in support of the charities activities.

### **c) Expenditure**

All expenditure is accounted for on an accruals basis.

Allocation of membership resources expended – the cost ascribed to the membership activities represents the estimated cost of staff time involved in managing relationships with members, their engagement with us and support for our communication of best practice.

Cost of generating funds – there is no cost allocated to the cost of generating voluntary income funds as these represent the receipt of donated services and facilities and any such costs incurred are regarded as being immaterial.

Charitable activities expenditure is incurred in connection with the specific objects of the company and includes as support services the costs incurred in supporting those activities. The apportionment between charitable activities expenditure, including support services, and governance costs, has been calculated by analysing staff time and by allocating all other costs by activity. Support services are allocated on a per head basis and apportioned to charitable activities on the same basis. The costs allocated to governance costs include staff time spent on governance, the related support services and audit costs.

**Note 1 (continued)**

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 activity.

Included within each relevant category of expenditure, as appropriate to the activity they supported, are the estimated cost of donated services and facilities and the cost of seconded staff.

**d) Accounting for grants**

Grants payable are payments made to third parties in furtherance of the charitable objects of The Prince's Countryside Fund. Single or multi-year grants are accounted for when the trustees have agreed to pay the grant without condition and have notified the recipient, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the charity.

Grants approved but not yet paid are shown as creditors in the accounts.

**e) 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.

Where fixed assets have been donated, they have been included in the financial statements at their valuation to the charity or 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:

Long-leasehold buildings	- 4% per annum
Long-leasehold buildings' refurbishments	- 10% per annum
Short-leasehold improvements	- over the remainder of the term of the lease
Equipment, fixtures and fittings	- 20% per annum

Depreciation on assets that are held under an endowment fund is charged against that fund.

**f) Provision for costs under property leases**

Provision is made for costs likely to be incurred on expiration of the property leases where the liability for such expenditure is a requirement of the lease and can be reliably estimated and where the future renewal of the lease is uncertain. These are charged to the Statement of Financial Activities in the last few years of the lease when such costs can be accurately determined and reported as a liability in line with the end of the lease.

**g) Leases**

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

**h) Pension contributions**

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



## 2 Business Names

The names used by Business in the Community for its principal initiatives in championing the cause of responsible business are

### Name

Opportunity Now	}	Championing the cause of gender and race diversity as good for business
Race for Opportunity		
Business in the Environment		To inspire companies towards environmentally sustainable business practices
The Prince's Mayday Network		To inspire and support companies committed to taking action on climate change
Awards for Excellence		To recognise and promote best practice across all aspects responsible business
Start		To promote and celebrate sustainable lifestyles
arc		Encouraging and supporting Social Enterprises in the creation of jobs in areas of deprivation
The Prince's Seeing is Believing programme		Challenging business leaders by providing insights into social and environmental issues
Responsible Business Checklist		To help companies integrate and benchmark responsible business practices
The Prince's Rural Action Programme		To engage businesses to make a positive difference to farming and rural communities
The Prince's Countryside Fund		
Workwell		Promoting wellness and engagement in the workplace
Access the Buyer	}	To engage business actively in building sustainable and inclusive communities by targeting disadvantage and working collaboratively with public and voluntary sector partners to make a difference
Business Action on Enterprise		
Business Action on Homelessness / Ready for Work		
/Get Ready		
Business Class		
Business Connectors		
Employee Volunteering		
CommunityMark		
CommunityFootprint		
CR Academy		
Engage		
Give & Gain Day		
Mosaic / Enterprise Challenge		
Prohelp		
Work Inspiration		
Arts & Business		Using the arts and business support to regenerate communities and stimulate economic growth

### 3. Income and Expenditure

- a) The directors received emoluments or reimbursement of expenses in the year of £123 (in 2012- £nil)
- b) The Statement of Financial Activities includes the cost of donated services and facilities amounting to £1,926k (2012 - £1,846k) and the cost of staff seconded from member companies and organisations amounting to £2,870k (2012 - £1,093k), details of which are given in note 5(a)
- c) The results are stated after charging

	<b>Total 2013 £000</b>	<b>Total 2012 £000</b>
Operating lease rentals		
Plant and machinery	16	15
Land and buildings	280	294
Auditors' remuneration - audit of Company's accounts	17*	16*
- audit of subsidiary accounts	14	32
- other services	10	13

\* The audit fee charged to BITC represents a discounted fee with the balance contributed on a pro-bono basis

### 4 Analysis of Consolidated Statement of Financial Activities

- a) Analysis of incoming resources by activities

	<b>Voluntary income £000</b>	<b>Charitable activities £000</b>	<b>Total 2013 £000</b>	<b>Total 2012 £000</b>
Membership & Leadership	448	6,346	6,794	7,758
Support & challenge	186	1,732	1,918	2,950
Campaigning Issues				
Workplace & Employees	278	1,277	1,555	1,644
Education, Employment & Enterprise & Renewal	3,744	10,989	14,733	10,656
Marketplace Sustainability	127	1,335	1,462	2,028
Prince's Countryside Fund	-	1,964	1,964	1,076
Income in excess of Fair value	-	-	-	470
Governance – donated services	13	-	13	40
	<b>4,796</b>	<b>23,643</b>	<b>28,439</b>	<b>26,622</b>
Bank deposit interest receivable	-	31	31	30
<b>Total incoming resources from charitable activities</b>	<b>4,796</b>	<b>23,674</b>	<b>28,470</b>	<b>26,652</b>

Growth in voluntary income this year to £4.8m from £2.9m in 2012 is attributed to the engagement of businesses in the Business Connector programme

**4. Analysis of Consolidated Statement of Financial Activities (continued)**

b) Analysis of resources expended by activities

	<b>Voluntary expenditure</b>	<b>Charitable activities</b>	<b>Total 2013</b>	<b>Total 2012</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Membership & Leadership	448	5,133	5,581	6,952
Support & challenge	186	2,208	2,394	3,167
Campaigning Issues				
Workplace & Employees	278	1,822	2,100	1,648
Education, Employment & Enterprise & Renewal	3,744	10,778	14,522	10,756
Marketplace Sustainability	127	1,467	1,594	2,475
Grant making	-	1,971	1,971	1,060
<b>Total charitable activities</b>	<b>4,783</b>	<b>23,379</b>	<b>28,162</b>	<b>26,058</b>
Governance	13	129	142	189
<b>Total resources expended</b>	<b>4,796</b>	<b>23,508</b>	<b>28,304</b>	<b>26,247</b>

c) Analysis of total resources expended

	<b>Staff Costs</b>	<b>Support Costs</b>	<b>Other Costs</b>	<b>Total 2013</b>	<b>Total 2012</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Charitable activities					
Membership & Leadership	4,172	535	874	5,581	6,952
Support & challenge	1,072	253	1069	2,394	3,167
Campaigning Issues					
Workplace & Employees	1,034	166	900	2,100	1,648
Education, Employment & Enterprise & Renewal	5,861	1010	7,652	14,523	10,756
Marketplace Sustainability	983	130	481	1,594	2,475
Grant Making	94	-	1,876	1,970	1,060
<b>Total charitable activities</b>	<b>13,216</b>	<b>2,094</b>	<b>12,852</b>	<b>28,162</b>	<b>26,058</b>
Governance costs	90	10	42	142	189
<b>Total resources expended</b>	<b>13,306</b>	<b>2,104</b>	<b>12,894</b>	<b>28,304</b>	<b>26,247</b>

Support costs comprise the central costs of senior managers, financial services, human resources and IT support and include salary costs of £1,357k

Other grant making costs include grants awarded by The Prince's Countryside Fund totalling £1,736k (2012- £888k)  
Full details of the grants made and the organisations who were the recipients can be found in the accounts of The Prince's Countryside Fund

d) Results for Business in the Community alone

**Movement in resources for the company**

	<b>Unrestricted £000</b>	<b>Restricted £000</b>	<b>Endowment funds £000</b>
Incoming Resources	10,336	14,509	7
Outgoing Resources	(10,227)	(14,417)	(19)
<b>Net movement on funds</b>	<b>109</b>	<b>92</b>	<b>(12)</b>

e) Accounting for separate restricted funds and material grants

As an intrinsic part of the accounting system, funds are accounted for to ensure that funders' requirements in respect of their receipt, disbursement and reporting are fully satisfied. Those restricted funds and material grants that warrant separate disclosure in demonstrating different areas of work are shown below. A full list of those funds which require formal acknowledgement are shown in **note 18**.

Grant funds received in advance of expenditure being incurred are carried forward within creditors on the balance sheet as funds claimed in advance (**notes 1(d) and 10 and 11**).

f) Restricted funds

	<b>Balance at 30 June 12 £000</b>	<b>Income Received £000</b>	<b>Expenditure Incurred £000</b>	<b>Balance at 30 June 13 £000</b>
<b>Restricted Funds</b>				
Total Movements in Restricted Funds	2,260	17,674	(17,606)	2,328

Included in the total balances

<b>Project and purpose</b>	<b>Fund provider</b>				
Right Step	European Social Fund	-	52	(52)	-
Workwell Champions	Various Private Sector	15	-	(15)	-
Public Health Programme	Department of Health	37	123	(160)	-
New Enterprise Allowance Grant	Department of Work and Pensions	79	355	(233)	201
Business Connectors	Big Lottery Fund	-	940	(776)	164
Arc (Legacy Funding)	Various Private Sector	98	356	(311)	143
Enterprise Enquires	Department for Communities and Local Government (DCLG)	117	-	(52)	65
United Futures	Department for Education	-	222	(222)	-
Central Business Class Funding	Various Private Sector	218	272	(389)	101
Business Class Rollout	UK Commission for Employment and Skills	-	522	(474)	48

f) Restricted funds (continued)

Prince's Mayday Network	Various Private Sector	47	-	(47)	-
Business Action on Homelessness (BAOH) Funding	DCLG	-	400	(302)	98
BAOH Programme	Various Private Sector	254	457	(420)	291
Dairy Initiative	Various Private Sector	21	43	(64)	-
High Street – Portas Pilot	DCLG	-	98	(73)	25
Skills4Industry	Deloitte	-	125	(125)	-
Euro Health Net	European Commission	-	76	(15)	61
Arts and Business	Arts & Business	310	1,197	(1,214)	293
Transforming Waste in Northern Ireland	Various Private Sector	11	-	(11)	-
Charter (NI)	Public Sector	50	125	(130)	45
The Prince's Countryside Fund	Various Private Sector	124	1,968	(1,975)	117

**5. Employee Information**

a) Staff numbers

At 30 June 2013, the company employed (excluding Directors) 401 salaried persons (2012 – 403)

These staff were employed in the following activities

	30 June 2013	30 June 2012
Direct charitable activities	355	360
Central support services	21	21
Corporate communications, strategy and management	25	22
<b>Total number of members of staff</b>	<b>401</b>	<b>403</b>

Since a number of the company's employees worked part-time, the company had, on average throughout the year, the equivalent of 378 full time salaried staff (2012 - 364). In addition, the company enjoyed, on average throughout the year, the services of the equivalent of 5.75 (2012 – 5.04) full-time employees seconded by member companies, public sector and other organisations plus an average of 35 full time employees seconded to the Connector Programme (2012 – 10.06). 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 £2,870k (2012 - £1,093k).

**5 Employee Information (continued)**

b) Analysis of cost of salaries

	Year ended 30 June 2013	Year ended 30 June 2012
	£000	£000
Total gross wages and salaries	12,761	12,436
Employer's national insurance contributions	1,354	1,331
Pension contributions	547	513
Total cost of salaries	14,662	14,280
Restructure Costs	-	279
	14,662	14,559

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 £47k (2012 - £47k)

c) Number of employees who earned £60,000 or more in income bands (including taxable benefits)

	Year ended 30 June 2013	Year ended 30 June 2012
£140,000 - £149,999	1	1
£100,000 - £109,999	2	0
£ 90,000 - £ 99,999	4	4
£ 80,000 - £ 89,999	5	4
£ 70,000 - £ 79,999	7	8
£ 60,000 - £ 69,999	10	8

The total employer's pension contributions, paid into defined contribution schemes and in respect of 20 (2012 – 18) of the above employees, amounted to £132k (2012 - £116k)

**6 Tangible Assests**

	Freehold Land	Long- leasehold Property (note a)	Short- leasehold Improvements	Equipment, Fixtures and Fittings	Total
	£000	£000	£000	£000	£000
<b>Cost</b>					
At 1 July 2012	240	1,108	129	230	1,707
Additions	-	-	266	67	333
Wnte off	-	-	(129)	(106)	(235)
At 30 June 2013	240	1,108	266	191	1,805
<b>Depreciation</b>					
At 1 July 2012	-	222	129	118	469
Charge for the year	-	50	8	23	81
Wnte off	-	-	(129)	(106)	(235)
At 30 June 2013	-	272	8	35	315

6 Tangible Assests (continued)

**Net book values**

At 30 June 2013	240	836	258	156	1,490
At 30 June 2012	240	886	-	112	1,238

**Note (a)** The long-leasehold property includes the cost of land and buildings of £372k and the cost of refurbishing the building of £137k

The figures above do not include works of art held by Arts and Business. In June 2009 these were valued at £129k by Purdy Hicks

There are charges over the office premises in Northern Ireland in favour of the International Fund for Ireland and Department for Social Development relating to the development of the BEAM project in Derry

**7 Investments**

**Subsidiary companies**

Business in the Community has a wholly-owned subsidiary, BITC Trading & Advisory Ltd a company incorporated in England and Wales whose results are consolidated within these accounts. Its cost to the company of £3 (2012 - £3) is included in debtors

The Prince's Countryside Fund, was established as a wholly owned subsidiary of Business in the Community to support rural and farming initiatives. It commenced trading on 1 July 2010. This charity has a trading subsidiary, Countryside Fund Trading Ltd which also commenced trading on 1 July 2010

**Results of subsidiary companies in the year to 30 June 2013**

**Income and Expenditure accounts**

	PCF £000	CFT Ltd £000	BITC T&A £000	A&B Ltd £000	A&B Services £000
Incoming Resources	728	1,249	904	953	245
Gift aid (payable)/receivable	1,141	(1,141)	(452)	109	(109)
Grants made	(1,736)	-	-	-	-
Management costs	(140)	(108)	(452)	1,079	136
Result of ordinary activities before and after taxation	(7)	-	-	(17)	-

**Balance Sheets for subsidiary companies at 30 June 2013**

	PCF £000	CFT Ltd £000	BITC T&A £000	A&B Ltd £000	A&B Services £000
Trade Debtors	1	60	228	34	63
Amounts due from Group Companies	251	-	-	33	-
Cash	1,257	613	48	1,036	49
Amounts due to Group companies	(35)	(337)	(260)	(233)	(61)
Amounts due to third parties	(1,355)	(336)	(16)	(95)	(47)
Deferred Income Trust grant	-	-	-	(486)	-
Net reserves	119	-	-	289	4

**8 Debtors and Prepayments**

	<b>Consolidated</b>	<b>BITC</b>	<b>Consolidated</b>	<b>BITC</b>
	<b>30 June 2013</b>	<b>30 June 2013</b>	<b>30 June 2012</b>	<b>30 June 2012</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Trade debtors	3,991	3,664	3,537	2,966
Intercompany debtors	-	642	-	851
Other debtors	175	173	236	234
Accrued income	734	597	571	346
Prepayments	284	284	107	97
	<b>5,184</b>	<b>5,360</b>	<b>4,451</b>	<b>4,494</b>

**9 Cash at Bank and in Hand**

	<b>Consolidated</b>	<b>BITC</b>	<b>Consolidated</b>	<b>BITC</b>
	<b>30 June 2013</b>	<b>30 June 2013</b>	<b>30 June 2012</b>	<b>30 June 2012</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Current accounts	3	3	3	3
Interest-bearing accounts	6,475	3,474	8,029	4,852
	<b>6,478</b>	<b>3,477</b>	<b>8,032</b>	<b>4,855</b>

**10 Creditors - Amounts Falling Due Within One Year**

	<b>Consolidated</b>	<b>BITC</b>	<b>Consolidated</b>	<b>BITC</b>
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2013</b>	<b>2013</b>	<b>2012</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Trade creditors	216	213	595	556
Other creditors	454	409	394	388
Amounts due to grant recipients	992	-	596	-
Taxation and social security costs	721	712	763	755
Membership contributions in advance	563	563	336	336
Deferred Income Trust	486	-	800	-
Fees and other income in advance (Note 13)	2,638	2,243	2,136	1,791
Accrued expenditure	947	808	1,777	1,571
	<b>7,017</b>	<b>4,948</b>	<b>7,397</b>	<b>5,397</b>

**11. Creditors - Amounts Falling Due More than One Year**

	<b>Consolidated</b>	<b>BITC</b>	<b>Consolidated</b>	<b>BITC</b>
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2013</b>	<b>2013</b>	<b>2012</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Amounts due 2 to 5 years	345	-	250	-
Amounts due to grant recipients	-	-	450	-
Deferred Income Trust	-	-	-	-
	<b>345</b>	<b>-</b>	<b>700</b>	<b>-</b>

The deferred income trust was created as part of the restructuring of the Arts and Business activity to provide specific resources to allow for the development of new ways of working in support of their charitable objectives and collaborative initiatives with BITC. The funds will be released over the next two years.



**12. Analysis of Net Assets between Consolidated Funds**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>Total funds 30 June 2013</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Tangible fixed assets	971	-	519	1,490
Net current assets	1,972	2,673	-	4,645
Liabilities > 1 Year	-	(345)	-	(345)
<b>Total net assets</b>	<b>2,943</b>	<b>2,328</b>	<b>519</b>	<b>5,790</b>

Unrestricted funds comprise income funds that represent the company's reserves and the fixed assets and investments 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 book value of the fixed assets acquired with these funds 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 Analysis of Movement in Fees and other Income in Advance**

	<b>Brought Fwd 1 July 2012</b>	<b>Released during Year</b>	<b>Deferred during Year</b>	<b>Carried Fwd 30 June 2013</b>
Membership of Campaigns	130	(83)	399	446
Employee Volunteering	320	(320)	271	271
Projects, Programmes & Events	1,514	(1,504)	1,563	1,573
Business Class	172	(172)	348	348
<b>Total</b>	<b>2,136</b>	<b>(2,079)</b>	<b>2,581</b>	<b>2,638</b>

**14. Lease Commitments**

The company has financial commitments in respect of operating leases for land and buildings which will terminate after five years from the Balance Sheet date, and office equipment 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 2012 for land and buildings is £208k (2012 - £250k) and office equipment was £16k (2012 - £17k)

**15 Capital Commitments**

No material capital commitments were contracted for at 30 June 2013 (2012- £nil)

**16 Taxation**

The company is a registered charity under the Charities Act 2006 and as such is potentially exempt from direct tax on its income and gains to the extent that such income and gains are applied for charitable purposes

**17 Related Party Transactions**

There were no transactions between the charity and related parties in the year. 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 including those disclosed have been carried out in the normal course of the charity's activities

## 18 Acknowledgements

Our funds are received from many public, private and charitable sources, all of which are essential to our continued engagement and are valued and appreciated by BITC and its campaigns and regions. As the number of our supporters is considerable we only list below those funds that we received during the year which are required to be disclosed under the terms of their funding agreements. All funds are applied in accordance with the terms of such funding agreements. These listed are not all and not necessarily the largest of the funds received, all of which have contributed to the activities undertaken during the year.

<b>Provider</b>	<b>Project</b>	<b>Amount</b>
Apax Foundation	Apax-Mosaic Enterprise Challenge 2012/13	85,950
Belfast City Council	Employers Forum	15,000
Big Lottery Fund	Efficient Venues Schemes, NI	7,345
Big Lottery Fund	Business Connectors Project	939,610
Big Lottery Fund	Aiming Higher	32,108
Bristol City Council	Bristol Action on Homelessness Support Ready To Go	38,000
Bristol City Council	Bridge the Gap	15,377
Bristol City Council	Behind the Scenes	10,000
Cabinet Office	Decade of Social Action programme	45,200
Cabinet Office	Big Conversation Event	28,500
Carrickfergus, Antrim & Newtownards Borough Councils	CAN Peace 111 Partnership	5,103
Coleraine Borough Council, NI	Building Brighter Futures	93,971
Department for Employment and Learning, NI	Employers Forum	15,000
Department For Communities & Local Govt	Support for Business Action on Homelessness	400,000
Department For Communities & Local Govt	Apax-Mosaic Enterprise Challenge	140,000
Department For Communities & Local Govt	ProHelp	64,982
Department For Education	United Futures	221,578
Department for Works and Pensions	New Enterprise Allowance Project - Derbyshire	357,510
Department for Works and Pensions	BAOH Cardiff	20,182
Department of Education for NI	Charter	100,000
Department of Education for NI	Time to Read Programme	50,000
Environment Agency	NW Marketplace Sustainability Programme Support	5,000
Environment Agency	NW Marketplace Sustainability Conference Support	5,000
European Social Fund	Right Step Project	51,760
European Commission	Eurohealthnet - 1st Drivers Project	75,793
European Commission	CSR Europe - European CSR Awards	29,775

Goldman Sachs (Restricted)	Business Class Support	100,000
Northern Ireland Environment Agency	Strategic Partnerships	190,381
Pears Foundation	Feasibility study in Corporate Giving & New Technologies	12,700
Sheffield City Council	Children & Young People's Service Area	8,000
Sheffield City Council	Voluntary Sector Grants Fund 2012-13	12,500
United Utilities	9 Billion Challenge Water project	20,000
UK Commission For Employment and Skills	Business Class	522,038
Wates Family Enterprise Trust	Mosaic support	10,000
Wales Council for Voluntary Action / Environmental Grant (WCVA/EG)	BAOH Wrexham	5,132
WCVA/EG	Environment Wales	9,659
WCVA/EG	WCVA funding	12,726
Welsh Government	Green Business Skills Forum	6,210



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