



The Prince's
Responsible
Business Network



Annual Report

STRENGTH IN NUMBERS

2018/2019



The directors of Business in the Community (BITC) present their Annual Report for the year ended 30 June 2019, which incorporates, within pages 6 - 45, a strategic report under the Charities Act 2011, the Companies Act 2006 and the Charities and Trustees Investment (Scotland) Act 2005 and related regulations.

ANNUAL REPORT 2018/19

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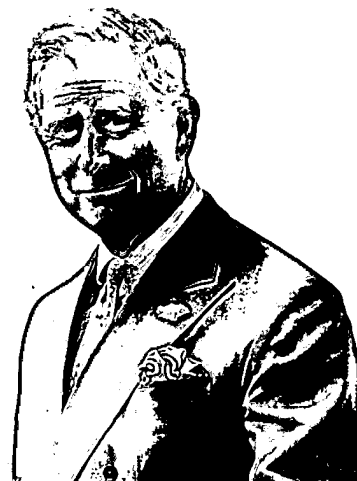
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THANKS TO OUR ROYAL FOUNDING PATRON AND THE PRINCE'S RESPONSIBLE BUSINESS AMBASSADORS

The Prince of Wales' charities work to transform lives and build sustainable communities. For over 40 years, His Royal Highness (HRH) The Prince of Wales has been a leader in identifying charitable need and setting up and driving forward charities to meet those needs. Business in the Community is one of only eight charities of which HRH The Prince of Wales is Royal Founding Patron.

We would like to thank HRH The Prince of Wales for his support this year as our Royal Founding Patron.

We would also like to thank The Prince's Responsible Business Ambassadors. The Prince's Responsible Business Ambassadors are chosen for their leadership in transforming their own businesses and empowering other organisations to act. In their three-year role, they promote the responsible business agenda in their country or region, engaging the local business community around key social issues.



OUR REGIONAL AMBASSADORS



MESSAGE FROM OUR CHAIR

I cannot quite believe that this Christmas will mark two years of my tenure as Chair of Business in the Community (BITC). As I approach the final twelve months in this role, it feels like the right moment to take stock.

The last two years have taught me a huge amount about responsible business. As the Chief Executive of Sky, I have had a lot of chances to think about what my business can do to make a difference but being a part of BITC has made me see the true scale of what can be achieved. In every area of the Responsible Business Map™, there are companies making extraordinary things out of their ordinary business.

But my chance to see the responsible business movement up close has also shown me just how far we have to go if we want the UK to set the standard globally. We still have too many companies falling short of any real ambition, too many which think that doing the bare minimum is something to be celebrated.

The next twelve months are a landmark moment in our world's history. By the time BITC celebrates the arrival of a new Chair, the UK will have hosted COP26 [the UN's 26th Conference of Parties on climate change] in Glasgow, giving us another chance to avert the terrible consequences of the damage we are inflicting on the planet every day. In the same year, we start the ten-year countdown until the deadline of the UN's Global Goals.



Businesses often talk about the contribution they make to society, but not what they draw from it. No business is separate from its communities or the environment.

We cannot afford to waste a second of it. What has become clearer and clearer to me is that there is no cavalry coming: if we want the world to be a better place, we are the ones who need to stop talking about it and take action.

I enter this final year as your Chair more determined than ever that we are on the right course. The challenge is to accelerate, bringing more companies than ever along with us. This is a task that I have set myself, Business in the Community – and all those who stand with us.

Let's see what we can achieve together.

A handwritten signature in black ink, appearing to read 'Jeremy Darroch', with a horizontal line underneath.

Jeremy Darroch
Group Chief Executive and President, Sky
Chairman,
Business in the Community

MESSAGE FROM OUR CHIEF EXECUTIVE

2018 – 19 has been a significant twelve months for BITC. We have helped some of the biggest companies in the world come together to achieve more than ever before, from the 145 companies who signed up to the ground-breaking Waste to Wealth Commitment to the Wellbeing Leadership Team's call for businesses to more than ever support the mental health of their employees or the radical perspective that the new Place Leadership Team – led by Marks and Spencer – is taking on what businesses can do within communities around the UK. We know that we achieve the most when we work together and that's a message that we have placed at the heart of our network this year: we are stronger than the sum of our parts.

The idea of learning and growing together is one of the reasons that we launched the Responsible Business Tracker® in 2019. We believe it is the most powerful diagnostic tool that the responsible business sector has seen: designed to answer the question, "how good are we at responsible business and how can we get better?", it helps companies to take an honest look at themselves, from their internal policies to how they fit with the Global Goals agenda.



Honesty is a powerful thing. The unflinching, unadorned look at responsible business in the UK that we took from the Tracker revealed that we're all falling short. Companies are saying all the right things, but they're not following up with action: whilst 86% had committed to a purpose statement at a CEO level, only 17% of businesses had thought about what that meant across departments, or set clear team targets.

Thanks to the Tracker, we have more information than ever before about the state of the nation as regards to responsible business: the areas in which we're performing well and where we're falling short. That means that we have the best opportunity we have ever had to change the status quo. In 2020, we will be calling on companies to step up, to do more and to drive each other to new, ambitious heights. We need every single business in the UK to be taking action, not just our members.

We know that too many companies are celebrating mediocrity. We have to challenge this. We need to see a step change in action and scale of impact. We will be looking to you, our members, to show others how it's done. We will continue to seek out best practice in responsible business and will take a much more public platform in asking why all UK businesses aren't doing at least the same.

British business has the expertise, the skills and the ingenuity to create the solutions – surely it's the right time to come together to tackle the systemic issues that are stopping us taking the solutions to scale? If it isn't, we need to be ready and willing to challenge ourselves with another question: why not?

A handwritten signature in black ink that reads "Amanda Mackenzie".

Amanda Mackenzie, OBE
Chief Executive, Business in the Community

WHO WE ARE AND WHAT WE DO

Our Purpose

Business in the Community, founded by HRH The Prince of Wales, is the UK's oldest, and largest business-led membership organisation dedicated to responsible business practice.

We inspire, engage and challenge companies of all sizes to be the best that they can be. We convene a unique network of purposeful leaders and create innovative programmes that deliver impact, by mobilising their collective strength to tackle some of society's biggest issues at scale.

Through membership, businesses make a public commitment to act responsibly and work collaboratively to bring about change and to invest in building a better society.

Today, Business in the Community has more than 750 members and over 300 business leaders taking active leadership roles.

Our Vision

Our vision is to make the UK the world leader in Responsible Business.

We will achieve this by inspiring businesses to become more responsible, wherever they are on their Responsible Business journey, and to work together to improve the world we live in.

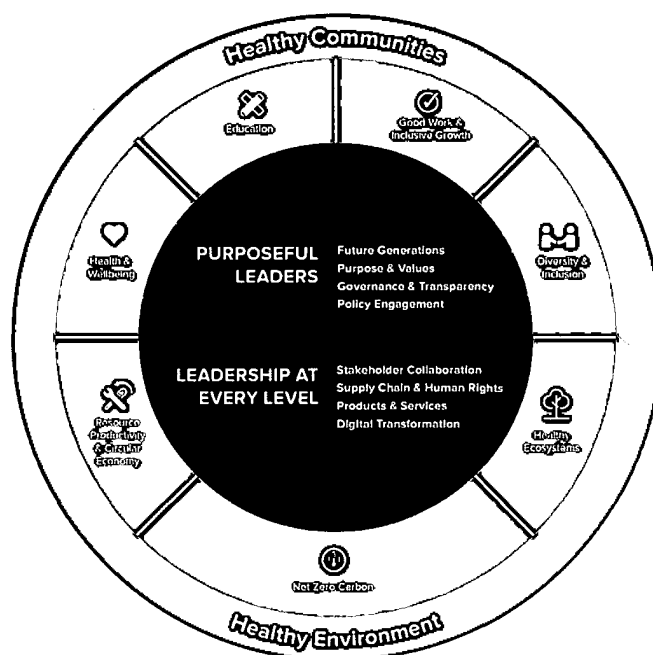
A robust and engaged membership is central to our existence as the trusted authority and voice of responsible business in the UK. Hence, our principal objective is to increase the number of members -- particularly larger members -- and the depth of our engagement with them.

How We Work

Joining BITC allows businesses to work, collaborate and learn with others in the network. They can access our expertise to help them measure and improve their impact. We help employers to channel their leadership, innovation and scale for good and we challenge them to be braver, bolder and faster in how they create sustainable change.

The Responsible Business Map™

Business in the Community's Responsible Business Map (RB Map™) identifies the key areas organisations must address to achieve the long-term financial value which will enable society and the planet to thrive. The RB Map™ also explains the actions and outcomes that BITC expects businesses to aim for in each area. The RB Map™ helps companies to navigate and contribute to the UN's Sustainable Development Goals (Global Goals), in line with their aim of delivering those outcomes by 2030.



The Responsible Business Map™

MEMBERSHIP

BITC supports and challenges its membership to be the best that it can be.

We work with our members to ensure genuine action and impact. This year we have focused on aligning the products and services we offer to support our members' improvement, set against the framework of our Responsible Business Map™.

This year, we used the Corporate Responsibility Index to develop and pilot our new Responsible Business Tracker® with 64 companies, and to create an issue-specific Partnership offering for members. Through this mechanism, we can ensure that members are connected to the right opportunities to increase their impact and widen the scope of their responsible business activities.

Our Membership Journey

We have different tools to support businesses, depending on where they are on their responsible business journey. Our Responsible Business Tracker® and suite of responsible business diagnostic tools, provide a benchmark for members, helping them to identify the areas that need improvement.

Based on this, we build a membership plan together with each member, which provides opportunities to:

- Convene and learn with others with similar priorities.
- Access expert advice, research, training and peer learning to progress.
- Work together to influence the debate and lead action on key issues.

At the heart of all membership plans is the aim of driving sustainable change across our three key pillars:

- Creating a skilled and inclusive workforce for today and tomorrow.
- Building thriving communities where people want to live and work.
- Innovating to sustain and repair our planet.

Partnerships

In July 2019, Business in the Community rolled out additional partnership offerings to members in the areas of Environment, Community, and Strategy and Purpose. These build on the successes of the well-established Inclusion and Wellbeing partnerships, which now number 400 across 250 member organisations.

Champion and Core partnership programmes give members who want to take the next steps to become a responsible business access to cutting-edge resources and insight, unparalleled peer learning and brokerage opportunities. They also provide a dedicated Advisor who works closely with organisations to identify priority areas, offering expert support and advice to speed up the pace of change. These partnerships also give members the opportunity to convene and connect with like-minded businesses at events and workshops or through BITC brokering introductions at a one-to-one level.

We see BITC as uniquely placed to convene a range of companies around relevant societal issues. We continue to value our partnership with them in developing, refining and sharing our approach to business.

Peter Mather, Group Regional President, Europe and Head of Country, UK, BP

2019

This year has been the most successful year since 2010 in terms of large companies joining BITC as new members. This is significant in the current uncertain economic and political climate. It shows the value of membership at a time when consumers, investors, employees and wider society want higher standards from business. Among those to join us are important brands like Burberry, which is focused on solving responsible-business challenges in the fashion industry; Merlin, which is committed to supporting our work in communities, in particular in Blackpool; and Hachette, which is keen to increase diversity and open a wider flow of talent in the publishing sector.

BITC has convened more than 4,000 people at over 300 events throughout the year, to inspire and challenge businesses to act.

We listened to members in order to relaunch our member value proposition in August 2019. This now:

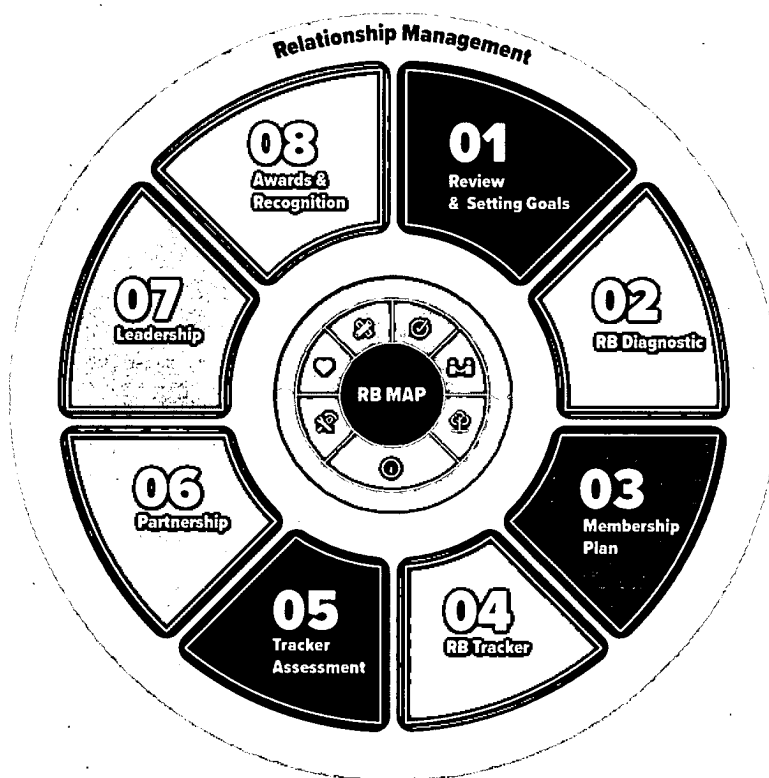
- Creates a membership structure which is easy to understand and is based on members' needs
- Uses our Responsible Business Tracker® to design members' Responsible Business journey and facilitate deeper member impact

2020

We have ambitious plans to grow the responsible business movement next year by:

- Welcoming 95 new companies into BITC
- Challenging all members to be ambassadors of responsible business and BITC membership, through our 'Own the Conversation, Drive the Change' campaign and our work on supply-chain engagement
- Growing our engagement with members by delivering more advisory services, programmes and leadership opportunities and thereby increasing their collective social impact.

MEMBERSHIP JOURNEY



MEASUREMENT AND RECOGNITION

The Responsible Business Tracker® is Business in the Community's pioneering measurement tool which enables organisations to measure their performance as a responsible business. It is designed to motivate organisations to improve and drive change, with a focus on impact.

Last year, 64 forerunners from 24 industry sectors piloted the Responsible Business Tracker®, helping to set a new standard in measuring the impact of responsible business. The response to the Responsible Business Tracker® pilot survey was overwhelmingly positive.

The Responsible Business Tracker® is a fundamental part of the responsible business journey for our members. It focuses on driving performance improvement and impact. It offers companies a great opportunity to not only share insights and good practice, but also to challenge and encourage their peers to do better, to do more - ultimately collectively working to BITC's vision to make the UK the world leader at responsible business.

Anna Jakobson, Strategy and Products Director, BITC

The RB Tracker® is aligned with the Global Goals that underpin BITC's Responsible Business Map™. It allows our members to navigate and contribute to the realisation of the Goals, by identifying the key issues that need to be addressed.

Key Findings

- One of the key discoveries from the Responsible Business Tracker™ was the gap between what is said at a CEO level and what is being integrated across the business. 94% of forerunners have made a public CEO commitment to responsible business, but only 17% have integrated this all levels and areas of the business.

- 55% of forerunners were using Global Goals to inform initiatives, but only 30% used Global Goals to understand risks to their business. Additionally, only 25% used them for innovation.
- Whilst 72% of forerunners have formally engaged their employees in conversations about the 'priority' responsible business issues for their organisation, only 16% have integrated them into their risk register. If a business is not managing responsible business risks, how can they measure them or build an effective action plan?
- Amongst the forerunners, 61% considered social factors during product development, but only 39% have processes in place to be able to manage any potential impacts.
- 53% of forerunners are tailoring their tendering process to include responsible business questions, but only 31% follow it up with rigorous checking.

The process of filling in the Tracker not only helped us to take stock of what we are currently doing, it also gave us loads of ideas for how we could progress and develop, to take the next steps on our responsible business journey.

Calor Gas

Next Steps

Members that participate in the Responsible Business Tracker® survey will be able to benchmark themselves against their sector and cohorts. As well as an overall score, they will also get scores against each area of the Responsible Business Map™.

The Responsible Business Tracker® is now available to all members as a key part of BITC membership.

The Responsible Business Tracker® is a unique insight tool that reveals where responsible business is innovating and moving best practice and where businesses are falling short. It will provide members with best and freshest data in detailing responsible business.

PROVIDING CO-OPERATIVE SOLUTIONS TO THE GLOBAL GOALS - MIDCOUNTRIES CO - OPERATIVE

At its heart, a true co-operative organisation is socially responsible and effectively engaged with the communities it serves. The Midcounties Co-operative has a long history of working with our members to support our communities following a values-driven approach.

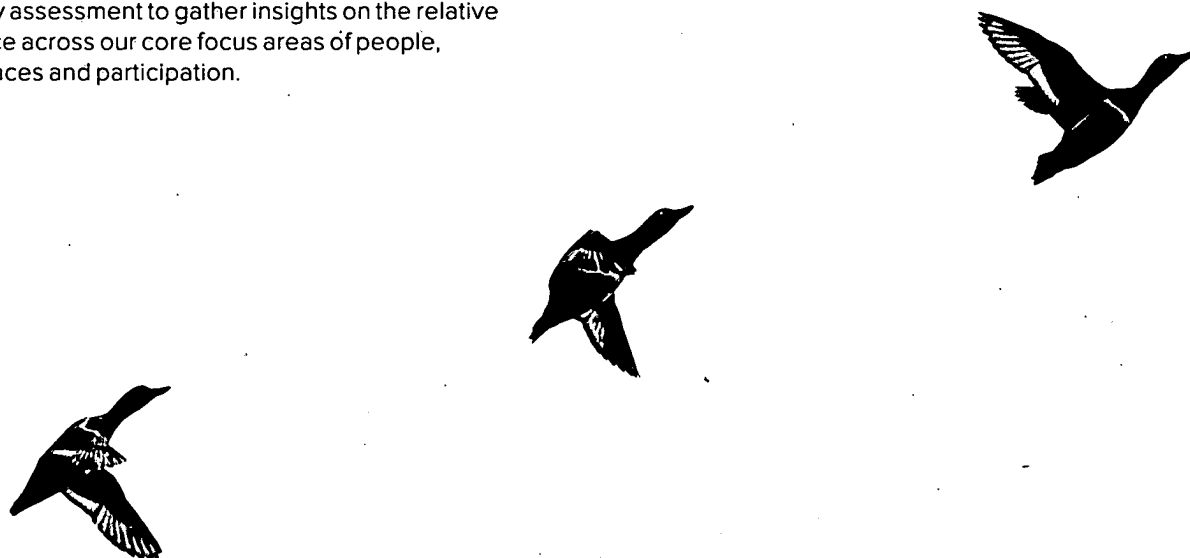
As part of the global Co-operative movement, we have embraced the UN's Sustainable Development Goals and are working to embed these fully in our business. Using these Global Goals, we wanted to develop our materiality matrix looking at long-term social responsibility trends and using member insight to help prioritise.

We were an early participant in BITC's Responsible Business Tracker®, which is built upon the Global Goals. The structure of the survey enabled us to immediately spot some key focus areas and build on our knowledge of these Global Goals. This added value to our existing initiatives, including our work on health and wellbeing in which we have carried out mental health first aid training with our managers working with Springfield Mind. Using these Global Goals we developed a robust materiality assessment to gather insights on the relative importance across our core focus areas of people, planet, places and participation.

A key development for our business has been the appointment of our Chief Values Officer, Pete Westall, helping to make sure that the views of our members are reflected throughout the Society, and ensuring that we develop our business in a sustainable and values driven manner.

Through this appointment, and using the findings from completing the Tracker, we have further engaged with our members and key stakeholders in identifying issues that really matter to our business. Through this insight we have been able to develop an advanced materiality matrix that has enabled prioritisation of our activities following a robust values-driven approach.

As an example, through our insight activity we have established that 94% of our members surveyed have said that tackling single-use plastic is a high priority, and as a result we have launched our 1 Change campaign in which we are reducing over 2 tonnes of single use plastic per year through our own operations and have enabled almost 1,000 member pledges to be made to help tackle this issue.



AWARDS WINNERS AND GALA DINNER

In July, Business in the Community celebrated the best examples of impact by our members at the Responsible Business of the Year Awards Annual Gala Dinner. The event was supported by Lloyds Banking Group, BITC's Responsible Business of the Year Award Winner 2018.



RESPONSIBLE BUSINESS OF THE YEAR 2019

Boots UK

Chair of the Judging Panel, Baroness Sally Greengross:

"This was a truly impressive entry demonstrating what can be achieved when a company makes a long-term commitment to tackle key social issues. A long-term champion of local communities, Boots have really leveraged their scale and reach and, as a result, made a significant impact on issues such as Cancer Care and Dementia in the UK. Their understanding of how to make and sustain valued and effective partnerships has undoubtedly played a significant role in building the capacity of primary healthcare in the UK."

The Education Partnerships Award

A.F. Blakemore & Son Ltd

Chair of the Judging Panel, David Soanes, Head of Global Capital Markets, UBS:

"Through their Branching Out programme, A.F. Blakemore have clearly made the link between how they inspire young people in disadvantaged communities about future work with genuine recruitment opportunities. They are working with schools to diversify their talent pool and recruit into jobs they've found challenging to fill."

The Connected Places Award

Barkers & Bolton Family

Chair of the Judging Panel, Oliver Stuart, Managing Director, Global Head of Institutional Securities Group (ISG) Trading Operations, Morgan Stanley:

"An inspiring partnership, recognising and developing creative solutions to local, social issues in the most effective way. Barkers & Bolton Family are a compelling example of people coming together from right across the community, with passion, authenticity and trust."

The Unipart Outstanding Employment Award - large business

Timpson

Chair of the Judging Panel, John M Neill CBE, Group Chief Executive and Chairman, Unipart:

"Timpson's' approach to employing ex-offenders and other excluded groups has the ability to inspire and change attitudes, and their story needs to be heard more widely. There are a lot of people who may have made a mistake in life and so the impact Timpson's can have on society is huge."

The Unipart Outstanding Employment Award - small business

NEMI Teas

Chair of the Judging Panel, John M Neill CBE, Group Chief Executive and Chairman, Unipart:

"Timpsons' approach to employing ex-offenders and other excluded groups has the ability to inspire and change attitudes, and their story needs to be heard more widely. There are a lot of people who may have made a mistake in life and so the impact Timpsons can have on society is huge."

The Race Equality Award

Royal Academy of Engineering

Chair of the Judging Panel, Dr Omar Khan, Director, Runnymede Trust:

"The Royal Academy of Engineering was an inspiring example of an organisation seeking to change perceptions in a sector that has often lagged behind in terms of diversity. The panel was impressed by the forensic approach from the beginning, with a very refined examination of the data to crafting an intervention that would practically work for the sector. In addressing social mobility as well as race equality, the programme demonstrated a wider impact both within the sector and society."

The Gender Equality Award

Deloitte

Chair of the Judging Panel, Justine Lutterodt, Director, Centre for Synchronous Leadership:

"Sophisticated, holistic cultural change led from the top, impacting gender equality at all levels with strong data points to back it up."

The Age Friendly Teams Award

DWP

Chair of the Judging Panel, Laurence Beckett, People Partner Savings & Retirement, UK Insurance, Aviva:

"An excellent role model of a team who explained what they do and how it works in a very grounded way, and who are clearly living and breathing an inclusive approach."

The Bupa Health and Wellbeing Award

Anglian Water

Chair of the Judging Panel, Mark Allan, Commercial Director, Bupa UK Insurance:

"Anglian Water Group have applied a model and developed their own highly-comprehensive strategy, which is clearly at the heart of their business objectives. Demonstrating breadth and depth, we can see a huge range of services and support that was inclusive for all colleagues, as well as embracing some of the more cutting-edge initiatives such as being menopause-friendly and exploring financial wellbeing. With the support of incredible senior leadership, they have laid solid foundations and then continually learnt, through listening to their colleagues, communities and supply chain."

The Fujitsu Digital Innovation Award

Engie UK & Ireland

Chair of the Judging Panel, Ketan Parekh, Head of Financial & Insurance Services: UKI, Fujitsu:

"It was a breath of fresh air to see a large corporation like ENGIE, with purposeful, digital innovation so ingrained within their culture and with a clear and powerful commitment from their senior leadership."

The UPS Environmental Sustainability Award

Morrisons

Chair of the Judging panel, Mark Vale, President UK, Ireland and Nordics, UPS Ltd:

"Morrisons impressed the judges with their passion while working in an extremely competitive market. Morrisons have challenged the norms within their industry; their leadership is providing sustainable solutions across a variety of different ranges."

The Barclays Developing Resilience Award

Unilever

Chair of the Judging panel, Lee Webb, Director, Group Resilience, Barclays:

"The initiative evidenced that it is truly developing resilience in the broadest of terms"

CONSTRUCTING A CULTURE SHIFT ON MENTAL HEALTH - COSTAIN

Costain has identified 'employee mental wellbeing' as a key component to its future prosperity. By working with BITC, Costain has identified enhanced opportunities to engage employees in mental health at work, resulting in healthier and happier employees, improved business efficiencies, reduced lost time, an increase in the recruitment of talent and - importantly - better retention of existing high performers.

Being an active member of BITC's Wellbeing Leadership Team meant that Costain found opportunities to work closely with like-minded businesses to develop and implement strategic change within the business, with a focus on whole-self wellbeing. The result is a changed culture, focusing on mental - as well as physical - wellbeing in occupational health. Costain's new Wellbeing Strategy positions wellbeing at the heart of each Project Director's responsibility framework, thereby increasing the profile of wellbeing at work, reducing the stigma associated with mental wellbeing and overall increasing individual job satisfaction, while securing higher quality outputs for the business.

By broadening its wellbeing approach, Chief Financial Officer, Tony Bickerstaff notes that Costain has, "created and promoted a work culture that puts wellbeing at the heart of the organisation and thereby sharing our ethos with clients, supply chain and industry bodies".

As a result of working with BITC's Wellbeing Leadership Team, all of Costain's senior managers are now required to complete mental health awareness training and one in fifteen employees is now a trained Mental Health First Aider, totalling 300 people across the organisation.

Costain also joined the Time to Change pledge, which aims to end mental health stigma and discrimination in the workplace. It is now engaging its broader workforce, including suppliers and contractors, with the potential to change industry standards.

As a result of this ground-breaking work, Costain continues to increase employee engagement and retention. It has successfully halved the amount of lost time as a result of wellbeing-related issues, has maintained an employee engagement score of over 70% and its staff turnover is now below the industry average. Increasingly, Costain is finding that the importance of wellbeing is also being raised by investors, which it views as a positive step for linking wellbeing to long-term returns.



MAKING ART MORE ACCESSIBLE TO ALL

- TATE

Business in the Community works to identify the barriers that Black, Asian and Minority Ethnic (BAME) candidates face through the 2019 Race at Work Report. Alongside this work, businesses are encouraged to join BITC tackle race inequality in the workplace. After identifying race as a particular issue for them, Tate sought support from BITC in order to increase the attraction, promotion and retention of BAME talent. Tate is considered to be the biggest employer in the sector and therefore saw an opportunity to take a stance and set the trend for other organisations.

Working with Sonia Meggie, Diversity Advisor at BITC, Tate was able to receive the support they needed to challenge the status quo. Sonia worked closely with Tate's BAME network and James Brandon, Diversity and Inclusion Manager at Tate, in order to facilitate conversations about race. A highlight of this work included arranging a 'seat at the table' forum, a method of engaging staff to express themselves. Tate found this method to be particularly effective, as it empowered those that may otherwise not have contributed, to

share their experiences with colleagues and senior leadership. Sonia also facilitated a conversation between senior leadership at Tate and a contact from another sector, provoking Tate to think differently about why talking about race was important.

On the project, James Brandon at Tate stated:

"Sonia has been instrumental in supporting our BAME Staff Network, supporting me personally and offering up advice and contacts whenever we have asked. As a unique sector we have many challenges when talking about identity, progression, audiences and representation. Sonia has been pivotal to working on some innovative interventions, such as our long tables workshops, 'Starting points'. Sonia has been a huge support for our steering group, providing a balanced view of what is achievable for an energetic and often frustrated group. I can't wait to work with Sonia more over the next year and build our relationship and understanding of the Race at Work Charter and also to engage a sector that is very much behind in this area."

Following the success of their work with BITC, Tate is now looking at how they can continue to be trailblazers in the sector. This includes working to attract and retain more BAME talent through implementing a mentoring programme and continuing to consult with their BAME network. Overall, Tate is working to make art more accessible and relatable to all and have taken the first steps towards that aim, thanks to work from Sonia and BITC.



GIVING YOUNG PEOPLE THE OPPORTUNITY TO BUILD A BETTER FUTURE - INTERCONTINENTAL HOTELS

In 2017, International Tourism Partnership (ITP) worked with our membership of leading hospitality companies to identify the areas for the industry to collaborate to make the most impact. Youth employment was selected as one of the four priority areas.

Over one in five young people in the world are not in education, employment or training¹ leaving them at high risk of poverty and exploitation. Hospitality is one of the few industries where entry-level opportunities can often lead to fulfilling, life-long careers that can transform the direction of someone's life.

The challenge is that hotels operating individually are limited to the number of disadvantaged young people they can reach, and the non-profit sector doesn't have the specialist expertise to deliver training in hospitality skills.

ITP member IHG wanted to use the legacy of their IHG Foundation to not only support young people through their own operations but expand the impact by giving other hotels and non-profits the resources to do the same. Through ITP's youth employment programme – Youth Career Initiative (YCI) – we have the expertise and experience to support the develop of this resource. So, in April 2019, the IHG Foundation provided funding to develop an accessible, open-source curriculum designed to equip young people with the life-skills and hospitality training they need to take the first step in their career.

The project started with a review of our current Youth Career Initiative curriculum and training resources. We also invited our other members and non-profit partners to come together and share the resources they have developed. Through the ITP membership we compiled materials from five hotel companies and five non-profits which will be used to shape and design a shared resource for the industry to support young people worldwide.

ITP member IHCL provided a secondee to review the materials, consolidate the learnings, and recommend a standard format for the curriculum. ITP is now in the process of developing the resource for launch in 2020.

The J. Willard and Alice S. Marriott Foundation, the private foundation of the Marriott family and a long-time supporter of the Youth Career Initiative, will be supporting the project by funding the pilot testing of the curriculum.



¹ ILO, 2017 https://www.ilo.org/global/publications/books/global-employment-trends/WCMS_598669/lang-en/index.htm

TOGETHER WE CAN: CAMPAIGNING FOR CHANGE

LEADERSHIP TEAMS

Business in the Community has over 150 business leaders taking an active role on its Leadership Teams. The Leadership Teams provide high profile platforms for leaders to set a clear vision and goals for what we want to achieve through our collective impact, and to share and drive the plan of action for achieving that. As well as issued-led Leadership Teams we have Advisory Boards driving the agenda across each UK Nation and region.

ENVIRONMENT

Chair: Tim Doubleday, Chief Financial Officer, Burger King UK

CIRCULAR ECONOMY TASKFORCE

Chair: Guy Geringer, GEO EWA, JLL

WATER TASKFORCE

Chair: Peter Simpson, Chief Executive Officer, Anglian Water

NET ZERO CARBON TASKFORCE

Chair: Jonathan Kim, GEO Customers, Dix

BUSINESS EMERGENCY RESILIENCE GROUP

Chair: Pendarf

EDUCATION

Chair: David Soames, UK County Head, UBS

EMPLOYMENT & SKILLS

Chair: John Holland-Kaye, Chief Executive Officer, Heathrow Airport Ltd

GLOBAL GOALS

Chair: Gavin Bouda, former Chief Operating Officer, Fujitsu

PLACE

Chair: Steve Rowe, Chief Executive Officer, Marks and Spencer

AGE

Chair: Andy Briggs, former GEO Aviva UK Insurance, and Government Business Champion for Older Workers

GENDER EQUALITY

Chair: Dame Helena Morrissey DBE, former Head of Personal Investing, Legal & General Investment Management

RACE EQUALITY

Chair: Richard Iwerant, Partner, KPMG

WELLBEING

Chair: David Oldfield, Group Director, Commercial Banking, Lloyds Banking Group

“Working as Chair of the BITC Environment Leadership Team has helped drive a new focus on sustainability across the business. Inspired by HRH The Prince of Wales’s Leadership and Waste to Wealth Summit, we committed to reducing our dependence on plastics and doing more to improve our wider sustainability practices.”

This has resulted in the announcement that Burger King will be completely removing all plastic toys from their King Junior Meals which will save an estimated 320 tonnes of single use annually. As part of a wider commitment on plastic reduction, we are also using this announcement to call on the public to join us and our partner Penetration, by using our ‘plastic toy amnesty’ as an opportunity to drop off any other plastic give away and free meal toys at their local Burger King to be transformed into interactive toys or other recyclable products for future use.

I believe that this is a great example of Waste to Wealth that BITC should build on to encourage other businesses to make transformational change.”

Tim Doubleday, Chief Financial Officer,
Burger King UK

GLOBAL GOALS

Chaired by Gavin Bounds, Former Chief Operating Officer, Fujitsu

TOGETHER WE CAN: CAMPAIGNING FOR CHANGE

PURPOSE

The purpose of Business in the Community's Global Goals Leadership Team is to drive business to deliver on the Global Goals (the United Nations' 17 Sustainable Development Goals).

AIMS

Own the Conversation. Drive the Change: to inspire and help business leaders to run strategic conversations, prompting the scale of action needed to deliver on the Goals.

Purpose-driven business: to build and share knowledge on embedding purpose in business strategy, using insights from the Responsible Business Tracker®.

Responsible investment and responsible supply chains and: to carry out development work on responsible procurement and the role of investors in driving change.

\$12 TRILLION

SDGs could create 380 million jobs and help unlock at least \$12 trillion in opportunities for business by 2030.

Source: Business Commission

30%

Brands that have integrated sustainability, into both their purpose and products, grow 30% faster than those that don't.

Source: Unilever

CASE STUDY

Evidence strongly suggests that a commitment to sustainable development can be directly linked to financial out-performance. UPS is an example of a member embracing one of Towards the Tipping Point's key recommendations - driving innovation. UPS launched a fleet of electric delivery vehicles to reduce their emissions and congestion. This also helped UPS stay ahead of regulations, reduced their running costs and enabled them to increase their fleet size within London, generating a competitive advantage and more jobs.

Playing a positive role in society does not need to be at the cost of financial outcomes. Businesses that make a genuine commitment to sustainable development and effectively embed it in their business models can secure their future and enhance their financial performance.

Sam Baker, Partner,
Monitor Deloitte

2019

Last year, Business in the Community conducted a literature review, alongside a series of 1:1 interviews, to determine

how successfully UK businesses were integrating the Global Goals into their strategies. It was evident that not enough organisations understand how to do this. BITC experts worked alongside the Global Goals Leadership Team to create a framework called Towards the Tipping Point, which makes a series of recommendations on how businesses can deliver the Global Goals. On the back of this the Leadership Team set out to create 'Own the Conversation. Drive the change.' To increase business action on meeting the Goals.

"The Global Goals will only be successful as a joint enterprise. It needs everyone to play their part."

Saker Nusseibeh Chief Executive, Hermes Investment Management

"The Global Goals will only be successful as a joint enterprise. It needs everyone to play their part."

Saker Nusseibeh Chief Executive, Hermes Investment Management

2020

Business in the Community plans to:

- Speed up action in businesses to deliver the

innovation and solutions needed to meet the Global Goals, having launched 'Own the conversation. Drive the change' in September 2019 at the UN General Assembly in New York.

- Enable one hundred senior leaders to own conversations on addressing these crucial Goals within their own business, and with at least one business partner, in the coming year.
- Define a role for BITC in using responsible investment and responsible procurement as levers to create action on the Global Goals.

PURPOSE

The purpose of Business in the Community's Environment Leadership Team is to help business drive innovation that turns the threats of the climate emergency into opportunity for people and nature.

AIMS

Circular economy and resource productivity: to inspire circular thinking and action through our Waste to Wealth sharing best practice, advice, industry pilot projects and procurement.

Net zero carbon: to set a three-year agenda, action plan and tools to support change at speed and scale.

Water and healthy eco-systems: to balance the water needs of people and nature to enable sustainable growth and restore the health of nature.

£9.1

A more circular approach to our economy could result in annual benefits worth £9.1 billion by 2030

Source: Eunomia Research & Consulting, 2016

1-4%

There is a 1-4% difference in turnover between good and poorly managed waste.

Source: Wrap (Waste & Resources Action Programme)

2019

Working alongside DEFRA, Business in the Community's goal was to commit signatory businesses to doubling

resource productivity and eliminating avoidable waste by 2030.

"BITC is a fantastic organisation. From Sky's membership on the Environmental Leadership Group to being able to convene businesses to work together to make a change, it's a unique organisation and has had a big impact on the way we do business at Sky."

Fiona Ball, Head of Inspirational Business, Sky UK

As part of our Waste to Wealth campaign, BITC convened 200 business leaders with His Royal Highness the Prince of Wales and the Environment Secretary, Michael Gove MP. Organisations which sign up are asked to set targets to improve resource productivity and redesign how resources are used in products, services and operations. 145 businesses have now signed up to commit to change.

Many members of this leadership team are leading the way in transforming their businesses. For example, the packaging for every new product made by Sky is now free from single-use plastic, and the company is committed to becoming single-use-plastic free by 2020.

THE CIRCULAR OFFICE

Business in the Community launched the Circular Office guide, setting out the economic case for adopting a circular approach to running a business, using examples of practical actions and innovative solutions. In the past financial year, it has engaged with over 100 businesses at Circular Office events in Manchester and Birmingham. BITC also exhibited the Circular Office guide at the Future Build expo in London.

THE WATER TASKFORCE

This BITC Task Force is working with Department for Environment, Food and Rural Affairs (DEFRA) to improve the quality of our rivers, currently through three projects in Cumbria, East Anglia and Devon.

"Customers have told us that reducing plastic is one of their most important concerns. That is why Morrisons is committed to keeping plastic in the economy and out of the environment. By 2025 all our own-brand plastic packaging will be reusable, recyclable or compostable."

David Potts, CBE, Chief Executive, Morrisons

"It's time for all businesses to step up and act. The science is now unequivocal that the need for action is now. Business has a huge part to play in making sure that we lead this change. The public are looking towards business leaders, as opposed to governments, to enact change, rather than wait around for regulation."

Richard Walker, Managing Director, Iceland Foods Ltd

2020

Business in the Community plans to:

- Celebrate the progress made by Waste

to Wealth signatories and double the number of companies committed to taking action.

- Develop a roadmap to the UN Climate Summit in Glasgow and beyond, inspiring and mobilising business leadership at scale and speed to tackle our climate emergency.

RACE EQUALITY

Chaired by Richard Iferenta, Partner, KPMG

TOGETHER WE CAN: CAMPAIGNING FOR CHANGE

PURPOSE

The purpose of Business in the Community's Race Leadership Team is to support employers to help break down the barriers that prevent the progression of ethnic minorities in their workplaces and to show how an inclusive organisation better serves its customers, clients and communities.

AIMS

Race at Work Charter: to promote this charter as the primary means by which companies can commit to action and increasing the number of companies that sign up.

Leadership engagement: to grow the number and capability of executive-level Diversity and Inclusion Champions in employers, with a focus on race and sharing the experience of these leaders.

Measurement of ethnicity and pay reporting: to support employers in capturing and reporting their ethnicity data and taking action.

1 IN 4

BAME employees have witnessed racist harassment or bullying at work.

Source: Race at Work survey 2019

44%

of BAME employees want fast-track opportunities - only 10% are getting them.

Source: Race at Work survey 2019

THE CHARTER

The Charter commits businesses to a bold set of principles and actions, designed to drive a step-change in the recruitment and progression of ethnic minority employees.

Initial signatories include NHS England, Standard Life Aberdeen, Norton Rose Fulbright, Saatchi & Saatchi, KPMG, RBS, the Civil Service, WPP and Lloyds Banking Group. Nearly 200 businesses have now signed up to the agreement, covering more than 1.3 million employees in the UK. More than 100 employers are now participating in a short, annual survey, sharing what actions they are taking within their organisations.

The Future Leaders Programme ensures our high-potential ethnic minorities receive the development they require to enable their career progression. This is not about fixing a group of people but about ensuring that everyone can realise his or her potential, without compromising what makes them different.

Jason Lester, Managing Partner Tax and Executive Sponsor for Race, EY

2019

Attitudes towards race have not changed since BITC's first Race at Work survey four years ago.

In response to this failure to act by many organisations, Business in the Community, along with the Government, launched the Race at Work Charter at the end of 2018.

BITC's cross-organisational Mentoring Circles programme continues to offer BAME employees the chance to connect with mentors at the top of their industries, to share their experiences of the workplace and help mentees with their own career progression. More than 200 mentees benefitted from the sixth cohort this year, with many reporting that the programme helped broaden their perspectives and develop their leadership skills.

2020

Business in the Community plans to:

- Challenge members to sign up to the Race at

Work Charter, with a target of 300 signatories in 2020. We believe that committing businesses to defined goals in elevating BAME talent within the workplace is the only way to create progress.

- Drive up leadership engagement from 33%, with roundtables, events and practical toolkits to support leaders.

GENDER EQUALITY

TOGETHER WE CAN: CAMPAIGNING FOR CHANGE

Chaired by Dame Helena Morrissey, DBE, former Head of Personal Investing, Legal & General Investment Management

PURPOSE

The purpose of Business in the Community's Gender Equality Leadership Team is to help ensure that women can achieve their full potential at work.

AIMS

Workplace culture: to help members create a workplace culture free of bias and underpinned by everyday inclusive behaviours.

Gender balance: to promote equality in caring responsibilities, building on the findings from our Equal Lives research and helping employers tackle their gender pay gap.

Celebrating best practice: to reward responsible business through our partnership with The Times Top 50 Employers for Women.

9 IN 10

men believe it is equally acceptable for women and men to take time out of work to care for their family

Source: Equal Lives report – BITC in partnership with Santander

55%

of men feel the demands of their own job has adversely affected their partners' careers

Source: Equal Lives report – BITC in partnership with Santander

2019

Business in the Community designed five toolkits to enable businesses to better understand the pay gap, how to report on it and most crucially, how to tackle it by developing an action plan.

BITC members are more transparent and likely to act than other organisations. They are twice as likely to publish a narrative around their gender pay gap than non-members and they are three-times more likely to include an action plan.

Business in the Community, in partnership with Santander, released the Equal Lives report which surveyed over 10,000 employees in the UK. Aviva was one of the first companies to give its employees' equal parental leave. Within the first year, 67% of new dads opted to take six months off work to care for their child, and 95% took off more than the statutory two weeks.

The research showed that over 90 percent of men now believe it is equally acceptable for women and men to take time out of work to care for their family. The report

Women, on average, are paid 17.9% less than men. Since 2017, employers with more than 250 staff from the private and voluntary sectors - and some public bodies - are required to publish gender pay gap information under Section 78 of the Equality Act 2010.

Many feel pressure to conform to rigid notions of care-giving which are weighted towards women. This is impeding gender equality at senior levels and in the home.

Nathan Bostock, CEO,
Santander UK

also highlighted that, for a growing number of people, caring is not just about childcare but about looking after dependent adults.

Business in the Community has been a specialist advisor on the government's Women and Equalities Committee since the start of the decade. Following BITC's ground-breaking work on the gender pay gap, the Government Equalities Office (GEO) asked us to work with them to develop toolkits and guides for employers. Through this partnership the team has engaged with over 2,000 businesses in the UK through events and webinars and the new gender pay gap toolkits have also been used as the template for the government's own published guides.

2020

Business in the Community plans to:

- Develop and launch the Everyday Inclusion Campaign.
- Work with members to offer enhanced, Shared Parental Leave to match maternity pay, as well as leave for carers and flexible working in all its forms.
- Continue to work with the government to influence them to make changes to SPL law so that both men and women people of all genders are getting the equal opportunities to care and work flexibly.

PURPOSE

The purpose of Business in the Community's Wellbeing Leadership Team is to build a movement that is committed to positioning health and wellbeing as strategic boardroom issues, with a particular focus on mental health; driving collective action through evidence-based, practical solutions.

AIMS

Work-related mental health issues: to reduce the growing number of employees who say that work is contributing to poor mental health.

Invest in and increase the mental health capability of organisations: to explore employer-led interventions and facilitate sharing experiences to drive change in how UK employers approach mental health.

Monitor and improve the nation's mental health at work: to provide a consensus of employer recommendations to collectively improve mental health through our Mental Health at Work survey.

36%

of employees have experienced poor mental health where work was a contributing factor in the last year.

Source: 2018 YouGov Mental Health at Work survey commissioned by BITC and Mercer

54%

Only 54% of employees feel comfortable talking about mental health at work.

Source: 2018 YouGov Mental Health at Work survey commissioned by BITC and Mercer

Under the chairmanship of David Oldfield of Lloyds Banking Group (the Responsible Business of the Year 2019) the Leadership Team made the commitment to move from 'good' to 'great', with regards to how they approach mental health at work so that learnings can be shared to drive change across UK plc. The team identified six priority topics that can have the most impact on employees' mental health:

- Financial wellbeing
- Resilience and managing energy
- Line manager interventions, leadership and learning
- Work actively relating to mental health
- Measurement and reporting
- Narrative to drive awareness and adoption

Business is at its best when people are at their best. Let's ensure that people can bring their whole selves to work and thrive. I call on leadership to identify what they can own and be accountable for.

Louise Aston, Wellbeing Director, BITC

2019

Business in the Community's third Mental Health at Work Report, in partnership with Mercer, helped inform and shape

this Leadership Team's strategy for 2019.

Alarming, 11% of employees who said that they disclosed a mental health issue were subsequently disciplined, demoted or dismissed.

Although the vast majority of managers (85%) acknowledged that employee wellbeing was their responsibility, only 30% had received any training in how to support staff.

This Mental Health at Work survey also captured data specific to Scotland, giving Scottish members a more relevant experience and a separate Scottish Mental Health at Work report was produced.

2020

Business in the Community plans to:

- Engage BITC's network with the new

Mental Health at Work Commitment, developed by the BITC Wellbeing Leadership Team and the Thriving at Work Leadership Council.

- Work with partners to define the key interventions that business can take to be most effective in reducing the instances of work-related mental health issues.

Chaired by Andy Briggs, former CEO Aviva UK Insurance, Government Business Champion for Older Workers

PURPOSE

The purpose of Business in the Community's Age Leadership Team is to help and challenge employers to retain, retrain and recruit older workers and to create multi-generational teams, where people of all ages can flourish.

AIMS

The business case: to raise the profile of the ageing population and workforce as a business-critical issue and to promote the benefits of a multi-generational workforce.

Age-friendly employment practices: to inspire and help companies to take action to become more age friendly.

What works: to develop an evidence base for recruitment practices, measures to support the retention of older workers, and strategies for retraining.

22%

of employers say their organisation is unprepared for the ageing workforce.

Source: Source: IFF survey of 500 employers/Ageing Better, October 2017

24%

Only 24% people aged 50+ feel that they can talk to their employer about their future career plans.

Source: Centre for Ageing Better

2019

Business in the Community's target is to achieve one million more older workers by 2022.

During 2019, the Age

Leadership Team launched a range of new evidence-based resources to help members take practical action. The programmes cross a diverse range of topics such as: carers in the workplace; menopause; and helping employees make informed choices through mid-life MOTs.

In partnership with the Department for Work and Pensions and Aviva, the team delivered more than 30 events attracting over 900 employers. It has joined with Centrica and Carers UK to help support one million working carers by 2030.

The National Lottery Community Fund is investing more than £2m funding to launch Age at Work. Age at Work will support older workers to remain, or return to, work in order to help them have enough income, stay connected and have a fuller working life. The programme is led by Age NI and BITC NI and will also be delivered in Scotland and Wales in conjunction with Age Scotland and Age Cymru.

Aviva is one member who piloted the mid-life MOT. 94% of their employees aged 45+ in Norwich took up the offer to attend workshops to look at their wealth, their work and their wellbeing and Aviva is now rolling the initiative out across the country.

Business in the Community's target is to achieve one million more older workers by 2022.

2020

Business in the Community plans to:

- Support more businesses to become

age-inclusive, having secured support from the National Lottery Community programme and the Aviva Foundation.

- Launch new employability programmes, specifically to help people aged 50+ from disadvantaged backgrounds, improve their employability and return to work.

PURPOSE

The purpose of Business in the Community's Employment and Skills Leadership Team is to create inclusive employment where everyone, regardless of their background or experience, has access to good-quality jobs and the skills they need to thrive in work.

AIMS

Essential skills: to help employers develop and reward the essential skills of their employees, in order to improve job mobility in the changing world of work and to encourage employers to connect their approaches in education and employment.

Good work: to promote better-quality jobs, particularly for members of disadvantaged groups.

Excluded groups: to improve employment outcomes for excluded groups, with a priority focus to achieve one million roles made more-accessible to ex-offenders, through the Ban the Box campaign, by the end of 2020.

14.3 MILLION

There are 14.3 million people living in poverty in the UK including one in eight workers.

Source: Joseph Rowntree Foundation UK Poverty report 2018

11 MILLION

Over 11 million people in the UK have a criminal record.

Source: Police National Computer

The Employment and Skills Leadership Team's aim is to inspire and support businesses to improve the accessibility and quality of work, particularly for people from disadvantaged groups.

We do this through a combination of targeted campaigns, such as Ban the Box, and the provision of expert knowledge and insight into issues such as refugee employment, 'good' work, and essential skills. Business in the Community's definition of a 'good job' is one that offers security, rights and a fair wage. A good job also offers the opportunity for personal development and progression, as well as a supportive and inclusive environment in which all employees can thrive.

Key recommendations for employers from Phase Two of 'Good Work for All':

- Get the basics right ie. paying on time and offering relevant training
- Involve employees in the conversation - speak to your staff to understand what they value most
- Senior leadership must champion Good Work for All
- Involve independent project management which enables an outside perspective and can act as a critical friend
- Facilitate in-house coordination and management of the initiative.

2019

Business in the Community ran Phase Two of its 'Good Work for All' project, supported by the Joseph Rowntree Foundation. We

worked with three participant members - Sodexo, Amey and Heathrow - to identify the concerns and risks to their businesses and the areas of focus to best address them.

Business in the Community launched a toolkit to help UK businesses employ refugees, in partnership with the UN Refugee Agency (UNHCR) and International Organization for Migration (IOM).

We developed a new business-led approach to supporting survivors of modern slavery in the UK to develop the skills and confidence to move into work, supported by the John Lewis Foundation.

We grew our Ban the Box campaign to cover 838,000 roles in the UK.

2020

Business in the Community plans to:

- Release a toolkit for employers to help them

improve the financial wellbeing of their workforce through employee benefits, with support from Salary Finance.

- Collaborate with the West Midlands Combined Authority to launch a business toolkit, preventing and tackling homelessness.
- Develop and launch a new campaign on essential skills.
- Drive towards our target of one million jobs through the Ban the Box campaign.
- Continue to grow our business-led support for survivors of modern slavery in the UK.

PURPOSE

The purpose of Business in the Community's Education Leadership Team is to increase collaboration between business and schools so that they have the greatest positive impact on education possible. Our ambition is that every child, particularly those facing social disadvantage, is able to achieve in education and to have a successful working life.

AIMS

Essential skills: to help every business connect their approaches in education and employment to better support young people to develop the essential skills they need to succeed in the workplace such as teamwork, leadership, creativity and problem solving.

Attainment in the curriculum: to identify and understand how business can best inspire young people to learn and achieve in different areas of the curriculum in collaboration with schools and teachers.

Teachers and leaders: to connect and support extraordinary leaders from schools and businesses, train school careers leaders, and connect teachers with local businesses.

3.7 MILLION

children live in poverty.

Source: Department for Work and Pensions

550

Over 550 school-business partnerships brought together by Business in the Community.

In May 2019, Business in the Community launched the **Playing Fair** toolkit which links curriculum learnings to careers involving business in the process. Curriculum collaboration projects are a great way to support schools to meet the Gatsby benchmarks – a key part of the government's **Careers Strategy**.

UBS has brought curriculum collaboration to life through its partnership with The Bridge Academy in Hackney East London. Running curriculum-based learning- such as their workshops on using A-level Mathematics in the world of work, has given students an engaging, varied and exciting way to learn.

- 81% of Year 13 cohort students went to university (national average 50%).
- 39% went to top third selective universities (national average 17%).
- 81% of disadvantaged Bridge Academy students went to university (national average 46%).
- 72% of businesses which are involved in school partnerships report increased staff engagement, opportunities for skills development and improved internal networks.

2019

Businesses can play a significant role in ensuring young people, especially in deprived areas, have the opportunity to learn

the essential skills they will need when they enter the workplace.

The Skills Builder framework, supported by BITC, was launched as a call for all organisations, including businesses to take action to help children and young people develop skills beyond their qualifications. These essential skills include creativity, problem solving, presenting, listening, leadership and teamwork. This is especially critical for those millions of children living in poverty.

The Careers and Enterprise Company agreed to partner with Skills Builder, after significant advocacy by BITC and its members. It recognised the momentum behind Skills Builder and the value of collaboration. It will now be embedded in tools used by every school in England. Business in the Community is working with the

Chartered Institute of Personnel and Development, Gatsby Foundation and others, alongside Enabling Enterprise, to test the Skills Builder framework with employers for use in HR practice.

2020

Business in the Community plans to:

- Create a curriculum taskforce, with involvement from the Department for Education, which will pool knowledge from companies already working strategically with schools.
- Support ten curriculum collaboration projects with firms including Goldman Sachs, Heathrow, Ikano Bank, and Hogan Lovells in the Westminster Business Class partnerships, supported by John Laing.
- Implement Skills Builder through all of its 25 education programmes and support companies to embed Skills Builder.

PURPOSE

The purpose of Business in the Community's Place Leadership Team is to unlock the collaborative potential of business to strengthen communities around the UK.

AIMS

Innovation: to drive collaboration in our pilot communities by bringing together businesses, civic leadership and the third sector to work in innovative ways.

Understanding: to share learning, models and best practice to help our members take action wherever they are.

Scale: to engage and influence policy, funders and partners to build an environment where it is easier for business to take action at scale.

1 IN 8

Just 1 in 8 children in the UK from disadvantaged backgrounds will go on to become a high-income earner.

Source: Social Mobility Commission, State of the Nation report, 2016

70%

of those that moved out of their region experienced wage progression compared to 58% of those who stayed.

Source: Social Mobility Commission, State of the Nation report, 2016

We need to work together with businesses, government and the social sector to create thriving and prosperous, connected communities. And by doing so, we will make it straightforward for businesses of any size to collaboratively tackle the key issues that affect the strength and prosperity of the places they serve and where they are based.

Many businesses have recognised the challenges in the community and have launched their own programmes. Yet, for all our work, these many initiatives do not feel like they are really moving the dial. Partly that's because we are not doing enough yet. Partly because not enough companies are involved.

Steve Rowe, Chief Executive, Marks and Spencer

2019

BITC established a new Leadership Team with 13 new members and worked with them to define the steps needed

for businesses to take a place-based approach. It developed a guide and toolkit supported by Barclays that brings together all the team's learning so far. Three trial projects have been established alongside our existing flagship project in Blackpool.

Over the year we have also engaged extensively with other organisations, including seconding our Head of Place and Impact to the Ministry of Housing, Communities and Local Government to support the development of a new communities framework.

2020

Business in the Community plans to:

- Trial approaches to collaborative

intervention in Blackpool, Bradford, Lowestoft and Rochdale, working with the social and public sector to make a difference to the needs identified by local organisations and residents.

- Take learnings from these collaborations to inform further projects and to enable us to refine the Place Guide.
- Run a series of local engagement events showcasing good place-based work and securing commitments from businesses and other organisations to adopt this approach.

BUSINESS EMERGENCY RESILIENCE GROUP

Chair: Pending

TOGETHER WE CAN: CAMPAIGNING FOR CHANGE

PURPOSE

The purpose of Business in the Community's Business Emergency Resilience Leadership Team is to mobilise support for small businesses to better prepare for, respond to, and recover from business disruptions such as flooding and cyber attacks.

AIMS

Risk: to work with our members and their business networks to raise awareness of the risks and promote better small business resilience via the 'Would You Be Ready?' campaign.

Small business support: to develop insights and content on continuity planning and preparedness, with a focus on both cyber and physical resilience.

Resilience: to promote coordinated business support for emergency preparedness, response and recovery, via the development of member volunteer programmes.

60%

SMEs account for 60% (16.1m) of the UK workforce private sector employment in the UK.

Source: Department for Business, Energy & Industrial Strategy

31 MILLION

BITC's Would you be Ready? Week reached 31m people.

Source: BITC

The Business Emergency Resilience Group (BERG), was convened by His Royal Highness, The Prince of Wales, to help businesses and communities across the UK prepare for, and be more resilient against, the threat of security breaches, cyber-attacks, floods and other natural disasters.

We look for ways to help educate people to take preventative action against physical issues such as flooding or building failures, or digital issues, such as technology failure and fraud or cyber problems. Prevention is always better than cure.

Michael Douglas, Head of Resilience and Continuity Operations at RBS

2019

In March, Business in the Community launched a readiness test called: 'Would you be ready for a cyber attack?'. BITC worked

with PR agency Weber Shandwick to run national and regional campaigns raising awareness of this test. The national campaign focused on the impact of cyber-security issues on the supply chain for SMEs.

BITC's regional campaign focused on how businesses can respond to flooding and extreme weather. Across the week, coverage had a total reach of over 31 million people. The national campaign alone generated 31 pieces of coverage, reaching over 25 million. The regional campaign generated ten articles and our social content had 1.35k engagements.

2020

Business in the Community plans to:

- Work with its expert partners to encourage big businesses to promote resilience in small companies.
- Develop and expand our local programmes to provide support to small businesses who are most vulnerable to either cyber incidents or extreme weather impacts on their business.

DEVELOPING YOUNG PEOPLES' LIFE SKILLS - BARCLAYS

BITC is committed to engaging business to address the significant skills gap challenge in the UK and the impact this is having on youth employment. Our experience and expertise in working in partnership with schools through programmes such as Business Class made BITC the ideal delivery partner for Barclays in this area.

Working with Barclays, BITC delivered the Barclays LifeSkills programme, which aims to inspire millions of young people, equipping them with the key skills needed to move forward into the 21st century workplace. LifeSkills brings together educators, businesses, young people and parents across the nations. Increasingly, young people need to leave education, not only with appropriate academic results, but with the skills that we know businesses need, both now and in the future as technology reshapes our working world.

The lesson and engagement plans for the LifeSkills programme were developed in order to help young people feel more positive about the future, increase their academic motivation, have higher aspirations and develop essential skills. The programme was first delivered in Wales 6 years ago, with programmes in Scotland and Northern Ireland following a year later. It has been successfully running in the regions since then by delivering curriculum-led interactive classroom workshops. Schools and colleges considered to have a significant number of students from disadvantaged backgrounds were targeted for engagement through LifeSkills employability and skills training. BITC led sessions with Barclays

volunteers, who added a business perspective to the workshop.

To date, the programme has delivered curriculum-led interactive classroom workshops to over 50,000 young people in South Wales. In Scotland, the programme has been delivered to 30,000 young people, with the current focus on Glasg w and supporting the 'Building Thriving Local Economies' initiative in Kilmarnock. In Northern Ireland, 894 LifeSkills workshops have been delivered to over 60 post-primary schools and 3 FE colleges, with 36% of workshop attendees receiving 2 or more LifeSkills sessions.

Commenting on the lasting impact and importance of the LifeSkills sessions delivered by BITC, Claire Meehan, Deputy Headteacher at Saint Thomas Aquinas RC School in Glasgow, states that, **"Following the success of our initial LifeSkills sessions, we worked to ensure that all students from S1-S6 accessed the programme (and) - in particular, our school leavers, to help develop their communication and interview skills."**

8 MILLION

As of June 2019, BITC have contributed to over 8 million young people participating in the programme.



SUPPORTING EX-SERVICE PERSONNEL INTO WORK - JTI

Helping members of excluded groups find meaningful employment is a tenet of BITC's responsible business approach. JTI has experienced staff shortages and sought BITC's help to identify opportunities that deliver benefits to the community as well as the business.

JTI sought BITC's support in filling its employment gap, while delivering impact to excluded groups. BITC facilitated JTI's access to skilled employee pools while delivering community engagement of returned service personnel. JTI sponsored a programme of activity to support military veterans and reservists into civilian employment through workshops and best practice toolkits.

BITC identified an opportunity for JTI to further this work by partnering with BITC in an initiative to improve the employability of ex-service personnel, focusing on those who are wounded, injured and

sick (WIS). The initiative spanned a year-long programme of activity which supported ex-military personnel into the labour market. The result also improved business practices and removed barriers to attaining civilian employment. This supported JTI's community investment strategy while also enabling the company to access a new talent pool.

The programme's success enabled JTI to reflect on other areas of engagement. Using their learning from the ex-military programme, JTI continues to work with BITC to support other excluded groups into work. Additionally as members of BITC's Employment & Skills Leadership Team, JTI adopted similar approaches with other organisations to amplify the impact. This extends the programme's reach as it encourages other companies to scale the impact.



PROMOTING GOOD WORK - HEATHROW

This year, Heathrow launched its People Leadership Forum to drive positive change amongst its supply chain and commercial partners on responsible employment. One of the focus areas for the forum is to make work more attractive at Heathrow by removing barriers and improving the quality of jobs on offer.

BITC has worked with Heathrow and the People Leadership Forum on a project to create access to employment for excluded groups and to improve the employee package offered by Team Heathrow employers. Throughout the project, members of the People Leadership Forum have participated in workshops and an advisory project, with BITC drawing on expertise from its Employment and Skills work to drive change.

23 companies from the People Leadership Forum have received feedback on their employee package and 28 businesses attended an Inclusive Employment Workshop.

By piloting changes amongst the People Leadership Forum, Heathrow hopes to influence a much wider group of businesses. To achieve this, BITC is working with Heathrow's Employment and Skills Academy to create a new resource.

'The Good Work' at Heathrow resource will be used to reach Heathrow's wider group of suppliers and commercial partners.

IMPACT AND DIRECT DELIVERY

BLACKPOOL

The Blackpool Pride of Place partnership, created under the umbrella of Business in the Community, is a group of people from the business, voluntary and public sectors who have come together to promote economic development and to tackle some of the area's challenges.

In addition to preparing the Agenda for Action 2030 last year, the partnership has:

Escalated national government focus on Blackpool by:

- Establishing a House of Lords committee on regenerating seaside towns.
- Reviewing the impact of national housing policy on the inner area of Blackpool.
- Introducing the real possibility of a civil service hub in the town centre.
- Engaging with the Secretary of State for Business, Energy and Industrial Strategy.

Continued to affect change at a local level by:

- Launching a new Fylde Coast Responsible Business Network, which is providing real help in schools
- Persuading Northern and Network Rail to improve Blackpool North station.
- Trialling a 'park and glide' for major events.
- Initiating a review of the expansion and function of the Business Improvement District.
- Supporting two successful funding bids for the Blackpool Museum.
- Engaging Great Places to build a Social Innovation Campus for teachers.
- Creating a community focus on Claremont, including supporting a successful bid for funding from Big Lottery for the Magic Club.
- Gaining the support of HRH The Prince of Wales for the development of Fleetwood Hospital as a community hub.

The partnership now has a strong bond between the public, private and voluntary sectors, evidenced by the retention of original members, the engagement of new ones and shared passion and belief that, together, we can make a difference to Blackpool's future.

The partnership's three priorities for 2019 were to:

- Seek a 'town deal' with national government.
- Ensure that the Fylde Coast Responsible Business Network is a force for good.
- Begin a 'hearts and minds' campaign to bring all of Blackpool along with us.

In 2019 so far, we have:

- Continued to lobby national government for a joint approach to tackling Blackpool's challenges and supporting its development through a 'town deal'.
- Received positive responses to the House of Lords recommendations on regenerating seaside towns, including that the Stronger Towns Fund will fund a series of town deals.
- Provided business support to school children through road shows, career events and targeted engagement, via the Responsible Business Network.
- Convened a group of local ambassadors for Blackpool for a 'hearts and minds' campaign to promote pride in the town.
- Launched our national 'Born and Bred' alumni network with a dinner at Guildhall in London, where we gained the support of attendees to champion the town and support the work of the Pride of Place partnership.
- Supported the Council on Inward Investment by creating a sounding board for their Business Investment marketing.
- Helped refresh business tourism by ensuring the Town is well prepared for the Conference Centre.
- Created Blackpool's first Tech Hub.
- Facilitated a workshop for Blackpool on its bid for the Future High Streets Fund.

The Blackpool Pride of Partnership is made up of:

Private Sector - Associated British Ports, Atos, BAE, Beaverbrooks, Blackpool Football Club, Capgemini, Cisco, Danbro, Merlin, Victrex, Wyre Dock Developments.

Public Sector - Blackpool Council, Blackpool Wyre & Fylde CCG, Lancashire Constabulary, Lancashire County Council, Lancashire LEP, Lancaster University.

Voluntary Sector - Business in the Community, Council of Voluntary Service, Groundworks, National Lottery Community Fund.

BUSINESS CLASS

Business in the Community has been delivering community engagement and employee volunteering programmes throughout the year, most of which are linked to education. These include supporting primary school children with reading, numeracy and starting to think about careers as well as delivering interactive and engaging activities in secondary schools to develop aspirations, clarify understanding of different sectors and build essential skills.

BITC has also been developing its work to upskill teachers to create links with business and understand more about the local labour market in order to provide students with accurate guidance for their future careers.

A total of 3,750 business ambassadors gave their time to schools and community organisations over 2018-19, totalling 3,052 volunteer days and with a value of £1,464,771.*

"The positive impact we have made throughout our time working with the school is incredible. The students are so appreciative of the time we dedicate to support and assist them with their future career aspirations. Following events such as the Year 10 Mentoring Programme and the CV Skills/Mock Interview Day, a number of our students have gone on to secure their first part-time job and some of the information/experiences gained during our Support Centre Tours was used to answer scenario-based exam questions! Quite simply amazing!"

Lisa McGilvray, Fujitsu Business Class Ambassador

"The partnership work which...Fujitsu carry out with our students at The Vyne is phenomenal. In my many years working in many secondary schools I have never come across such an impressive programme of work which has real impact on the lives of the young people involved. The programme is so effective due to the nature that it is well planned and resourced by committed and passionate partners."

Nicola Pearce, The Vyne Community School Head Teacher

Surveys of those involved with community organisations showed:

42%

of business volunteers were introduced to employee volunteering for the first time through BITC.

91%

of business volunteers found that pride in their employer increased from employee volunteering.

99%

found employee volunteering a rewarding experience and would recommend it to colleagues.

92%

of business volunteers found their wellbeing had improved through employee volunteering.

"Our school really benefits from working with Fujitsu – the mock interview and CV sessions helped me the most! I was clueless about what to do before and they really helped. I feel confident enough now that I can go out and apply for university and then a job. My dad was really impressed when I came home and said 'this is my CV!'"

Year 11 student, The Vyne School, Basingstoke



* Based on a day rate of £480 and a 7-hour day

BAN THE BOX'S 70TH BIRTHDAY GIFT FOR HRH THE PRINCE OF WALES

13 Business in the Community members committed to enabling 70 ex-offenders to gain employment last year in honour of HRH The Prince of Wales' 70th birthday. As well as collaborating with existing signatories to the scheme, BITC also looked to work with members who had not actively employed ex-offenders in the past as part of the goal to open up one million jobs to people with a criminal record.

Sky, Lloyds Bank and Legal & General took up the challenge and are working with Business in the Community to set up programmes to support a combined total of 32 ex-offenders into work. Unilever and McKinsey & Company also helped to support 12 ex-offenders back into work through BITC's Ready for Work programme.

To reach the target, Business in the Community's operations and campaigns teams have continued to support long-standing partners Boots, M&S and Ricoh with their employment programmes. There have been four new starters confirmed to date. BITC Northern Ireland is supporting Survitec.

Greggs is also contributing through its own highly-successful programme for employing ex-offenders, with nine ex-offenders now in roles as part of the birthday gift. Unipart, Anglian Water and Northumbrian Water are working with their existing community partners to help and Northumbrian Water recently signed up as the first water company to become a Ban the Box employer.

Next Steps

In total, 135 employers have signed up to Ban the Box, and by early 2020, BITC calculates that the target of achieving one million jobs open to ex-offenders should be surpassed.

135

employers have signed up to Ban the Box.

900K

Over 900k jobs are now open to ex-offenders.



HELPING EXCLUDED GROUPS GET READY FOR WORK

People from excluded groups desperately struggle to find employment, due to their circumstances or lack of training. Business in the Community aims to give people from these groups essential employability support and experience in the workplace through our partnerships and membership.

The excluded groups BITC engaged with are even further away from the labour market than before. Accordingly, we have adapted our delivery model and piloted new programmes in response.

"I believe a combination of all the support that I have had from Business in the Community, and the staff at KPMG has really opened me up and made me realise you are never alone. On the Thursday before my placement ended, my manager asked me how everything went and I told her that if they had a job I would bite her hand off for it. By the time I came in for my final day's work experience she had already sent my application for the position to HR".

Dermot, a Ready-for-Work participant reflecting on his experience and success in gaining a job offer from KPMG.

57%

of Ready for Work participants have gained employment.

45%

45% of refugees coming to the UK hold a qualification.

558

558 participants took part in the Ready for Work programme in 2018/19. 57% gained employment, against a target of 40%.

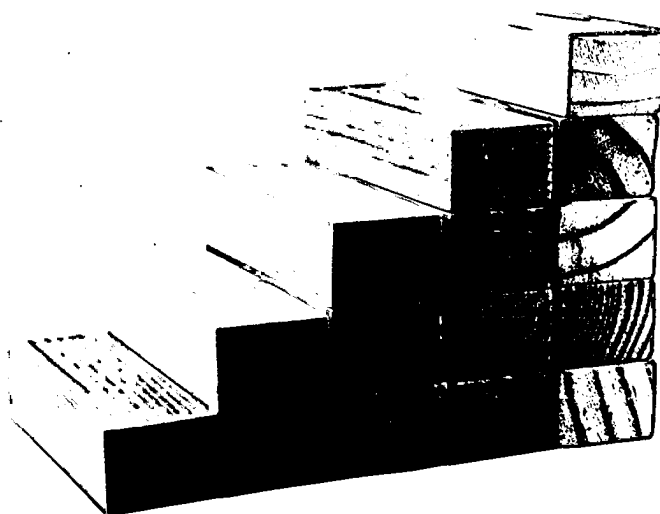
Last year, Business in the Community - funded by the John Lewis Foundation- provided employability support for survivors of modern slavery in specific areas of the UK. The three main facets of the support were behind the scenes visits to businesses, six-week careers-focused language courses and getting participants ready for work and into employment.

BITC members LNER, Sky, Marks & Spencer, Greggs, IHG, Shoosmiths and Deloitte were all involved by providing workplace visits and - in some cases - employment. The key goal was to help the survivors get ready for the world of work and, crucially, do so in an environment that is non-exploitative.

Since January 2019, the programme has given 82 modern slavery survivors access to skills and employment training. The project has provided Business in the Community with valuable insight and enabled us to gain a better understanding of the needs of the client group. We've found that the scope to support this group is a lot greater than we'd appreciated.

Next Steps

Business in the Community is assessing a project that will provide survivors of modern slavery with a range of resources beyond employability from donations, mobile phones and financial services to safe houses. BITC wants to improve the journey into work by unlocking business at an earlier stage to help the participants better prepare for the interventions. The current systems of support are not adequately helping victims and getting businesses involved sooner will improve that process.



REFUGEES

BITC, in partnership with the UN High Commissioner for Refugees and supported by the Department for Work and Pensions, has created a guide to inform businesses on how to improve employability for refugees through inspiring, hiring and growing. The guide also details how businesses can remove barriers which prevent refugees entering the workforce.

One of the key contributors to refugee integration is meaningful employment. Employment enables self-sufficiency and provides social connections, enabling refugees to use their skills and experience in a new and valued context. Yet many refugees in the UK struggle to gain employment, or find themselves in jobs that do not match their skills and experience.

"Business has a responsibility to get involved and support refugees to integrate into society. Employment is a really important part of the picture and can bring business benefits such as increasing the diversity of your workforce and addressing skills gaps".

Karen Higgins, Head of Sustainability,
Grant Thornton UK LLP

Waitrose & Partners is offering work placements to resettled Syrian refugees in partnership with Business in the Community's Ready for Work programme. Participants are referred to the programme by World Jewish Relief as part of a holistic package of support.

The Ready for Work programme gives participants two days' training to prepare them for the workplace, followed by a two-week work placement and post-placement support. Waitrose & Partners has offered five placements to resettled Syrian refugees.

"Working with Business in the Community has meant we can support and offer opportunities to more people - helping us to continue building the skills of future generations and creating better places for people to live, work in and enjoy."

Kerrie Neal, Deputy Branch Manager, Kenilworth Store,
Waitrose & Partners

68.5 MILLION

people around the world have been forced from their homes because of conflict or persecution. 25.4 million are refugees.

45%

of refugees coming to the UK hold a qualification and many have previous experience working as professionals.

Source: Nuffield Foundation



INTERNATIONAL TOURISM PARTNERSHIP: DRIVING SOCIAL AND ENVIRONMENTAL ACTION IN THE HOSPITALITY INDUSTRY

Chair: Wolfgang M. Neumann, Strategic Advisor to the Board, Radisson Hotel Group

International Tourism Partnership (ITP) brings together the hotel industry to drive collective action on key social and environmental issues. ITP's membership represents the world's leading hotel companies – with a collective reach of more than 30,000 hotels (in excess of 15% of the overall industry) and 4.5 million rooms (more than 25% of the industry).

Aligned with the UN's Sustainable Development Goals, ITP has galvanised the hospitality sector in four key areas of action: carbon, water, human rights and youth employment.

2019

Carbon:

Through consultations with members over the past twelve months, ITP identified the

need to engage across all the industry stakeholders – from hotel owners to hotel brands and franchises, since the companies who own the hotels are not necessarily the companies who operate them.

ITP's Hotel Carbon Measurement Initiative is currently being used by over 25,000 hotels globally.

ITP presented its collaborative approach to carbon emissions at the UN's COP24 Climate Summit, and spoke about human rights at the UN Forum on Business and Human Rights. The team also worked with UN Environment to share best practices on sustainable procurement, which led to the publication of a compendium of case studies, launched at the UN Environment Assembly.

Water:

Recognising the risk of water scarcity globally, ITP mapped 68 destinations against a range of criteria to identify those that are most at risk. This led to the launch of the publication "Destination Water Risk Index" which identified Indonesia, India and the UAE as the areas in most need of addressing water scarcity.

Our Hotel Water Measurement Initiative is now being used by 15,000 hotels to measure and manage water consumption. Recognised as one of the best tools for the industry, the United Nations Development Programme has translated it into different languages to increase global usage.

Human rights:

Following the launch of Principles on Forced Labour in 2018, ITP has collaborated with the International Labour Organisation and the Government of Qatar to facilitate labour reforms in the run up to the FIFA World Cup.

In partnership with Hilton, ITP has implemented training on addressing modern slavery in labour supply chains which has been rolled out to ITP's 16 member companies.

ITP also formed a multi-sector collaboration with the consumer goods and electronics industries to promote responsible recruitment with a unified voice.

Youth employment:

In collaboration with Government and partners such as the Department for International Development, Sightsavers and the Global Fund to End Modern Slavery; our Youth Career Initiative (YCI) has been supporting vulnerable young people, to equip them with the skills and practical experience they need to secure good employment and live independently.

A new project supported by a secondment from ITP member IHCL (Indian Hotels Company Limited), will review and develop our YCI curriculum to ensure we are giving our graduates the best opportunity to take the first steps in their careers.

2020

ITP's current priorities are:

- To shape the ethical recruitment landscape in countries

with a high dependency on migrant workers, and the countries from where migrant labour is commonly recruited.

- To further our Youth Career Initiative to create a standardised, industry-wide training programme to be rolled out across our membership, with funding from IHG Foundation.
- To create a template for multi-stakeholder dialogue in Bali, bringing together the Ministry of Tourism, Ministry for Environment and the local hotel industry, to mobilise collective action on issues, including water scarcity, resilience and plastics.
- To publish a business case for sustainable hotels by demonstrating the financial, regulatory, reputational and market reasons for action, at the design and refurbishment stage of hotels.
- To develop and reposition the ITP brand supported by a secondment from Hilton and the creative services team from Marriott International.

IN THE NATIONS

SCOTLAND

Waste to Wealth Scotland - BITC Scotland organised a sequel to BITC's November 2018 launch of the Waste to Wealth campaign with an event in February 2019. Bringing together representatives from the Board and Leadership Teams, the Waste to Wealth Scotland event engaged members and strategic partners in a commitment to innovate, sustain and repair our planet. It also raised BITC's profile in Scotland and ensured that we are able to create compound impact through new strategic partnerships. The campaign event was followed up by three workshops. Keenan Recycling, Changeworks Recycling and EnerMech all joined as BITC members following the summit. Keenan Recycling is now actively involved in our food waste champions group.

Fair Work - In addition to large-scale conferences, the Scotland team held numerous workshops, leadership round tables and a series of consultations on fair work. These consultations, and the subsequent report that supported the government development of new policy on what fair work means. It further presented an opportunity to challenge and engage members and the business community in Scotland. The Scottish Government and BITC Scotland held

five workshops in different parts of Scotland during September – November 2018 to gain employer input to the development of the Fair Work Action Plan. Through these workshops we engaged with around 50 employers with a mix of sectoral representation and size of business.

Scotland's community engagement programmes have included paired reading, enterprise workshops and employer-supported volunteering activities. For example, Brodies, a mid-tier law firm in Scotland, engaged with our paired reading programme. Over a school year, their employees partnered with local schools to read with students each week. Feedback from schools and volunteers has been very positive as a means of engaging staff in their local communities and feeling they are making a difference.

As the Scotland team looks ahead to 2019-2020 we will build upon significant opportunities such as the COP26 summit in Glasgow to focus on business's role in addressing climate action. BITC are also working with the Scottish Government to run an international business led summit in the second half of 2020, which will include a focus on climate action and wellbeing.

WALES CYMRU

The Wales team introduced two flagship events to promote and recognise responsible business in Wales:

The Responsible Business Wales Awards 2019 on Thursday 27 June engaged more than 320 guests who celebrated responsible business in Wales. The celebration took place at Cardiff's Sophia Gardens and was the biggest we have ever staged in Wales. At the event we announced nine awards to celebrate best practice in wellbeing, education, environment as well as the responsible large and SME business of the year.

Waste to Wealth Wales was launched in June bringing together more than 100 business leaders for our Circular Economy Innovation Summit at Cardiff Business School. Opened by Deputy Minister for Housing & Local Government, Hannah Blythyn AM, the event was run in collaboration with the BITC Environment team. Innovation showcase presentations were given by Welsh Water; RCT Council; Riversimple; Bluestone; Tata Steel; Repair Café Wales with a powerful keynote from

Hil Berg, Head of Sustainability & CSR at Iceland Foods. During the year membership in Wales increased by 20% with a number of leading Welsh businesses recognising the value and importance of responsible business. One example of responsible business in Wales has been Principality Building Society's Financial Education Programme which supported more than 250 pupils through their Level 2 (GCSE-level) qualification from the London Institute of Banking & Finance.

In championing the responsible business agenda we have developed our relationship with the Welsh Government.

- We have agreed a strategic partnership with the Future Generations Commissioner. Recognising the increasing importance of the wellbeing Goals to businesses in Wales (and the wider link to the Global

Goals) we are working with the Office of the Future Generations Commissioner to develop private sector pathways which mirror the successful work done to date with the public sector.

- Working with Welsh Government, in December 2018 we launched 'Inspire, Hire, Grow' – an employers' toolkit for capitalising on military talent. Cabinet Secretary Alan Davies AM launched the toolkit at the Welsh Assembly. In addition to the toolkit we published a follow-up collection of inspiring case studies from around Wales and we have been running an employers' leadership group.
- Welsh Government funding for the pan-Wales Business Class programme with Careers Wales was

renewed for another year, engaging businesses in 80 strategic partnerships with schools across Wales.

Finally, we have developed a number of Community Conversations which are proving popular with members in Wales, where we have run a number of place-themed events during the year. The events bring together private, public and third sector organisations to create new networks and share better ways of working.

Looking forward we aim, in partnership with key stakeholders to grow the network of responsible business in Wales.



NORTHERN IRELAND

This year the organisation celebrates 30 years of positive, collaborative action, with business at its heart.

13 companies achieved **CORE** – The Standard for Responsible Business in Northern Ireland with four attaining the Gold Standard: Allen & Overy, Danske Bank, Gilbert-Ash and Ulster Bank. Now almost 30 Northern Ireland companies are measuring and benchmarking their responsible business performance.

The 14th year of the Responsible Business Awards in Northern Ireland had its biggest audience to date, with 615 people attending the Gala Dinner at the ICC Belfast. The theme for the evening was environmental sustainability and Danske Bank was crowned the overall winner. In addition to recognising 20 years of our 'Time to Read' initiative, we also celebrated 20 years of our 'Work Inspiration' programme. The project helps more than 8,000 young people with a work placement each year and has supported more than 91,000 post-primary students with work experience, work inspiration days and other careers and employability activities since its inception.

More than 100 companies took part in the Northern Ireland Environmental Benchmarking Survey, an initiative that continually pushes our companies to manage, measure and report on their environmental management and processes.

Through our work in employer-supported volunteering, we engaged 1,154 volunteers from 79 businesses, supporting 98 charities, schools and community groups by providing more than 6,924 hours of volunteer support. John Healy, Vice President and Managing Director of Allstate NI, was named as The Prince's Ambassador for Northern Ireland.

Our new BITC Northern Ireland strategy - Business+Society+Shared Purpose = Shared Future - will see us grow the movement of responsible business in Northern Ireland, with a focus on climate challenge, tackling social inclusion and prosperity, wellbeing and inclusion.

RESPONSIBLE BUSINESS AT BUSINESS IN THE COMMUNITY

As an employer, Business in the Community aims to make its vision of responsible business a reality by providing a sustainable, inclusive and productive workplace. We are proud of the passion and dedication of all our employees, secondees and volunteers who deliver our campaigns and programmes, whilst embracing changes as the organisation evolves.

In January 2019, we launched an internal review of responsible business, mapping the whole company using products such as the Race at Work Charter and the Times Top 50 Employers for Women as well as consulting with 39 internal experts. Following the review, we chose Health and Wellbeing and Diversity & Inclusion as the areas of focus that we believe will have the greatest impact in our workplace.

69%

BITC's overall Happiness Score (2% higher than the industry sector average).

In the spirit of inclusion, Business in the Community has a culture of co-creation with our networks and internal experts when it comes to Health and Wellbeing. We work closely with our four networks: BeWell (Health and Wellbeing), CAN (Diversity and Inclusion), UNITY (LGBTQIA+) and our Social Network.

This approach has led to employees feeling included and empowered, illustrated by results from our annual Happiness Survey. 69% of our workforce felt that their 'views are heard', which is above the industry average. The survey also revealed an above industry average wellbeing score. 72% of colleagues felt that BITC 'cares' about their wellbeing, against the industry benchmark of 68%.

0.72%

BITC median gender pay gap in 2018 (UK average is 17.9%).

We follow an approach that adopts the mental health core standards. We host mental health events through the year to raise awareness amongst

colleagues and encourage open conversations about mental health through peers sharing personal experiences of mental health to tackle stigma. We have colleagues trained as Mental Health First Aiders. We also offer an Employee Assistance Programme which includes structured counselling by telephone, face-to-face or online.

79%

of BITC staff feel 'they have a good relationship' with their line manager.

Good working conditions are a key part of the people experience at Business in the Community. One third of employees have a flexible working pattern and there are 37 different working patterns managed through a bespoke colleague-led approach, which enables our people to thrive at work. Business in the Community is a Living Wage Foundation employer.

Over the last year we ran a series of financial wellbeing learning-lunches, covering topics including financial awareness, financial distress, responsible investment and a session on workplace pensions. We offer financial fringe benefits such as season ticket loans, a bike-to-work scheme and childcare vouchers.

70%

Since 2015, BITC's internal CO₂ emissions have reduced by 70%

Business in the Community promotes active and purposeful people management through a shared objective that all our managers are measured on and held accountable for. Through effective people management, 79% of colleagues felt that 'they have a good relationship' with their line manager, which is higher than the industry average.

However, we don't want to stop there; we plan to capitalise on this momentum. Over the next financial year, we will be further embedding our whole-person, whole-organisation approach to our focus areas: Diversity and Inclusion and Health and Wellbeing. This will be overseen by our BITC Executive and - ultimately - the BITC Board.

OUR FUTURE PLANS

In the year ahead Business in the Community will focus on two strategic aims: growing the movement and driving forward the over-arching responsible business agenda. Within this we have three key pillars:

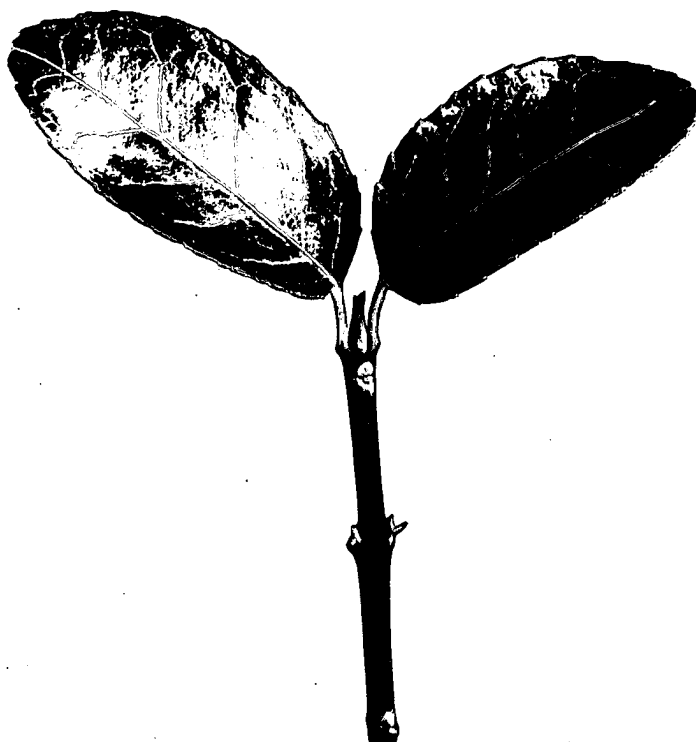
1 Creating a skilled and inclusive workforce for today and tomorrow

2 Building thriving communities where people want to live and work

3 Innovating to sustain and repair our planet

Critical to our success in delivering our promises is the adoption of a number of important initiatives which will fuel our work. These include:

- The rollout of our refined membership proposition.
- Sharpening the focus of our advocacy groups (e.g. Leadership Teams and Regional Advisory Boards).
- Creating a limited number of higher-profile campaigns which cut across different Leadership Teams and Taskforces. This year's campaigns were Skills, Everyday Culture for Inclusion, Partnerships and Place, and Waste to Wealth.
- Prioritising quality content as a key asset
- Establishing our new Strategy and Products team to promote product innovation, impact measurement and data analytics.
- Becoming more digitally enabled via the launch of a new website and the embedding of Salesforce throughout the organisation.
- Launching our new breakthrough campaign.



FINANCIAL REVIEW

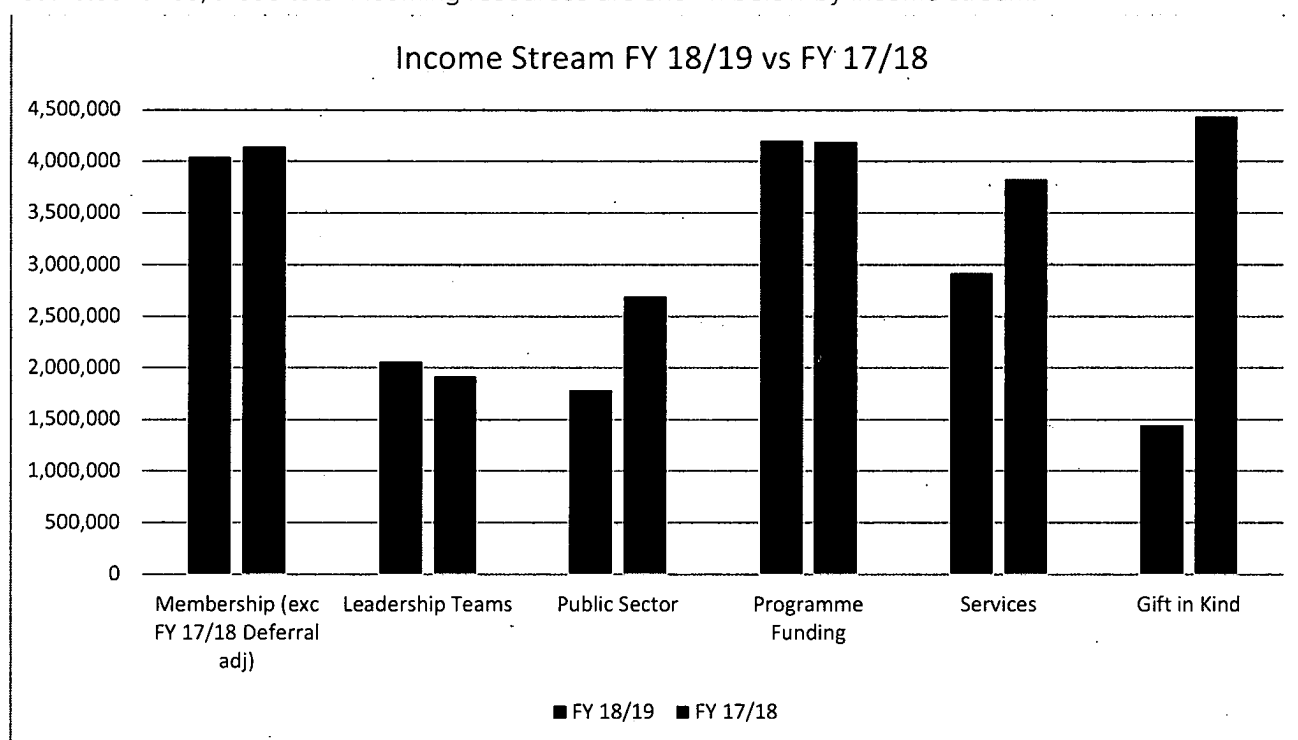
The financial statements for the year have been prepared in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities SORP FRS 102.

The accounts incorporate the results of Business in the Community (BITC) and its subsidiaries (BITC Trading and Advisory Ltd, Trading for Good Ltd and Scottish Business in the Community [dormant]).

In overall terms, BITC recognised a net total increase in the year to the unrestricted and restricted funds of £1,459k (last year decrease of £2,409k). This increase was primarily due to the unspent funds from a one-off donation that was received in the year.

Movement in Restricted Funds	£144k
Movement in Endowment Funds	(£19k)
Movement in Unrestricted Funds	£1,334k
Total Movement in Funds	<u>£1,459k</u>

Incoming resources, as reported in the Statement of Financial Activities on page 49 were £18.1 million in 2019 (2018: £19.8 million). Excluding the unspent funds from the one off donation and the movement in restricted funds, these total incoming resources are shown below by income stream.



The principal reason for the drop in overall income in the year was the reduction in Gifts in Kind Services by £2.88 million due to the Business Connector Secondment programme ending. In addition, we saw a reduction in Public Sector due to the related funding from Big Lottery as well as reductions in support for the DFID disaster relief programme and nations devolved government funding.

As in previous years, the majority of our income was connected to and from the support of member companies through Membership & Leadership Team fees and programme funding in relation to our community-based delivery work. We saw a slight decrease compared to last year in respect to membership renewals, however, we secured the highest number of new companies into membership since 2010. Leadership Team income grew in the period due to the successful launch of the Place Leadership Team.

Our community work is now mainly funded through private sector delivery programmes as we continue to see a trend of reduction in our earned services relating to both education and employee volunteering brokerage.

Public sector income streams continue to decline as both central and local government departments continue to reduce spend.

Total expenditure fell by £5,612k and amounted to £16,643k for the Financial Year 2018/19 (2017/18: £22,255k). Last year included the cost of the transfer of £831k of The Prince's Countryside Fund (PCF) to The Prince of Wales's Charitable Fund.

The largest reduction in the year related to the reduction for Gifts in Kind associated with the drop in income which decreased by £2.88 million. We also saw a reduction in our expenditure on payroll by £1.0 million as both the Business Connector and the Arc programmes came to an end.

Business in the Community had one active subsidiary during the year supporting its activities, BITC Trading & Advisory Limited. This represents the trading arm of the organisation, with income generated through advertising and sponsorship activities. The company had income of £915k which was a fall in the year of £522k. However, the trading arm still generated a profit of £605k (2018: £977k). As in prior year all profits have been gift aided to the parent charity.

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

The positive movement in unrestricted funds of £1,334k (2018: £1,013k decrease) represents an increase in free reserves available to support any part of the charitable undertakings of the company. As mentioned earlier, the prime reason for this increase was the remaining unspent funds received from a one-off donation by the charity to be used to support its general strategy, improve its digital capability and change programme. These remaining funds have been designated for that purpose.

The net movement in the unspent restricted funds 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 £1,051k at 1 July 2018 increased by £144k (2018: £1,376k decrease) to £1,195k at 30 June 2019. This is due to a growth in the number of grants and restricted funds where we have received income in advance.

The endowment funds connected with the development of the BEAM project reduced by £19k to £402k (2018: £20k decrease to £421k).

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 expectations.

Despite a challenging environment, we have continued to manage our costs to our income. We retain the flexibility to continue to reduce costs further, where necessary, in response to reduced income.

Consequently, we have a reasonable expectation that BITC has 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.

Reserves and Reserves policy

The total consolidated reserves of the Group were £4,464k at June 2019 (2018: £3,005k). Of this, £402k (2018: £421k) is held as endowment funds reflecting the value of fixed assets donated to the charity, £1,195k (2018: £1,051k) is held as restricted funds where the application of such funds is restricted to a given activity within the overall objectives of the Group. The remaining reserves are unrestricted or designated funds and include £533k attributable to fixed assets which are, therefore, not freely distributable. The residue of £2,334k is designated as free reserves.

The company holds those 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 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 £834k.

The company's free reserves amounted to £2,334k at the year end, being the net current assets of its unrestricted funds (as reported in note 11) which also represent its liquid funds. This exceeded the requirement determined by the Directors and the plan is to spend the excess funds over the next 2 years on strategic investment in our digital and communications capability.

Grant making policy

The charity does not award grants.

Fundraising policy

Business in The Community is committed to its charitable aim of building healthy communities with successful business at their heart and raises funds in order to carry out our campaigns and programmes.

Business in The Community complies with UK law and Charity Commission regulations. We concur with the Fundraising Regulator's Promise that fundraising should be open, honest and legal.

Business in The Community does not raise money to pay for its activities from members of the public. The source of the charity's funds come from Business in The Community's business members, the public sector, and charitable foundations that we collaborate with.

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.

Risk policy

The Board is responsible for the management of the risks faced by the Company and the Group.

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 the actions in place to address them. These are listed on the next page:

Key risks identified by our review	Controls and mitigations
Macro-economic uncertainties, in particular, Brexit could cause businesses to cut discretionary expenditure, causing a loss of members, or lower programme participation	<p>Control: relationship management working closely with members to highlight the relevance of BITC's activity and campaigns to current challenges.</p> <p>Mitigations: widely diversified income streams. Longer term commitments.</p>
BITC's purpose, programmes and services could become out of step with the needs of businesses causing a reduction in member numbers and income.	<p>Control: regular review of company support including use of external references (satisfaction surveys and reference panels); competitor analysis; pipeline for recruitment and follow-up of any resignations.</p> <p>Mitigations: boards and leadership team structure keeps BITC close to business-relevant issues. Changes to membership engagement proposition. CEO-led review with current and former members.</p>
BITC could be unable to adapt adequately to fluctuations in income. Increased stress on the internal resources that allow us to deliver our agenda.	<p>Control: close monitoring of core and fixed costs in relation to income, especially long-term commitments.</p> <p>Mitigations: maintain and improve flexibility of internal structures to support cost reductions to meet changes in income. Annual budget, business plan and regular reforecasts, supplemented by medium-term cash and viability forecasting. Clear governance structure, especially in relation to longer-term commitments.</p>
Reduction in, termination of, or failure to deliver key programmes could damage reputation or reduce critical mass.	<p>Control: regular reporting and monitoring of quality of delivery.</p> <p>Mitigations: regular review of activities and relevance.</p>
Failure to ensure that the correct safeguarding processes are in place could mean that safeguarding issues are not resolved which means that vulnerable people are put at risk and the charity could face legal penalties.	<p>Control: regular reporting and review provided to both the executive, Audit committee and the Trustees.</p> <p>Mitigations: appropriate training to all staff in the charity including volunteers, partner organisations and consultants</p>
<p>Reputational damage resulting from a loss of confidential data.</p> <p>Denial of access from malware could mean that our operations are severely impacted, or historical intellectual property is lost.</p>	<p>Control: management overseeing the maintenance of systems and databases to improve resilience. On-going compliance with GDPR requirements. On-going mandatory staff training on information governance is being rolled out across the organisation.</p> <p>Mitigations: employment of regular backups of our data and ensure up-to-date security software. Risk awareness training and practices in regard to IT security for all staff. Investment in more secure systems and a robust new website.</p>

The risks have been reviewed, both in relation to the opportunities and the risks arising from the structure of the Group and its culture, highlighting in particular its entrepreneurial and campaigning nature and the strong emphasis on staff involvement.

The processes that are in place to both monitor and to mitigate the effects of such risks are recognised to only provide reasonable and not absolute assurance that key risks have been adequately identified and managed.

The design of the systems and controls covering the breadth of the activities is considered to be appropriate for the size and complexity of the group's activities. These procedures are regularly reviewed, and amendments are introduced to meet the changing needs of the organisation. There is no evidence that there is any material failure of these controls.

Equal Employment policy

We respect all individuals and are opposed to all forms of unlawful or unfair discrimination on the grounds of ethnic origin, nationality, gender, sexual orientation, gender identity, disability, religion and belief, age, work pattern, family status and we build a culture that values meritocracy, openness, fairness and transparency. At BITC, this policy is applied to all processes relating to recruitment, employment and training and to any dealings with members and stakeholders.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

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.

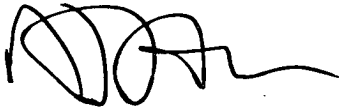
The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Acts and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity 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 group'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 group's auditors are aware of that information.

Auditors

Crowe U.K. 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.

This Annual Report, prepared under the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Companies Act 2006, was approved by the board on 6th November 2019, including in their capacity as company directors approving the Strategic Report contained therein, as well as the governance information set out on pages 70 to 73, and is signed as authorised on its behalf by:

A handwritten signature in black ink, appearing to be 'RH', with a long horizontal flourish extending to the right.

Richard Hutton
Chairman of the Finance & Risk Committee
06 November 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF BUSINESS IN THE COMMUNITY

Independent Auditor's Report to the Members and Trustees of Business in the Community Opinion

We have audited the financial statements of Business in the Community for the year ended 30 June 2019 which comprise the Consolidated Statement of financial activities, Consolidated and Company Balance sheets, Consolidated Cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 30 June 2019 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, the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the 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.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

INDEPENDENT AUDITOR'S REPORT

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Thomas
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

11 November 2019

STATEMENT OF FINANCIAL ACTIVITIES

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 2019

		Unrestricted Funds		Restricted Funds		Endowment Funds		Total Funds	
		FY 2019	FY 2018	FY 2019	FY 2018	FY 2019	FY 2018	FY 2019	FY 2018
	Note	£000	£000	£000	£000	£000	£000	£000	£000
Income from	1								
Donations & Legacies		2,695	352	869	4,085	-	-	3,564	4,437
Investments		19	8	-	-	-	-	19	8
		2,714	360	869	4,085	-	-	3,583	4,445
Income from Charitable Activities	3	7,911	8,271	6,608	7,130	-	-	14,518	15,401
Total Income		10,625	8,631	7,477	11,215	-	-	18,102	19,846
Expenditure on									
Charitable Activities	3	9,291	9,644	7,333	11,760	19	20	16,643	21,424
Transfer of PCF to PWCF		-	-	-	831	-	-	-	831
Total Expenditure		9,290	9,644	7,333	12,591	19	20	16,643	22,255
Net Income/(Expenditure) for the Year		1,334	(1,013)	144	(1,376)	(19)	(20)	1,459	(2,409)
Reconciliation of Funds									
Total Funds at 1 July 2018		1,533	2,546	1,051	2,427	421	441	3,005	5,414
Total Funds at 30 June 2019		2,867	1,533	1,195	1,051	402	421	4,464	3,005

The charitable company has no recognised gains and losses other than those shown above.

Notes 1 to 18 form an integral part of these financial statements

BALANCE SHEET

Consolidated and Company Balance Sheets as at 30 June 2019

Company Registration Number 01619253

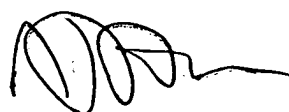
	Note	Consolidated 30 June 2019 £000	Consolidated 30 June 2018 £000	BITC 30 June 2019 £000	BITC 30 June 2018 £000
Fixed Assets					
Tangible Assets	5	935	986	935	986
Current Assets					
Debtors	7	2,884	3,683	2,803	3,519
Cash at bank and in hand	8	5,402	3,310	5,190	3,085
Total Current Assets		8,286	6,993	7,993	6,604
Current Liabilities					
Creditors – amounts falling due within one year	9	(4,757)	(4,974)	(4,464)	(4,585)
Total Current Liabilities		(4,757)	(4,974)	(4,464)	(4,585)
Net current assets		3,529	2,019	3,529	2,019
Net assets		4,464	3,005	4,464	3,005
Represented by:					
Unrestricted funds					
- General funds		1,378	1,533	1,378	1,533
- Designated funds		1,489	-	1,489	-
Restricted funds		1,195	1,051	1,195	1,051
Endowment funds		402	421	402	421
Total funds	11	4,464	3,005	4,464	3,005

The net (expenditure)/income for the financial year dealt with in the financial statements of the parent Company was a surplus of £1,459k (2018: a deficit of £1,578k).

Approved by the Board of Directors on 06 November 2019 and signed on its behalf:



John M Neill CBE
Chairman of the Audit Committee



Richard Hutton
Chairman of the Finance & Risk Committee

Notes 1 to 18 form an integral part of these financial statements

CASH FLOW STATEMENT

Consolidated Cash Flow Statement for the year ended 30 June 2019

	Year Ended 30 June 2019 £000	Year Ended 30 June 18 £000
Cash inflow/(outflow) from operating activities	2,102	(4,303)
Cash flows from investing activities		
Interest Income	19	8
Purchase of tangible fixed assets	(29)	(12)
Net cash inflow from investing activities	(10)	(4)
Net increase/(decrease) in cash and cash equivalents	2,092	(4,307)
Cash and cash equivalents at 1 July 2018	3,310	7,617
Cash and cash equivalents at 30 June 2019	5,402	3,310

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

	Year Ended 30 June 2019 £000	Year Ended 30 June 2018 £000
Net income/(expenditure) for the reporting period (as per the SOFA)	1,459	(2,409)
Adjustments for:		
Interest Income	(19)	(8)
Depreciation charges	80	93
Decrease / (increase) in Debtors*	799	(213)
(Decrease) / Increase in Creditors less than one year*	(217)	(1,318)
(Decrease) / Increase in Creditors greater than one year*	-	(448)
Net cash inflow/(outflow) from operating activities	2,102	(4,303)

*Includes movement in relation to the transfer of The Prince's Countryside Fund (PCF)

Analysis of cash and cash equivalents

	Note 8	Year Ended 30 June 2019	Year Ended 30 June 2018
Cash in hand		5,402	3,310
Notice deposits (less than 3 months)		-	-
Total cash and cash equivalents		5,402	3,310

Notes 1 to 18 form an integral part of these financial statements

NOTES TO THE ACCOUNTS

1. Accounting Policies

a) Charitable Status

The company is limited by guarantee (company registration number 01619253) and is a registered charity in England and Wales (297716) and Scotland (SC046226). The address of the registered office is 137 Shepherdess Walk, London N1 7RQ.

b) Statement of Compliance

The Group and Charity financial statements have been prepared in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (SORP) issued on 16 July 2014 and the "Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102). They also comply with the reporting requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Charities Act 2011.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Business in the Community constitutes a public benefit entity as defined by FRS 102.

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.

c) Basis of Preparation

The Group and Charity financial statements have been prepared on a going concern basis, under the historical cost convention.

The Trustees have taken advantage of the exemption under FRS 102 not to separately disclose categories of financial instruments and items of income and expenditure for the parent charity as these have been presented on a group basis.

Consolidation

The Statement of Financial Activities and the Consolidated Balance Sheet for FY 18/19 consolidate the results of the Charity and its wholly-owned subsidiary, BITC Trading & Advisory.

The results of the subsidiary are consolidated on a line-by-line basis. Intra group transactions and year end balances are eliminated on consolidation. In accordance with section 408 of Companies Act 2006 no separate Statement of Financial Activities has been presented for Business in the Community.

Critical accounting judgements and key sources of estimation uncertainty

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

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The principal accounting policies applied in the preparation of the Group and Charity financial statements are set out below. These policies have been consistently applied to all the years presented.

d) Statement of cash flows

The Charity has taken advantage of the exemption in FRS 102 from preparing a single entity statement of cash flows, on the basis that it is a qualifying entity and the Group statement of cash flows included in these financial statements includes the cash flows of the Charity.

e) Income

All income received by the Group is used to finance expenditure incurred in furtherance of its objectives. Income is recognised and included in the statement of financial activities when the Group has entitlement to the income, it is probable that the income will be received, and the amount can be measured reliably. Income received relating to future accounting periods is deferred and recognised as a creditor within the balance sheet.

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.

The service element of membership fees is recognised when the service is delivered. Outstanding commitments are treated as income in advance at the year end.

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 12).

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 charitable funds are carried forward as Restricted Income Funds.

Donated services and facilities income, categorised as voluntary income, represents the Group's estimate of the value to the charity of donated services and facilities, the value of the donated long lease relating to the BEAM project in Northern Ireland and the cost of seconded staff in support of the charity's activities.

f) Expenditure

All expenditure is accounted for on an accrual 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 Group 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. Indirect costs and 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 costs and audit costs.

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.

All costs associated with staff redundancy/termination are recognised in the period in which the individuals affected are made aware of the decision.

g) 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 the lower of 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 building refurbishments -	10% per annum
Short-leasehold improvements -	over the remainder of the term of the lease
Equipment, fixtures and fittings -	20% per annum
Vehicles -	25% reducing balance

Depreciation on assets that are held under an endowment fund is charged against that fund and depreciated over the term of the lease.

h) Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, cash held in current accounts with UK banks and cash on short notice deposit accounts.

i) 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 due at the end of the lease term.

Rents payable under operating leases are charged to the statement of financial activities on a straight-line basis over the lease term. Benefits received as a lease incentive are credited to the statement of financial activities, to reduce the lease expense, on a straight-line basis over the lease term. The Group has taken advantage of the exemption in respect of lease incentives on leases in existence at the date of transition to FRS 102 (1 July 2014) and continues to credit these lease incentives to the statement of financial activities over the period to the end date of the lease on which the rent is adjusted to market rates.

j) Operating Leases

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

k) Pension Contributions

The Group contributes to defined contribution private pension policies for employees and the pension cost charge that is shown in note 4(b) represents the contributions payable to these policies.

l) Financial Instruments

Business in the Community has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method (equating to the present value). Financial assets held at amortised cost comprise cash and bank and in hand, together with trade and other debtors and accrued income. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors and accrued expenditure.

2. Income and Expenditure

- No Trustees received any remuneration in the year (2018: £Nil). No Director received reimbursement of expenses in the year. (2018: £Nil).
- The Statement of Financial Activities includes the cost of donated services and facilities amounting to £837k (2018: £1,324k) and the cost of pro bono staff seconded from member companies and organisations amounting to £605k (2018: £3,113k), details of which are given in note 4(a). BITC has not received any benefit from volunteers.
- The results are stated after charging:

	Total 2019 £000	Total 2018 £000
Operating Leases:		
- Land and Buildings	332	350
Depreciation	80	91
Group Auditors remuneration	23	23
- audit of Parent accounts	3	3
- audit of subsidiaries	2	4
- other services		

NOTES TO THE ACCOUNTS

3. Analysis of Consolidated Financial Activities

a) Analysis of Income by Activity

Activities	Voluntary Income £000	Charitable Activities £000	Total 2019 £000	Total 2018 £000
Membership	62	3,934	3,996	3,675
Partnerships, Measurement & Best Practice	1,768	3,429	5,198	3,444
Campaigning for Change	466	2,334	2,800	3,077
Impact, Delivery & the Nations	631	5,455	6,086	9,625
Governance – donated services	3	-	3	17
	2,931	15,152	18,083	19,838
Bank Deposit Interest Receivable	-	19	19	8
Total Incoming Resources	2,931	15,171	18,102	19,846

b) Analysis of Expenditure by Activity

Activities	Voluntary Income £000	Charitable Activities £000	Total 2019 £000	Total 2018 £000
Membership	62	2,749	2,811	3,054
Partnerships, Measurement & Best Practice	279	3,443	3,722	3,720
Campaigning for Change	467	2,941	3,408	3,899
Impact, Delivery & the Nations	631	5,924	6,555	10,587
Total Activities	1,439	15,057	16,496	21,259
Governance	3	144	147	164
Total Resources Expended	1,442	15,201	16,643	21,424

c) Analysis of Total Expenditure

Activities	Staff Costs £000	Support Costs £000	Other Costs £000	Total 2019 £000	Total 2018 £000
Membership	1,864	524	423	2,811	3,054
Partnerships, Measurement & Best Practice	1,883	556	1,284	3,722	3,720
Campaigning for Change	1,886	505	1,017	3,408	3,899
Impact, Delivery & the Nations	3,678	1,037	1,841	6,555	10,587
Total Activities	9,310	2,621	4,564	16,496	21,259
Governance	-	144	3	147	164
Total Resources Expended	9,310	2,766	4,567	16,643	21,424

Support costs comprise the central costs of senior managers, finance, human resources and IT support and includes salary costs of £2,183k (2018: £1,826k).

Governance Costs comprise management cost of £119k, statutory audit costs of £26k and pro bono services of £3k.

d) Accounting for 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 on page 67.

Grant funds received in advance of expenditure being incurred are carried forward within creditors on the balance sheet as funds received in advance (notes 1(e) and 11 and 12).

e) Restricted Funds Analysis for the financial year 2018/19

		Balance at 30 June 2018 £0	Income Received £0	Expenditure £0	Balance at 30 June 2019 £0
Restricted Funds					
Total Movements in Restricted Funds		1,051	7,477	(7,333)	1,195
Included in this total balance:					
Project & Purpose	Fund Provider	Balance at 30 June 2018 £0	Income Received £0	Expenditure £0	Balance at 30 June 2019 £0
Age At Work, Scotland, Wales & NI	Age NI	-	61	(31)	30
Healthy Holidays	Ardbarron Trust Ltd	-	3	0	3
Business Connectors	Big Lottery/Lloyds Bank	51	-	(51)	-
Gifts in Kind to support our Programmes	Various	-	869	(869)	-
Leadership Teams	Various	230	1,772	(1,905)	97
RFW	People's Postcode Lottery, PWCF	145	250	(270)	125
Step Project	World Jewish Relief	-	27	(5)	22
Business Engagement on Disaster Relief	DFID	-	6	(6)	-
Agrifoods Project	DEFRA	-	75	(75)	-
Responsible Business Project	Scottish Government	-	200	(200)	-
Great Yarmouth Neighbourhoods That Work	Great Yarmouth Borough Council	3	22	(25)	-
Welsh Business Class	Career Wales	-	120	(120)	-
Lifeskills – Scotland	Barclays	51	113	(108)	56
Lifeskills – Wales	Barclays	11	102	(103)	10
Blackpool & Place Campaign Funding	Barclays	-	60	(60)	-
Paired Reading	The Robertson Trust	9	18	(18)	9
Responsible Business Tracker	Sky Plc	51	141	(141)	51
Waste to Wealth Grant	People's Postcode Lottery, PWCF	-	140	(8)	132
International Tourism Partnership & YCI	Various	175	399	(318)	323
Grant to YCI	Marriott Family Foundation	72	150	(147)	75
Sri Lanka Project Grant	Tui Care Foundation	-	56	0	56
Curriculum Development	IHG Foundation	-	100	(10)	90
GFEMS Project	Global Fund to End Modern Slavery	-	121	(99)	22

NOTES TO THE ACCOUNTS

Annual Donation to YCI	Marriott - Althea Foundation	-	38	(19)	19
Contribution to YCI	STR	17	15	(22)	10
Community Grants (India & Thailand)	Hyatt	-	10	0	10
Blackpool Project	Lancashire LEPP/Blackpool Council	20	100	(120)	-
West of England Works Project	Weston College	-	80	(80)	-
West Yorkshire Troubled Families BBO	Leeds City Council	3	72	(74)	1
Tees Valley Routeways YEI	Hartlepool Borough Council	-	56	(56)	-
BBO Project	South Yorkshire Housing Association	-	45	(45)	-
BBO Project	Voluntary Action Leicester	-	44	(44)	-
Employability for All	Careers Enterprise Company Ltd	-	33	(33)	-

f) Restricted Funds Analysis for the financial year 2017/18

	Balance at 30 June 2017 £000	Income Received £000	Expenditure £000	Balance at 30 June 2018 £000	
Restricted Funds					
Total Movements in Restricted Funds	2,427	11,215	(12,591)	1,051	
Included in this total balance:					
Project & Purpose	Fund Provider	Balance at 30 June 2017 £000	Income Received £000	Expenditure £000	Balance at 30 June 2018 £000
Business Connectors	Big Lottery/Lloyds Bank	151	596	(696)	51
Prince's Countryside Fund	Various Private Sector	831	-	(831)	-
Gifts in Kind to support our programmes	Various	-	4,437	(4,437)	-
Barriers to Employment/ Employments & Skills Programme	Various Private Sector	253	1,180	(1,355)	78
RFW.	People's Postcode Lottery	180	290	(325)	145
Employment & Skills/Future Skills	City & Guilds	10	-	(10)	-
International Campaign	Various Private Sector	263	296	(421)	138
International Tourism Partners	Various Private sector	287	592	(615)	264
Business Engagement on Disaster Relief	DFID	-	149	(149)	-
Scottish National Action Plan	Scottish Government	-	200	(200)	-
Sky plc	Funding for Tracker	-	127	(76)	51
Employability for All	CEC	-	53	(53)	-
Black Country "Passport to Employment" Project	CEC Black Country	-	20	(20)	-
Careers Outreach	Sheffield Hallam University	-	62	(62)	-
Business Emergency Resilience Group	Various Private Sector	67	234	(269)	32
Corporate Stewardship for Healthy Ecosystems	DEFRA	-	100	(100)	-
Great Yarmouth Neighbourhoods That Work	Great Yarmouth Borough Council	-	83	(80)	3
Social Enterprise NI	Department for Trade & Investment	85	128	(213)	-
Welsh Business Class	Welsh Government	-	143	(143)	-
Lifeskills – Scotland	Barclays	51	113	(113)	51
Lifeskills – Wales	Barclays	20	105	(114)	11

4. Employee Numbers

a) Staff Numbers

At 30 June 2019, the Group employed (excluding Directors) 272 salaried persons (2018: 305). These staff were employed in the following activities:

	Total as at 30 June 2019	Total as at 30 June 2018
Direct Charitable Activities	220	247
Central Support Services	23	29
Corporate Communications, Strategy & Management	29	29
Total Number of members of staff	272	305

Included within direct charitable activities were redundancy and severance payments of £215k. All these payments were made before 30 June 2019.

Throughout the year, the Group employed an average of 272 staff (2018: 303). The full time equivalent of these staff is 247 (2018: 272).

In addition, the Group enjoyed, throughout the year, the services of the equivalent of 9 (2018: 38) full-time employees seconded by member companies, public sector and other organisations. The Business Connector Programme ended in June 2018, so no one was seconded to the group during the year for this programme (2018: 35). The cost of these secondees is included in the financial statements as if they had been employed directly by the Group at an additional annual cost of approximately £0 (2018: £2,882k) in relation to the Connector Programme and £605k (2018: £231k) in relation to other campaigns.

b) Analysis of Cost of salaries

	Year ended 30 June 2019	Year ended 30 June 2018
	£000	£000
Total Gross Wages and Salaries	9,931	10,587
Employer's National Insurance Contributions	955	1,030
Pension Contributions	616	656
Total Cost of Salaries	11,502	12,273

In addition to the contributions to pension schemes, the Group also provides life cover for employees of four times annual salary, at a cost of £28k (2018: £33k).

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

	Year ended 30 June 2019	Year ended 30 June 2018
£160,000 - £169,999	1	1
£130,000 - £139,999	0	0
£120,000 - £129,999	1	0
£110,000 - £119,999	2	1
£100,000 - £109,999	0	3
£90,000 - £99,999	5	5
£80,000 - £89,999	2	2
£70,000 - £79,999	6	6
£60,000 - £69,999	8	5

Paid into defined contribution schemes and in respect of 23 (2018: 22) of the above employees, the total employer's pension contributions amounted to £133k (2018: £124k).

d) Key Personnel

These are senior staff within the organisation as well as the Nation directors. Senior staff list can be found in the Governance section at the end of the accounts.

Collectively, they received total remuneration including employers NI and employer pension contributions of £1,558k (2018: £1,312k).

The setting of pay including those employees who are Key Personnel is based on benchmarking against similar size and types of organisation. Overall pay increase levels are authorised by the board.

5. Fixed Assets – Tangible Assets

	Freehold Land £000	Long Leasehold Property £000	Short Leasehold Improvements £000	Equipment, Fixtures and Fittings £000	Vehicles £000	Total £000
Cost						
At 1 July 2018	240	1,108	266	220	7	1,841
Adjustment to opening balance	-	-	-	-	-	-
Additions	-	29	-	-	-	29
At 30 June 2019	240	1,137	266	220	7	1,870
Depreciation						
At 1 July 2018	-	479	181	191	4	855
Charge for the period	-	36	34	9	1	80
At 30 June 2019	-	515	215	200	5	935
Net Book Values						
At 30 June 2019	240	622	51	20	2	935
At 30 June 2018	240	629	85	29	3	986

Note: The long-leasehold property includes the cost of land and buildings of £372k and the cost of refurbishing the building of £137k.

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.

6. Investments

a) Subsidiary Companies

Business in the Community has a wholly-owned subsidiary, BITC Trading & Advisory Ltd a company incorporated in England and Wales (company number 02210750) whose results are consolidated within these accounts. Its cost to the company of £3 is included in debtors.

On 31 July 2017 BITC took control of Trading for Good Ltd, Company number 08264671. The company has not traded since the date of acquisition and is dormant at year end. The value of net assets held at year end totalled £Nil and are consolidated in these accounts.

On 1 January 2016, BITC became the sole member of the charity Scottish Business in the Community, company number SC080355. There were no transactions in the year in the charity and it is treated as a dormant company.

As at the 30 June 2019, the registered address of all subsidiaries was 137 Shepherdess Walk, London, N1 7RQ.

NOTES TO THE ACCOUNTS

b) Results of Subsidiary Company in the year to 30 June 2019

Income and Expenditure Accounts

	BITC T&A £0
Incoming Resources	915
Gift Aid (Payable)/Receivable	(605)
Management Costs	(310)
Result of ordinary activities before and after taxation	-

Balance Sheet for Subsidiary Company at 30 June 2019

	BITC T&A £0
Trade Debtors	109
Other Debtors	9
Cash	212
Amounts due to group companies	(37)
Amounts due to third parties	(293)
Net Reserves	-

7. Debtors and Prepayments

	Consolidated 30 June 2019 £000	Consolidated 30 June 2018 £000	BITC 30 June 2019 £000	BITC 30 June 2018 £000
Trade Debtors	1,975	2,589	1,865	2,352
Intercompany Debtor	-	-	37	104
Other Debtors	61	86	56	86
Accrued Income	460	566	457	534
Prepayments	388	442	388	442
Total Debtors	2,884	3,683	2,803	3,518

8. Cash at Bank and In Hand

	Consolidated 30 June 2019 £000	Consolidated 30 June 2018 £000	BITC 30 June 2019 £000	BITC 30 June 2018 £000
Current Accounts	3	3	3	3
Interest Bearing Accounts	5,399	3,307	5,187	3,082
Total Cash & Cash Equivalents	5,402	3,310	5,190	3,085

9. Creditors: Amount Falling Due Within One Year

	Consolidated 30 June 2019 £000	Consolidated 30 June 2018 £000	BITC 30 June 2019 £000	BITC 30 June 2018 £000
Trade Creditors	399	268	399	268
Other Creditors	430	447	430	447
Taxation and Social Security Costs	557	599	557	599
Membership Contributions in advance	386	354	377	338
Fees and other income in advance (Note 12)	2,551	2,693	2,271	2,329
Accrued Expenditure	433	613	430	604
Total Creditors falling due within one year	4,757	4,974	4,464	4,585

10. Unrestricted Funds

	Opening 1 July 2018	Net Income During the year	Trf Btw Funds During the year	Closing 30 June 2019
	£000	£000	£000	£000
General Funds	1,533	1,334	(1,489)	1,378
Designated Funds	-	-	1,489	1,489
Total Unrestricted Funds	1,533	1,334	-	2,867

The transfer of funds from general to designated funds during the year is the unspent donation from Sky. The funds are designated to be used over the next 2 years for strategic investment in our digital and communications capability.

11. Analysis of net assets between consolidated funds at 30 June 2019

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£000	£000	£000	£000
Tangible Fixed Assets	533	-	402	935
Net Current assets	2,334	1,195	-	3,529
Total net assets	2,867	1,195	402	4,464

Unrestricted funds comprise those income funds that are retained by the charity that can be freely spent on any of its charitable purposes. They represent the charity's reserves and are made up of 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 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.

Analysis of net assets between consolidated funds at 30 June 2018

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£000	£000	£000	£000
Tangible Fixed Assets	565	-	421	986
Net Current assets	968	1,051	-	2,019
Total net assets	1,533	1,051	421	3,005

NOTES TO THE ACCOUNTS

12. Analysis of movement in fees and other income in advance

Where income is received that requires BITC 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 and released when those commitments are delivered.

	Brought Forward 1 July 2018	Released During Year	Deferred During Year	Carried Forward 30 June 2019
	£000	£000	£000	£000
Membership Services	827	(827)	876	876
Business Solutions	451	(451)	515	515
Events	271	(271)	260	260
Other	780	(780)	620	620
T & A	364	(364)	280	280
Total	2,693	(2,693)	2,551	2,551

13. 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 one and five years from the Balance Sheet date. The total amount of future minimum lease payments under non-cancellable operating leases are:

	June 2019 £000	June 2018 £000
a)		
(i) Not later than one year	404	402
(ii) Later than one year and not later than five years	578	901
(iii) Later than five years	33	26
b) Lease payments recognised as an expense	406	443

14. Capital Commitments

No material capital commitments were contracted for at 30 June 2019 (2018: £nil).

15. Taxation

As a registered charity Business in the Community is entitled to certain exemptions from corporation tax on profits from investments and any trading activities carried on in furtherance of the Charity's primary objectives. Subsidiary trading companies pay any taxable profits to the Charity each year as Gift Aid and thus do not incur corporation tax.

16. Related Party Transactions

Details of the income and expenditure position and balance sheet for the subsidiary is shown in note 6 to the accounts. During the year the Charity received gift aid from BITC Advisory Services Limited of £605k (2018: £977k). At the year end the amounts owed to/(by) the Charity were as follows:

Subsidiary	June 2019	June 2018
BITC Trading and Advisory	37	104

There were no further 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.

17. Financial Instruments

At the balance sheet date, the consolidated group held financial assets at amortised cost comprising cash and short-term deposits, trade debtors, other debtors and accrued income of £7,893k (2018: £6,551k) and financial liabilities at amortised cost, comprising trade creditors, other creditors and accrued expenditure of £1,257k (2018: £1,328k). Total interest income received in respect of financial assets held at amortised cost totalled £19k (2018: £8k).

18. Business Names

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

The Prince's Business Emergency Resilience Group (BERG)	Engaging business to help communities across the UK to prepare for, respond to and recover from emergencies
Responsible Business Awards	Recognise and promote best practice within all aspects responsible business
ARC	Encouraging Social Enterprise
The Prince's Responsible Business Ambassadors	Empowering other organisations to deliver on the Prince's priorities on responsible business
The Prince's Seeing is Believing programme	Providing social insights for business leaders
The Responsible Business Tracker The Responsible Business Map Responsible Business in Action CR Academy	Challenge, support and measure companies in their responsible business.
Access the Buyer Ban the Box Business Action on Homelessness/Ready for Work/Ready to Go Business Class Business Connectors Employee Volunteering CommunityMark Give & Gain Day Healthy High Streets Talent & Skills Waste to Wealth Pride of Place Prohelp	Engage business to build sustainable and inclusive communities
Race at Work Gender Age at Work Wellbeing at work	Diversity and inclusion in the workplace
International Tourism Partnership Youth Career Initiative	Encourage sustainable and responsible practice within the hospitality industry
Arts & Business Arts & Culture	Using art and business support to regenerate communities and stimulate economic growth

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.

Provider	Project	FY 2018/19
Age NI	Age @ Work in NI, Scotland and Wales	50,500
Barclays	Delivery of Life Skills in Wales	101,780
Barclays	Delivery of Life Skills in NI	109,740
Barclays	Delivery of Life Skills in Scotland	112,500
Belfast Harbour Commissioners	Time to Code	35,000
Big Lottery Fund	Addiction NI - Drink Wise Age Well	39,946
Big Lottery Fund and ESF Building Better Opportunities	Voluntary Action Leicestershire, The Great Project	43,702
Big Lottery Fund and ESF Building Better Opportunities	Sheffield City Region, SYHA	45,017
Big Lottery Fund and ESF Building Better Opportunities	Stronger Families, Leeds CC	72,167
Big Lottery Fund and ESF Building Better Opportunities	West of England Works Project (Weston College)	99,513
Big Lottery Fund and First Housing	#Work it Out, NI	41,616
Bombardier	City Wide Employers Forum	15,000
Bryson Future Skills	Young Persons Employment Initiative	9,419
Bryson Future Skills	Step into Employment	11,462
Cancer Focus NI	Big Shops Showdown	5,000
Department for International Development	Support for International Disaster Relief Award	47,118
Department of Agriculture, Environment & Rural Affairs NI	Circular Economy	60,446
Department of Education for NI	Time to Count Programme	10,000
Department of Education for NI	Time to Code Programme	25,000
Department of Education for NI	Time to Read Programme	65,000
Department of Education for NI	Charter: Work Inspiration	100,000
Department of Finance and Personnel NI	Digital Assist	40,750
Field Studies Council	Green Entrepreneurs Europe	3,610
Gems NI Ltd	Employment East	11,531
Global Fund to End Modern Slavery	Mumbai & Hanoi Project	120,688
Great Yarmouth Borough Council	Neighbourhoods That Work Project	22,178
Hartlepool Borough Council	Tees Valley Routeways Project, HBC	55,769
IHG Foundation	Curriculum Development YCI	100,000
Moy Park Ltd	Environmental Benchmarking Survey	6,600

NOTES TO THE ACCOUNTS

Prince of Wales's Charitable Foundation (People's Postcode Lottery)	Ready For Work	250,000
Public Health Agency, NI	Healthy Working Lives Conference	16,200
Scottish Government	Food For Thought	25,349
Scottish Government	Scottish National Action Plan	249,059
Sightsavers	Inclusion Works	44,589
The Executive Office	Urban Villages - Business sector engagement	12,531
Triax Taskforce	Skills NW	20,949
TUI Care Foundation	Sri Lanka Grant	56,295

GOVERNANCE

GOVERNANCE

Directors

The directors, who are the trustees, are elected by a decision of the Board. Directors are eligible for re-election every 3 years and are re-appointed to be a trustee by ordinary resolution of the Members. A list of present directors and those who also served during the year is set out at the end of this document.

Governance

The Board of Trustee Directors' role is to determine the charity's mission and purpose whilst guarding its ethos & values and ensuring that the charitable purposes as laid out in the constitution are upheld. The Board is responsible for ensuring that the charity complies with all legal and regulatory requirements, and wherever possible, upholds high standards of good governance. The Board ensures the provision of effective fiscal oversight and sound risk management, approves the Strategic Plan and annual financial statement and budget and ensures that finances are handled in the best interests of the charity.

The Board has detailed terms of reference which were updated in 2018. The Finance & Risk Committee is responsible for supervising the financial affairs of the charity and the Audit Committee for compliance and policy. The Executive Team provides day-to-day management of the charity and monitors performance throughout the year. BITC has Advisory Boards in the Nations of Northern Ireland, Scotland and Wales. In addition, this year The Board set up two new Advisory Boards to help inform them and management. They are the Chairman's advisory board of senior representatives from stakeholder bodies, and a Future Leaders board of less senior representatives from member companies. Both bodies work to support the Board and to ensure that we have a diverse set of voices putting forward their perspective on what responsibility should mean in today's society.

Incoming trustees receive an induction into the work of the charity and meet with the Chairman, Chief Executive, Company Secretary and Finance Director.

The Remuneration Committee of the Board is responsible for setting the annual pay review for staff, after consideration of external benchmarking within the charity sector.

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

- Reviewed and agreed the business plan for the coming year and the focus of activities for 18/19, building on the 4 breakthrough goals set in last year's plan;
- Agreed the budget for the year commencing 1 July 2018 and monitored financial performance through the Finance & Risk Committee, and risk through the work of both the Audit Committee and the Finance & Risk Committee;
- Approved the Report & Accounts for the year ended 30 June 2018 and recommended their adoption by members in general meeting;
- Approved a new membership proposition designed to create a clear member journey to drive deeper engagement and create more clarity for members;
- Approved a new functional structure for the organisation giving staff clearer roles and accountabilities across issues and campaigns, product development, operations and relationship management. This included the appointment of two new senior members of staff; a Chief Operating Officer and a Director of Strategy & Products;
- Approved a new financial model designed to create a single profit and loss;
- Approved a new system of internal governance to achieve improved performance and create a clearer way of working.
- Took assurance from the Audit Committee on the robustness of the Safeguarding Policy and Framework;
- Submitted a Serious Incident Report to the Charity Commission.

The **Finance & Risk Committee** met four times in the year to supervise the financial affairs of the Charity in relation to the plans approved by the Board, to report to the Board any significant variances against these plans, to review the risk to which the Charity is exposed.

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

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

Our trustees are those individuals who have taken a leadership role in our campaigns and programmes, those who lead the Nations of Scotland, Wales and Northern Ireland, and those who lead or participate in one of the finance sub-committees.

GOVERNANCE

Royal Founding Patron

HRH The Prince of Wales KG KT PC GCB OM

The present directors of the company are as follows:

Chairman

Jeremy Darroch

Chief Executive Officer and President, Sky

Vice Chairman

Steve Holliday

Chairman, Crisis, Trustee, Careers and Enterprise Company
President, The Energy Institute

Directors

Roy Adair CBE

Former Chief Executive, Belfast
Harbour Commissioners

Christine Hodgson

Chairman, Capgemini UK PLC

Stephen Hughes²

Group Chief Executive,
Principality Building Society

Dame Vivian Hunt

Managing Partner, McKinsey & Company

Richard Hutton²

Finance Director, Greggs

John M Neill CBE¹

Chairman & Group Chief Executive,
Unipart Group

Jeremy Pocklington²

Director General for Housing, Planning
and Building Safety, Ministry of Housing,
Communities and Local Government

Duncan Tait

Former President and Chief Executive
Office, Fujitsu EME

Keith Weed

Former CMO, Unilever

John Williams¹

Vice Chair,
Association of Chairs

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

Mike Still

Non-Executive Chairman, Trustify
(retired 29 August 2019)

The following non-Board members serve on the
Audit Committee

Joe Greenwell CBE DL

Chairman,
RAG Foundation

Noelia de Carvalho

Head of Financial Planning &
Analysis Finance, MS Amlin

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

Tom Atherton

President & Chief Operating
Officer, Saputo Dairy UK

Spencer Sheridan

Chief Financial Officer,
Healthcare at Home

Victoria Fakehinde

Director of Finance,
Royal Air Force Benevolent Fund

Registration Details

Business in the Community is registered as a charity in England and Wales (297716) and Scotland (SC046226)
Company limited by guarantee No 1619253.

Registered Office: 137 Shepherdess Walk, London N1 7RQ Telephone 020 7566 8650

Website: www.bitc.org.uk

Vice-Presidents

Dame Julia Cleveland DEVO CBE

SIP Stephen O'Brien GVO

SIP Mark Weinberg

Advisors

Bankers
Barclays Bank PLC
1 Churchill Place
London E14 5HP

Salutors
Bates Wells & Braithwaite
10 Queen Street Place
London EC4R 1BE

Auditors
Growe UK LLP
St Bride's House
10 Salisbury Square
London EC4Y 8EH

Business in the Community's Senior Staff are as follows

Chief Executive
Amanda Mackenzie OBE

Managing Director BIC NI and Director Nations
Kieran Harding

County Directors
Scotland
Alan Thornburrow

Director, Delivery and Impact
Paul Buchanan

Director, Strategy and Products
Anna Jacobsen

Northern Ireland
Kieran Harding

Membership Director
Nick Diamond

Director, Finance
Charlie O'Neill

Wales
appointment pending

Chief Operating Officer
Debra Dabin

Campaign and Content Director
Catherine Sarnon

Creative Director
Gail Greengross IVO

Company Secretary
Lesley Wolfenden IVO

In addition, the following members of staff served as key personnel during the year

Stephen Farant
Director, Sustainability, Innovation and Sector
(left April 2019)

Uz Needleman
Interim Director, Operations England
(left September 2019)

Jane Wood
Director, Membership and Nations
(left November 2018)

Leadership Team Chairs

The Prince's Seeding is Believing Programme
Dame Vivian Hunt
Managing Partner,
McKinsey & Company

Andy Briggs
Former Chief Executive,
Aviva UK & Ireland Life

The Prince's Business Emergency Resilience Group
appointment pending

Dame Helena Mortsey CBE

Advisory Board Chairs

East of England
Peter Simpson
Chief Executive Officer,
Anglian Water Group

West Midlands
Simon Jonsson
Partner, KPMG

East Midlands
Andy Lyon
Partner, PwC

Yorkshire and Humber
Helen Kaye
Partner, Deloitte

Playa
Steve Rowe
Chief Executive,
Marks & Spencer

Bury
Richard Ilacqua
Partner, KPMG

Environment
Tim Doubleday
Chief Financial Officer,
Burger King UK

Widening
David Oldfield
Group Director & CEO of
Commercial Banking,
Lloyds Banking Group

Global Goals
Gavin Bourds
Former CEO, Americas &
EMEA, Fujitsu

Education
David Scanes
UK Country Head, USS

International Tourism Partnership
Wolfgang M. Neumann
Non-Executive Director,
Radisson Hotel Group

Employment & Skills
John Holland-Kaye
Chief Executive,
Heathrow Airport

South West
Rick Sturge
Executive Vice President,
Sales & Marketing,
Firstsource Solutions UK Ltd

South East
Frank Nield
Director of Corporate Affairs
Unipart Group

Northern Ireland
Chris Conway
Group Chief Executive, NI
Transport Holding Company

North West
Christopher Gray
Managing Director, Ascenture

Wales
Steve Hughes
Group Chief Executive,
Pinnacle Building Society

North East
Tim Hill
Partner,
Eversheds Sutherland LLP

Scotland
Susan Fougler
Head of Transaction Banking
Product, Fidelity, NatWest
Holdings Limited,
(Interim Chair)



The Prince's
Responsible
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