

BUSINESS *in the*

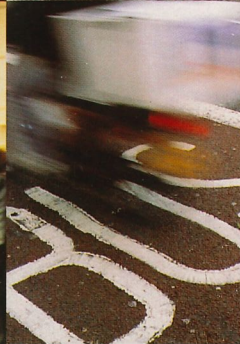
COMMUNITY

# impact

# review



annual  
report  
2000



with thanks to



THE ART *of* PERFORMANCE



# Business in the Community

## ...the positive impact of membership



HRH The Prince of Wales at the Awards for Excellence 2000

*"There is a growing level of expectation on business by a variety of interested groups, from customers and shareholders through to local communities and regulators. These groups have long moved on from the time when they were prepared to give their trust to major institutions - including businesses - and now expect to see transparency in all areas of social responsibility. Business in the Community will now be relentlessly focused in all our work on how we measure the real impact of what businesses do, in the marketplace, in the environment, in the workplace and in the community."*

Sir Peter Davis, Group Chief Executive, J Sainsbury plc and Chairman, Business in the Community

- 31 new national members. 350 Total including 70% of FTSE 100
- 54 new regional members. 360 Total
- Awards for Excellence 2000: 17% increase in entries, presented by HRH The Prince of Wales in front of 750 business and community leaders. United Utilities won Company of the Year Award. 21 Impact Endorsement Marks awarded
- HRH The Prince of Wales's Ambassador Awards presented to **John Studzinski**, Vice Chairman of Morgan Stanley International, for outstanding leadership in the fight against homelessness and to **Denis Power**, Senior Manager of Risk Management at First Trust Bank, for his contribution to community development and peace in West Belfast
- CBI launch of 'Winning with Integrity' – the findings and recommendations of Business in the Community's Business Impact Task Force
- Over 1 million hits celebrated on [www.business-impact.org](http://www.business-impact.org)
- 200 business leaders across the UK took part in HRH The Prince of Wales's Seeing is Believing Programme to see at first hand the challenges of social and economic regeneration
- Business Action in Rural Communities launched, a partnership with The Countryside Agency, focusing on practical support and action to help build healthy rural communities
- Building on the already established education-focused partnership with The London Accord, a new strategic alliance with London First is underway to increase the engagement of member companies in London
- Lloyds TSB hosted four *policy dinners* with senior business leaders and Government Ministers to explore the issues of business competitiveness and social inclusion
- 200 business leaders who had taken action in communities as a result of Seeing is Believing visits met at Highgrove to share their experiences and respond to the government's proposals on Neighbourhood Renewal

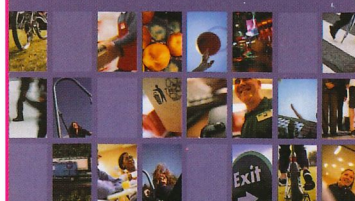
*"The day has remained in my mind and my conversation confirming to me that awareness remains the greatest opportunity."*

Clive Sharpe, Chief Executive, Golden Wonder on HRH The Prince of Wales's Seeing is Believing visit to South East London, May 2000



John Roberts, Chief Executive, United Utilities collects Company of the Year award at the Awards for Excellence 2000

Winning with integrity  
A guide to social responsibility  
Business Impact Task Force



CBI launch of 'Winning with Integrity' – the findings and recommendations of Business in the Community's Business Impact Task Force

*"Increasingly, consumers, employees and shareholders expect companies to behave in an ethically sound and responsible way. And good intentions alone are not good enough. To be seen to be worthwhile, company action has to be evaluated so that the benefit programmes claim to have can be proven and measured."*

HRH The Prince of Wales speaking at the Awards for Excellence 2000



# Business in the Community

## ...developing business excellence



### in the environment

**Business in the Environment (BiE): inspiring business to make environmentally sustainable development an essential part of business excellence.**

- 151 companies participated in the fourth Index of Corporate Environmental Engagement, broadened to include performance, including over 3/4 of FTSE 350 by value - a combined market capitalisation of £1,100bn
- 357 organisations took part in regional BiE Indices in Northern Ireland, Yorkshire and Humber, West Midlands and New Zealand
- 'Buying into the Environment', a new toolkit for benchmarking suppliers launched - enabling companies to evaluate and feedback their Supply Chain Management
- 'A Measure of Progress', conference and guide to environmental performance measurement and best practice, providing a management model illustrated by new business case studies
- B&Q won the first annual Business in the Environment Award to salute the highest level of achievement in corporate environmental responsibility, as part of the Awards for Excellence 2000

*"Business in the Environment has widened and deepened its level of business engagement and increased the robustness and objectivity of measuring business impact. As well as challenging companies through independent benchmarking, we support companies by developing practical business-to-business toolkits, products and services designed to help them improve their environmental performance."*

Derek Higgs, Director, Chairman, Partnerships UK plc



Environment Minister Micheal Meacher and BiE Chairman Derek Higgs at the launch of the Index in March 2000

[www.business-in-environment.org.uk](http://www.business-in-environment.org.uk)

### in the marketplace

**Cause Related Marketing: inspiring, generating awareness and understanding of Cause Related Marketing, promoting a greater quality and extent of programmes using the brand in partnership**

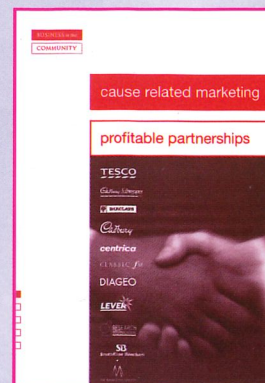
**with causes to address key social issues.**

- 200 businesses, charities, MPs and opinion formers attended a fringe reception at the Labour Party Conference in September to hear Dr Kim Howells, Minister for Corporate Social Responsibility, talk about Cause Related Marketing
- The Annual Cause Related Marketing Conference 2000 attracted 300 delegates from UK and overseas
- 250,000 hits on the Cause Related Marketing website
- Walkers Snacks, News International and Avon Cosmetics were awarded for the impact of their Cause Related Marketing programmes through the Awards for Excellence 2000, three of seven companies receiving Impact Endorsement Marks for their programmes, representing £9m support to charities, £12m worth of free books to schools and 100,000 metres<sup>3</sup> of waste recycled
- 32 million consumers (67% of the population) are now buying Cause Related Marketing products and services, according to the latest Business in the Community research

*"The latest research carried out by the Cause Related Marketing Campaign proves the positive impact of Cause Related Marketing on a company's brand equity, brand loyalty and consumer buying behaviour, whilst providing benefits for charities and good causes. There is no doubt, Cause Related Marketing, done well, provides profitable partnerships for all."*

Tim Mason, Marketing Director, TESCO plc

[www.crm.org.uk](http://www.crm.org.uk)



'Profitable Partnerships' the largest consumer study into Cause Related Marketing to date, launched November 2000



# a unique movement of companies



## in the workplace

**Opportunity Now: working with employers to realise the economic potential and business benefits that women at all levels contribute to the workforce.**

- 350 employers engaged from the public, private and higher education sectors
- 204 employers auditing their progress on gender diversity through benchmarking
- 5 organisations recognised for innovative and effective approaches to women's professional development at the fifth annual awards dinner
- largest ever UK survey on barriers senior women face in the workplace and the career strategies they use for advancement
- Now almost 90 organisations signed up to the Opportunity Now Statement of Intent in Northern Ireland, with plans to widen the equal opportunities debate into the arena of diversity and Work-Life Balance
- Lloyds TSB awarded for attracting and utilising a truly diverse workforce in the Awards for Excellence 2000

*"There is some pretty strong evidence to suggest that diverse teams are more creative, better at problem solving and make more money than monocultural, single sex teams..... Diversity is important, not because it is the right thing to do but because it impacts on our bottom line."*

Jack Edwards, Executive Vice-President, Cummins Engine Company Ltd



Procter and Gamble, winners of two Opportunity Now Awards, May 2000

[www.opportunitynow.org.uk](http://www.opportunitynow.org.uk)

**Race for Opportunity (RfO): creating the inclusive management environment of the future and promoting awareness of the business benefits of championing the race issue.**

- 153 private and public sector organisations engaged
- Launch of first ever benchmarking programme to measure progress on race by sector
- RfO companies are already showing improvements in the numbers of ethnic minorities on board. The number of ethnic minority managers at Lloyds TSB has jumped from 1.2% to 20%
- Over 500 managers participated in a series of employment and training seminars on key issues, such as the new Human Rights Act
- RfO companies provided record number of pre-work, into-work and career development placements to black and other ethnic minority people of all ages. 400 youngsters from inner-city schools supported in the West Midlands alone
- All government departments working with RfO now offer training, development and mentoring programmes for ethnic minority staff

*"Good businesses realise that they need to tap into Britain's black communities, not least for their own self interest. Successful business people are neither colour-blind nor prejudiced, but those who are able to see all people regardless of their ethnic background as people with bank accounts, degrees, families and lifestyles."*

Allan Leighton, Chief Executive, Going Plural



Andrew Messenger, Chief Executive of West Bromwich Building Society, spreads the rhythm of RfO in the West Midlands

[www.raceforopportunity.org.uk](http://www.raceforopportunity.org.uk)

## leadership to achieve impact

Impact on Society: Bill Cockburn, Group Managing Director, BT UK  
Business in the Environment: Derek Higgs, Chairman Partnerships UK plc  
Cause Related Marketing: Tim Mason, Marketing Director, TESCO plc

Opportunity Now: Clara Freeman

Race for Opportunity: Allan Leighton, Chief Executive, Going Plural

Corporate Community Investment: Mike Rake, Chairman, KPMG

Education: Richard Handover, Chief Executive, WHSmith

Regeneration: John Spence, Director of Branch Network, Lloyds TSB Group



# committed to continually improving



# ...developing commu

## in the community

**Corporate Community Investment: increasing the number of companies involved in their local communities by promoting the development of effective community investment policies and practice.**

- 66 Companies completed a review against Principles of Corporate Community Investment
- 158 companies completed the PerCent Club annual benchmarking survey, 99 companies achieving the millennium target of 1% or more investment
- 700 companies involved in European programmes. 4 study visits, 100 companies at first European conference
- Brighton and Hove Community partnership launched 'Community Mark' to support and recognise the contribution of Small and Medium Enterprises to the community
- BT won the Community Investment Award, in recognition of its overall approach to investing in the community, as part of the Awards for Excellence 2000

*"Communities that can develop and grow are the only ones within which our own business can really thrive in the long run. Therefore, it is important to ensure the communities in which we do business have an opportunity to show us what they can achieve and it is one of our responsibilities to invest something back into those communities."*

Nigel Burton, Chairman and Managing Director, Colgate Palmolive (UK) Ltd



Keith Weed, Chairman, Elida Faberge, on a Seeing is Believing visit, May 2000

[www.theprinciples.org.uk](http://www.theprinciples.org.uk), [www.cecile.org](http://www.cecile.org)  
[www.corpcommunityinvestment.org.uk](http://www.corpcommunityinvestment.org.uk)  
[www.percent.org.uk](http://www.percent.org.uk)  
[www.communitymark.org.uk](http://www.communitymark.org.uk)

## focused business investment o

- Over 700 businesses engaged in collaborative action in support of area regeneration with over £10m of business support in cash and in kind to 40 Regeneration Action Areas across the UK
- right to read (Yorkshire and Humber) in its first year: 40 companies, 1,500 volunteers supporting 4,000 pupils in 220 primary schools, an increased level of volunteer activity by 80%. Reading standards in just one school in Leeds show a 10% improvement as a direct result of right to read
- 100 children aged 8-10 years benefiting from paired reading assistance in 11 Belfast schools through Time to Read
- 150 Business leaders on Seeing is Believing visits addressing homelessness. Corporate Handbook launched. 300 Medical packs distributed to rough sleepers. Partnership with the Government's Rough Sleepers Unit announced
- 60 business leaders attended three comm.unity events, addressing how companies are bridging the digital divide. 3,000 IT for All centres (for socially excluded people) supported and marketed in partnership with the DTI
- 25 business people now sitting on partnership boards, bringing private sector expertise and issues to the table through the Business on Board programme in Northern Ireland
- Publication of Neighbourhood Renewal Case Studies, examples of businesses demonstrating an impact
- £384,000 in-kind support to education, £335,000 to economic development in Wales
- 42 companies engaged in Greater Deepdale, Preston with 493 employees giving 5,751 hours to community projects

*"Businesses need skills in the e-world to survive - we can nurture and grow vital ICT skills in our communities to benefit everybody, particularly the most disadvantaged."*

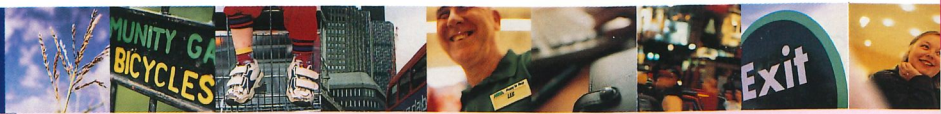
Martin Trees, Chief Executive Officer, Reality Group

Business Action on Homelessness: John Studzinski, Vice Chairman, Morgan Stanley International  
Cares: Sandy Leitch, Chief Executive, Zurich Financial Services  
Business Action in Rural Communities: Nick Hood, Chairman, @ Bristol  
comm.unity: Martin Trees, Chief Executive Officer, Reality Group  
ProHelp: Christopher Jonas



# their positive impact on society

## community excellence



## on key social issues

- North East Corporate Community Investment Partnership established with One North East to provide a regional and local strategy for engaging business in area regeneration
- Balsall Heath Employers' Forum's work with the community provided model for National Strategy for Neighbourhood Renewal. Seconded from Carillion, West Midlands Police and Focus Housing identifying commercial development opportunities and 115 jobs created through inward investment

*"There is no doubt that business has a role to play in neighbourhood renewal. Principles of sustainability, social responsibility and ethical employment are the building blocks to future business success."*

Peter Ellwood, Group Chief Executive, Lloyds TSB

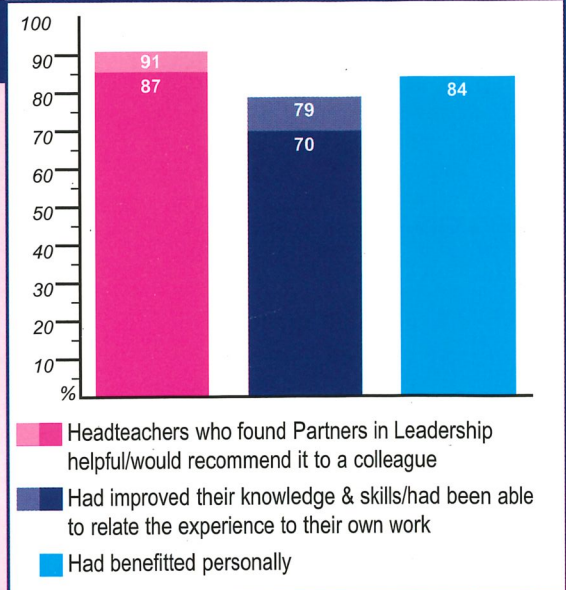


John Berriman, Partner, PricewaterhouseCoopers on a Seeing is Believing visit to Look Ahead, Aldgate Hostel, October 2000

[www.comm.unity.uk.net](http://www.comm.unity.uk.net) • [www.righttoread.com](http://www.righttoread.com)

## through collaborative action

- 15 Cares partnerships active, backed by over £1m of business support, with 8,000 volunteers from over 300 businesses, giving 41,500 hours in total
- Since September 1999, over 13,500 volunteer hours and £100,000 worth of community support through Leeds Cares
- Over 5,000 partners in 3,000 schools have been matched through Business in the Community's Partners in Leadership scheme – 65 matches in Northern Ireland
- Merseyside ProHelp was awarded the Power in Partnership Award, as part of the Awards for Excellence 2000, for working to lever over £4.5m to Merseyside
- ProHelp opened its 40th location in May, total number of professional firms giving free advice and support to the community now 900, 739 projects completed and £1.5m in free advice and support provided
- The Local Investment Fund: 4 new community loan funds established; £2.14m loaned to 24 projects, generating over 700 jobs and 1450 training places; over £11.4m leveraged into community regeneration
- A partnership between Bradford's Police, Council and College - The Bradford Capacity Building Project, has achieved 85 jobs, 19 new community facilities and nine strategic regeneration partnerships
- Business to Business Bridge Northern Ireland: £1.5m worth of time and advice to 1,000 small firms
- The London Accord celebrated the highest level of improvement in key stages 1-3 across the whole of England in the borough of Tower Hamlets - thanks to 1,400 employee volunteers going into schools each week
- 45 business and community leaders in Wales driving forward strategies for improvement in education, economic development, employee involvement and diversity



*"Partners in Leadership provides me with an opportunity to reflect on management issues in a different context and from a different perspective."*

Stephen Watson, Finance and Planning Director, Chilterns area, Benefits Agency

[www.caresinc.org.uk](http://www.caresinc.org.uk) • [www.prohelp.org.uk](http://www.prohelp.org.uk)



# financial report 1999 – 2000

## sources of funds

In addition to pure financial investment, members support Business in the Community activities with their people, premises, products and power. This reflects Business in the Community's message that business can make a contribution to the community in many ways.

### National membership contributions:

£2,203,000 and regional membership contributions: £668,000.

**Sponsorship:** £2,729,000.

**Brokerage, seminar fees and publications sales:** £1,595,000.

Generated by Business in the Community's campaigns - Education, Regeneration, Opportunity Now, Race for Opportunity, Business in the Environment and Cause Related Marketing.

**Public sector grants:** £4,572,000.

For specific projects in the campaigns and for local regeneration projects.

**Intangible income:** £1,350,000.

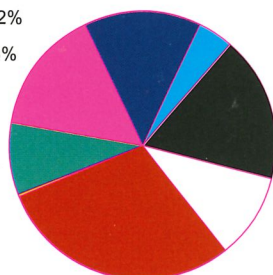
Estimated value of seconded staff.

**Other income:** £2,332,000.

Income received for specific projects on behalf of donors, income received but not expended at the year end, the company's share of the income of The London Accord and other intangible income.

**Interest:** £39,000.

## incoming resources £15.488m



## use of funds

Business in the Community concentrates expenditure on engaging businesses in their communities, promoting action through national and local partnerships, providing advice and information and broking business resources.

### Developing business excellence:

£ 2,802,000.

Through the campaigns set out under the source of sponsorship etc income opposite.

**Developing community excellence:** £7,644,000.

Through 11 regional offices in England, Wales and Northern Ireland.

**Promoting corporate social responsibility:** £1,265,000.

Seeing is Believing, communications and member liaison.

**Intangible expenditure:** £1,350,000.

Estimated cost of seconded staff.

**Other expenditure:** £1,938,000.

Expenditure incurred for specific projects on behalf of donors, the company's share of the expenditure of The London Accord and the cost of other donated services and facilities.

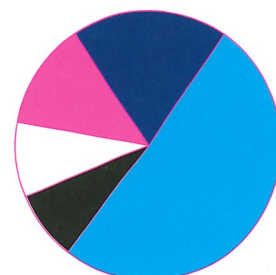
## net increase in funds

**Increase in unrestricted funds:** £96,000

to build working capital and reserves

**Increase in restricted funds:** £393,000

## resources expended £14.999m



The company's total net assets at 30 June 2000 were £2,998,000 comprising tangible fixed assets and investment of £168,000 and net current assets of £2,843,000, less creditors falling due after one year of £13,000. The total of the unrestricted funds amounted to £870,000 and the total of the restricted funds amounted to £2,128,000 respectively.

The Statement of Financial Activities shows total incoming resources of £15,488,000, of which £11,806,000 represents income earned and applied in the year for the company's general activities, and total resources expended of £14,999,000 of which £11,710,000 was incurred for the company's general activities in the year. This results in total net incoming resources for the year of £489,000, of which £96,000 was for the unrestricted funds and represented an increase in working capital and reserves and £393,000 was for the restricted funds and represented an increase in the unspent amount of these funds.

The above information has been extracted from, and confirmed by the auditors to be consistent with, the full financial statements for the year ended 30 June 2000, which were approved by the directors on 23 October 2000 and which have been audited by Horwath Clark Whitehill who gave an unqualified audit report on that day. This summarised information may not contain sufficient information to gain a complete understanding of the financial affairs of the company.

The full financial statements, directors' report and audit report, which will be submitted to the Charity Commission after the AGM, may be obtained from Business in the Community, 137 Shepherdess Walk, London N1 7RQ from 6 December 2000. This statement of summarised information has been signed by Derek Wanless on behalf of the directors on 23 October 2000.

During the year, Business in the Community benefited from the time and resources of many of its members, and in particular 33 secondees from both the private and public sectors. In addition, we are very grateful to the following for providing us with accommodation: Marks and Spencer, BT, Barclays Bank, Cadbury, DHL, Lloyds TSB, NatWest, North West Water and TK-ECC Ltd.



**BUSINESS** *in the*

**COMMUNITY**

Business in the Community is a unique movement of companies across the UK committed to continually improving their positive impact on society, with a core membership of 700 companies, including 70% of the FTSE 100.

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**Websites:** [www.bitc.org.uk](http://www.bitc.org.uk)  
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**Email:** [information@bitc.org.uk](mailto:information@bitc.org.uk)

**Registered Office:** 137 Shepherdess Walk, London, N1 7RQ  
**Tel:** 0870 600 2482 **Registered Charity No:** 297716  
**Company Limited by guarantee No:** 1619253

December 2000

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INVESTOR IN PEOPLE