

Annual Report 2004-5

The world of work is changing ever faster and it has never been more important to encourage young people to develop an understanding of free enterprise and an entrepreneurial attitude to life. Their survival and prosperity will depend on identifying opportunities, taking initiatives and adapting to the changing circumstances.



businessdynamics

Bringing business to life for students

Chairman's statement



“An entrepreneurial spirit among students is flourishing and proves what we have always believed, that business can be relevant and exciting for the young.”

This has again been an extremely encouraging year. We increased the number of students we reached in 2004-5 from 80,844 to 86,355, more than three times the number we achieved just five years ago. We also maintained a strong financial position and have now built unrestricted reserves equal to more than a school term of total expenditure.

69,120 young people took part in over 1,700 school-based programmes in more than 1,000 schools across the UK. In addition, 13,500 students participated in Blue Skies, our entrepreneur programme, and 3,671 attended our conferences in Paris.

Research for businessdynamics, done on a pro bono basis by GfK NOP (formerly NOP World), found that 63% of students would like to have the opportunity to learn about business and enterprise and 65% said that teachers could be influential in this area. However, teachers stated that they found this role difficult to perform which is why our network of business managers willing to go into schools is so important. They can bring the real life experience of enterprise into the classroom to inform and motivate pupils.

For the first time ever our research also showed that the majority, 53%, of the 14-19 year age group now want to run their own business at some point in the future. This is part of a trend which has seen this figure grow from 35% in 2000 to 43% in 2003, 45% in 2004 and 53% today. An entrepreneurial spirit among students is flourishing and proves what we have always believed, that business can be relevant and exciting for the young.

This is good news for the Government, which has stressed the need for an enterprise culture, and great news for us, because it shows that what we do is having real impact.

Our key role is to connect business and education. We thank all of those nearly 2,000 companies that have made their people available to participate as Seminar Leaders and all of the educational establishments that have given their students the opportunity to learn about business through our programmes. Their support and the funding from the Learning and Skills Council and our many other corporate and public supporters has helped us to reach more young people than ever before. We would like to take this opportunity to thank them all as we could not fulfil our mission without their support. I would also like to thank our staff for all of their tremendous effort and commitment throughout the year.

The world of work is changing ever faster and it has never been more important to encourage young people to develop an understanding of free enterprise and an entrepreneurial attitude to life. Their survival and prosperity will depend on identifying opportunities, taking initiatives and adapting to the changing circumstances. We know that we are making a real difference and businessdynamics will continue to lead the way in “bringing business to life for students”.

Sir Paul Judge
Chairman

Highlights of the year



View from the HMS Belfast



St James's Palace.



'The Business'

Events

Support from United Business Media (UBM) enabled us to hold two special events during the year. In November, over 100 businessdynamics' volunteers from London and the South East attended our 'thank you' drinks reception, held on the HMS Belfast. All guests were invited to bring along a friend who was interested in volunteering, and the event was a great success, with over half of the potential volunteers signing up.

Our Patron, HRH the Duke of York, also hosted a reception at St. James's Palace to thank over 200 of our supporters and celebrate the 'Year of the Volunteer'. Sir Paul Judge, Chairman of businessdynamics, spoke about the need for companies to help schools teach about business, and HRH The Duke of York spoke of his support for our work.

New Supporters

We are delighted that this year Accenture, BSKyB and Cap Gemini have all become supporters. The UK government practice of Accenture, the global management consulting, technology services and outsourcing company, made businessdynamics its UK charity of focus for 2005, encouraging their staff in London, Newcastle and Leeds to volunteer. The company is also funding programmes in London. BSKyB is encouraging its staff in London and Edinburgh to volunteer on our programmes and is funding programmes in these areas and Cap Gemini is encouraging their employees in their London and Glasgow offices to become involved.

'The Business'

PIXELearning and businessdynamics launched, 'The Business', a new, engaging, games-based learning product designed to introduce enterprise to young people, supported by a comprehensive set of teaching resources based on the businessdynamics' book, 'The Business'. The game puts students into a realistic business scenario where they develop and market a new product. It is designed to be challenging and fun whilst at the same time showing how various business issues like finance, sales, marketing and production affect each other.

Press Coverage

businessdynamics had significant press coverage during the year, including a feature in the Financial Times. After volunteering on a programme, Sathnam Sanghera, FT Columnist, wrote: *"I recommend that FT readers consider volunteering some time to businessdynamics, which runs in excess of 1,700 programmes in more than 1,000 schools nationwide. Schools need help teaching children about business. Something needs to be done about the fact that so few students dream of a future in business."*

Our programmes in 2004-5



Alliance & Leicester programme



Winners of the IBM final 2005



Students at businessdynamics programme



Entrepreneurs and students at Blue Skies



Upton Park, home of West Ham United



Palais des Congres

Business Awareness

This programme aims to develop an understanding of business and its crucial role in the economy. Students, aged 16 to 19, take part in this tailored two-day programme of 6-8 interactive seminars to gain a practical understanding of key areas, such as marketing, sales, human resources, small business, IT, finance, management and design and development. Trained Seminar Leaders, who are volunteers from a range of different business sectors, bring their knowledge and enthusiasm into the classroom to run the programme.

IBM, Coca Cola Enterprises and Deutsche Bank have all worked with us to tailor this programme around their specific sector. The bespoke IBM programme is built around the latest Bluetooth technology. This year, over 500 Year 10 and 11 students took part in these programmes held at 12 IBM venues across the UK. The best teams from across the country were invited to travel to London to present their business ideas to a panel of judges at the Final, held at the IBM South Bank offices.

The winning team from Roundhay Technology College, Leeds, won a laptop for their school with their idea for Smart Living, an internet based company which aims to make life easier for homeowners. Wellacre Technology College, from Manchester, were also presented with an award from the Worshipful Company of Marketors for their marketing excellence. Janet Hayward, the teacher from Roundhay Technology College, said: *"The pupils had a truly wonderful day and will remember it for the rest of their lives. It has given them a really valuable insight into the workings of business."*

Students with particular educational needs

Our programmes can be tailored to suit any group of students with particular educational needs including aurally and visually impaired students and students who are disaffected or at risk of exclusion from mainstream education. The programme is designed in consultation with the contact

teacher and aims to provide skills and knowledge that will be of benefit in a work environment as these young people may find the gap between school and work particularly difficult to bridge.

Key/Core Skills at Work

This one day programme aims to help students, aged 14 to 16, to identify and improve their key/core skills to enable them to achieve their goals in work and life. The students attend a number of interactive workshops and learn skills such as team building, communication, presentation and decision making. Where possible, volunteers from local businesses are used to lead the workshops.

This year, Alliance & Leicester, in partnership with businessdynamics, developed a unique programme based on the key skills model, highlighting the growing need for financial awareness. The students carry out a number of business focused challenges including designing a cash card, a recruitment exercise to shortlist and recruit two candidates for interview, and a financial matrix to raise awareness of financial products. The day is led by Alliance & Leicester graduate trainees, supported by a businessdynamics' programme manager, and concludes with teams competing to secure lending for a new roller coaster by actually building a model and presenting a business plan.

The programme was piloted with a group of 60 students at Soar Valley College in Leicester in April 2005 and was a great success. Julie Robinson, Vice Principal at Soar Valley College, said: *"The students certainly enjoyed the workshop and seemed to get a lot from it, both in terms of knowledge and developing skills. The programme will give them an invaluable opportunity to engage with real life young business people, which cannot be replicated by any text book."*

Young Offenders

We have continued to run programmes for young offenders aged 16-21, to introduce them to the world of work and provide them with the skills that will help them to find a job. The aim of this programme is to use work to break the cycle of offending. This unique approach, delivering a programme comprising a series of carefully structured, interactive seminars led by role models from business has proved to be a formula that even the most difficult young offenders respond to.

Blue Skies

Blue Skies is an enterprise roadshow designed to show young people that running their own business is a realistic career option. This large-scale multi-media gig-style event brings students face to face with Britain's young entrepreneurs in a lively, interactive and fun environment involving music, video and a TV style quiz show with prizes.

This year, Lucie Cave, Features Editor of Heat Magazine, presented the shows and over 13,500 students from 14 cities took part. Kate Fearnley of Kate Fearnley Ltd, Winner of the North East Young Business Person of the Year award and one of the entrepreneurs at the Newcastle Blue Skies, said:

"Blue Skies is a fantastic experience both for the students and the entrepreneurs who take part. Young people have some fantastic business ideas, but they are often not taken seriously. By speaking to young entrepreneurs at this event, they can see first hand that it is possible, and that having their own business is a realistic career option."

Enterprise Awareness for Teachers programme

In March, in partnership with the Specialist Schools Trust, we held the first pilot of the new Enterprise Awareness for teachers programme in the East Midlands, at PricewaterhouseCooper's office in Castle Donnington.

We held the second pilot in April at West Ham United, funded by the Forest Gate Community School's Enterprise Pathfinder Project for schools in Newham, East London. Using lessons learnt from the first pilot, it was decided that this programme needed to be a full day and include a series of workshops to help teachers identify the characteristics and skills that need to be nurtured in order to make young people more enterprising in their approach to life. Each delegate left the day with an outline action plan, which they had put together during the programme, to take back into their school.

Paris Conferences

'Business Live!', 'ICT Live!' and 'Your Future in Europe', are businessdynamics' annual student Paris conferences, organised in partnership with European Study Tours. They bring the curriculum to life for sixth form students by using well known inspirational speakers, chosen for their ability to make complex issues accessible and relevant to students and link learning in the classroom to real world practice.

3,671 students and teachers took part in this year's conferences, sponsored by the Institute of Chartered Accountants in England & Wales and PricewaterhouseCoopers. Lizo Mzimba, presenter of Newsround, chaired 'Your Future in Europe' at the Palais des Congres, and speakers included Simon Woodruffe, the man behind Yo Sushi and one of the Dragons on BBC2's Dragons Den, Peter Luff and Simon Hughes, MP. After the successful change of venue last year, Business Live! and ICT Live! were held again at Disneyland Resort Paris and chaired for the third year by P Y Gerbeau.

statement of financial activities

for the year ended 31 August 2005

Incoming resources	Unrestricted Funds £	Restricted Funds £	Total Funds 2005 £	Total Funds 2004 £
Donations, legacies and similar incoming resources				
- Donations	66,755	23,400	90,155	228,558
- Sponsors	-	476,652	476,652	520,774
Activities in furtherance of the Charity's objects				
- Grants	927,504	346,966	1,274,470	1,272,939
- Schools	337,370	400	337,770	247,255
Activities for generating funds				
- Associate Members	48,000	-	48,000	66,000
Investment Income				
- Bank interest	45,162	-	45,162	26,926
Total Incoming Resources	£1,424,791	£847,418	£2,272,209	£2,362,452
Costs of generating funds				
- Marketing & fundraising	£179,600	£39,651	£219,251	£343,394
Net incoming resources available For charitable application	£1,245,191	£807,767	£2,052,958	£2,019,058
Charitable expenditure				
- Direct expenditure	593,375	785,319	1,378,694	1,474,520
- Management & administration	355,369	-	355,369	307,460
Total Charitable expenditure	£948,744	£785,319	£1,734,063	£1,781,980
Total Resources Expended	£1,128,344	£824,970	£1,953,314	£2,125,374
Net Incoming Resources before transfers	296,447	22,448	318,895	237,078
Transfers between funds	(8,419)	8,419	-	-
Net Incoming Resources	288,028	30,867	318,895	237,078
Balances brought forward at 1 September 2004	441,436	14,275	455,711	218,633
Balances carried forward at 31 August 2005	£729,464	£45,142	£774,606	£455,711

Reserves

The Trustees' medium term objective is to have reserves equal to six months of total expenditure. The unrestricted reserves of £729,464 at the 31st August 2005 represent approximately 4.5 months of the total expenditure in the year of £1,953,314

balance sheet

as at 31 August 2005

	2005 £	£	2004 £	£
Fixed Assets				
Tangible assets		2,298		
Investment		1		1
Current Assets				
Stock	922		916	
Work in progress				
Debtors	527,946		591,650	
Bank short term deposit and cash at bank and in hand	932,267		673,978	
	1,461,135		1,266,544	
Creditors: amounts falling due within one year	(688,828)		(810,834)	
Net Current Assets		772,307		455,710
Net Assets		£774,606		£455,711
Capital Funds				
Unrestricted		729,464		441,436
Restricted		45,142		14,275
		£774,606		£455,711

The information presented here is a summary of information relating to both the statutory Statement of Financial Activities and statutory Balance Sheet but is not the statutory accounts. The statutory accounts are due to be approved at the AGM on the 1st February 2006, after which copies of the accounts will be available from businessdynamics.

Signed on behalf of the Board of Trustees



Sir Paul Judge
CHAIRMAN

Principal Address & Registered Office:
Enterprise House, 1-2 Hatfields, London, SE1 9PG
Registered In England No:2647030 Registered Charity No: 1004426
(Registered Under The Charities Act 1993)
Bankers: National Westminster Bank Plc, 31 New Bridge Street, London, EC4V 6HN
Solicitors: Bircham Dyson Bell, 50 Broadway, London, SW1H 0BL
Auditors: haysmacintyre, Fairfax House, 15 Fulwood Place, London, WC1V 6AY

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Company Secretary
Ian Blackwood

List of supporters 2004-5

businessdynamics raises funds to support its work from a variety of corporate, government, public and trust sources. Supporters and funders of our work during the financial year ending August 2005 are listed below. We are grateful to them for their support.

Benefactors

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Learning and Skills councils

Learning and Skills Council
National Office

Learning and Skills Council
East Midlands Region:
Derbyshire, Leicestershire,
Lincolnshire & Rutland,
Northamptonshire and
Nottinghamshire

Learning and Skills Council
East of England Region:
Bedfordshire & Luton, Essex,
Hertfordshire, and Norfolk

Learning and Skills Council
London Region:
London Central, East,
North, South and West

Learning and Skills Council
North East Region:
County Durham, Tees
Valley and Tyne & Wear

Learning and Skills Council
North West Region:
Cheshire & Warrington,
Cumbria, Greater Manchester,
Greater Merseyside
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Learning and Skills Council
South East Region:
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IoW, Kent & Medway,
Milton Keynes, Oxfordshire
& Buckinghamshire,
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Learning and Skills Council
South West Region:
Bournemouth, Dorset &
Poole, Devon & Cornwall,
Gloucestershire, Somerset,
West of England and
Wiltshire & Swindon

Learning and Skills Council
West Midlands Region:
Birmingham & Solihull,
Black Country, Coventry
& Warwickshire, Herefordshire
& Worcestershire,
Shropshire and Staffordshire

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and West Yorkshire