

**THE PRODUCTIVITY GROUP**  
**Trading as Be the Business**

**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2025**

Registered charity number: 1173660  
Registered company number: 10754958

**THE PRODUCTIVITY GROUP (Be the Business)**  
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**FOR THE YEAR ENDED 31 MARCH 2025**

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**THE PRODUCTIVITY GROUP (Be the Business)**  
**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**Company registration number**

10754958

**Charity registration number**

1173660

**Registered office**

10 Queen Street Place  
London  
EC4R 1AG

**Trustees**

Tera Allas  
Jeremy Anderson  
Sir Charlie Mayfield (Chair)  
Hosein Khajeh-Hosseiny  
Michael Davis Appointed on 26<sup>th</sup> June 2024

**Key management personnel**

Anthony Impey – Chief Executive Officer

**Bankers**

Lloyds Bank  
39 Threadneedle Street  
London EC2R 8AU

**Auditors**

HaysMac LLP  
10 Queen Street Place  
London EC4R 1AG

**THE PRODUCTIVITY GROUP (Be the Business)**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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## **Introduction**

The trustees, who are also the directors of the charity, have the pleasure in presenting their report together with the financial statements of The Productivity Group (Be the Business) for the year to 31 March 2025.

The reference and administrative information set out on page 1 forms part of this report. These financial statements comply with current statutory requirements, the charity's memorandum and articles, applicable law and the Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

## **Objectives & activities**

The charity's objects are defined as the promotion of industry and commerce in the UK for the public benefit by promoting the productivity of business in order that the UK economy as a whole will benefit through improved business sustainability, employment security, job satisfaction and standards of living.

As an independent, private-sector-led charity, we exist to boost the productivity of UK businesses by creating practical, evidence-based support that drives better performance and delivers lasting impact. We achieve this by:

- Developing a deep, evidence-based understanding of businesses and the challenges they face.
- Testing ideas and interventions on the ground to see what works in real settings.
- Producing practical tools, resources, and insights that are easily adoptable by others.
- Building a coalition of partners and stakeholders across the business community to share advice and experience and drive collective action.
- Sharing our findings with policymakers, thought leaders, industry leaders, and small businesses to create lasting improvements in economic performance and quality of life.

Following the conclusion of our grant funding from the Department for Business & Trade last year, we focused this financial year on diversifying and growing our income to continue delivering public benefit, by:

- Delivering services to corporate partners that help small businesses in their supply chains, distribution networks, or customer base, adopt effective practices and improve productivity.
- Securing grants from organisations that support initiatives proven to raise productivity.
- Providing targeted services directly to small businesses, enabling them to strengthen performance and achieve sustainable growth.

The trustees confirm that they have had due regard to the Charity Commission's guidance on public benefit when planning the charity's activities for the year.

## **Achievements & performance**

- The conclusion of our long-standing grant funding from the Department for Business & Trade, which previously accounted for a significant share of our income, marked a pivotal moment for the organisation. This transition prompted us to move towards a more sustainable model for future growth and impact. To achieve this, we undertook a major organisational restructure to reduce costs. To ensure a smooth transition, we committed the charity's own resources to ensure every business enrolled in our programmes was able to complete the programme — enabling us to fully honour our commitments to the businesses we serve. This change has strengthened our foundations, allowing us to emerge more resilient, better positioned to grow, and ready to deliver even greater value to the businesses we support.

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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- We produced an independent econometric evaluation of the SME productivity programmes that we delivered in partnership with government, which confirmed the significant public benefit of our work. In a sample of 2,600 businesses we supported, the estimated net additional impacts of our work are:
  - Additional employment totalling c.15,000, consisting of c.9,500 jobs realised by the end of 2023 and a further c.5,500 jobs expected by 2026, providing more employment opportunities in local communities.
  - Additional sales totalling c.£2.1bn, consisting of c.£1.2bn revenue realised by the end of 2023 and a further c.£900m expected by 2026, strengthening the UK economy.
  - Additional GVA totalling c.£915m, consisting of c.£515m GVA realised by the end of 2023 and a further c.£400m expected by 2026, improving long-term business performance<sup>1</sup>.
  - And, for every £1 of government investment, our programmes returned £24 to the economy - clear evidence of value for money and sustainable impact<sup>2</sup>.
- We completed the final year of our three-year grant from Mastercard's Impact Fund, supported by Mastercard's Centre for Inclusive Growth, delivering the Strive programme for ethnic minority business leaders nationwide. Participants reported increased confidence, stronger networks, and tangible growth in their businesses as a result.
- We completed the second year of our £1.4 million grant from Nominet, in partnership with the University of East London, for the Click Start London programme, equipping young people with vital digital skills and enabling local small businesses to adopt new technology. As a result, young participants improved their employability, and businesses improved their digital capabilities.
- We launched a new three-year strategy for the Construction Productivity Taskforce, uniting developers, primes, subcontractors, and advisors to improve productivity across the sector. By producing measurable, evidence-based insights, we are enabling construction businesses to adopt proven practices and achieve lasting performance gains.
- We continued to share our expertise and insights through a series of publications that informed and supported business leaders across the UK, including:
  - 7th Edition of the Productive Business Index. Surveyed over 1,000 small business leaders to assess performance, attitudes, and future plans. The findings highlighted that businesses led by younger leaders often achieve higher productivity, helping to inform targeted support for leadership development.
  - AI-Powered Potential Report. Used data from over 1,000 business leaders to explore the productivity opportunities offered by AI and current adoption levels. The report identified a significant risk of many businesses being left behind and the need for them to take action.
  - Transforming the High Street Report. Produced in partnership with Deliveroo, this report examined how technology is enabling small hospitality businesses to increase productivity and scale. The insights are helping business owners adopt tools and practices that improve efficiency and growth potential.
- We expanded our support to help business leaders harness the opportunities of AI, piloting programmes that we plan to scale:
  - AI Innovation Lab – A 12-week programme in partnership with Manchester University and the Productivity Institute which involved a select group of businesses tackling real-world challenges using AI. Across 100 hours of knowledge sharing, 80% of participants adopted AI solutions, improving efficiency, reducing costs, and opening new growth opportunities. The programme also contributed to academic research on SME AI adoption.

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<sup>1</sup> *Impact of Be the Business SME Support; econometric evidence. SQW, September 2024*

<sup>2</sup> Calculated using the econometric evidence produced by SQW

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**FOR THE YEAR ENDED 31 MARCH 2025**

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- Beyond the Hype – Piloted with 50 businesses to help leaders understand AI's potential and develop actionable implementation plans. With workshops, expert support, and peer learning, participants gained the skills and confidence to integrate AI into their operations and enhance competitiveness.
- We strengthened the services we provide to directly improve productivity and expanded the number of businesses using them, including:
  - Productivity Programme – Gives businesses access to a dedicated advisory board, ongoing mentoring, and regular peer learning, helping them identify opportunities, make changes, and boost performance.
  - Inspiring Leaders Programme – Builds leadership capability through practical experience and peer learning, enabling leaders to make better decisions, develop stronger teams, and deliver improved business results.
- We also worked with corporate partners to co-design and deliver initiatives, programmes, and services that enabled participating businesses to adopt effective practices and achieve measurable productivity gains.

**Financial review**

**Income**

Total Income for the year was £3.02 million (2024: £12 million), including:

- **£2.1 million** in pro-bono in-kind support (2024: £6.7 million)
- **£882k** in private income

Over the past five years, we have recognised £31.5 million in pro-bono value, reflecting the strong ongoing commitment of our partners.

**Expenditure**

During the year the charity underwent a major one-off restructure relating to the ending of the Department of Business and Trade (DBT) grant, reducing headcount from 48 to 18 at year end and incurring other related costs totalling £162k. This strategic decision has streamlined operations and positioned the organisation to function more efficiently and sustainably.

The Group reported a £2.05 million net deficit for the year ended 31 March 2025 (2024: net deficit £796k). This was the result of timing for recognising grant income, restructuring costs, and the use of reserves to cover programme costs once grant funding had ceased. Total Expenditure fell significantly to £5.1 million (2024: £12.7 million), a 60% reduction. This includes £2.1 million in pro-bono support. Our major operational cost remains staffing, which decreased by 50% to £1.8m (2023: £3.6m).

A significant portion of our expenditure, £562k, related to our continuing support of businesses participating in programmes originally funded by the DBT grant, with the following active relationships ending throughout the year:

- The Productivity Programme – 76 places
- Advisory Boards – 67 places
- Mentoring relationships – 100 places

We operated two other significant grant-funded programmes with total related expenditure of £949k. In accordance with grant recognition rules, all related income for these programmes has been recognised in prior years. This expenditure accounts for 46% of the net deficit:

- Mastercard Impact Fund: £403k
- University of Bath (Nominet UK): £546k

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**FOR THE YEAR ENDED 31 MARCH 2025**

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At the year end the Group held a cash balance of £1.17 million. Combined with our leaner cost base, this provides the resources and flexibility needed to focus on building our sales strategy and securing long-term financial sustainability.

**Commercial Trading subsidiary**

The commercial subsidiary generated income of £0.6 million, with all taxable profits gifted to the charity under deed of donation. We anticipate growth in this area and have developed strong partnerships with BT, BAE, and the Construction Taskforce. Our focus remains on deepening these relationships and expanding our commercial reach.

**Structure, governance and management**

**Structure**

The Productivity Group is an independent registered charity (charity number 1173660), and a company limited by guarantee (company number 10754958). The charity is governed by the Articles of Association dated 30 June 2017 as amended by special resolution on 3 March 2025.

The trustees of The Productivity Group during the year to 31 March 2025 were Tera Allas, Jeremy Anderson, Hosein Khajeh-Hosseiny, Michael Davis, and Sir Charlie Mayfield.

The charity has a wholly owned commercial subsidiary – Be the Business Trading Limited (company number 10894488). The directors of the commercial subsidiary during the year to 31 March 2025 were Sir Charlie Mayfield, Patricia Blatherwick and Phil Smith.

Appointment of trustees and directors is independent of any third parties and is decided by the existing trustees and directors. The trustees and directors of each entity meet formally on a quarterly basis to review progress and assess the strategy.

**Remuneration**

Trustees are responsible for approving the pay and remuneration of key management personnel and agreeing annual staff pay increases, taking external benchmarking advice to inform their decisions.

Our salaries are benchmarked against similar roles in comparable charities, private sector businesses and other relevant organisations and they reflect the knowledge, skills, responsibilities and attributes required for the performance of each position.

**Induction and training of Trustees**

To equip new trustees with the information they need to perform their role effectively, they receive detailed information on their duties and responsibilities under Charity Law and follow a structured induction programme consisting of meetings with the senior management team and other key stakeholders. Trustees also undergo regular training as required.

**How the charity makes decisions**

Key strategic decisions are made by the trustees and are then delegated to the Senior Leadership Team for implementation.

**Fundraising approach**

During the year to 31 March 2025, revenue was generated from sales of services to private sector organisations, pro bono contributions from private sector organisations, and non-government grants.

The focus has been on building a pipeline of opportunities that generate private sector income and income from grant giving bodies, to enable us to be financially independent following the end of our funding from government at the end of the last year financial year.

Be the Business does not fundraise directly from members of the public.

**Reserves Policy**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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The Trustees have established a reserves policy in order to protect the organisation and its programmes from the risk of disruption at short notice due to a lack of funds, whilst ensuring that it does not retain income for longer than required.

In establishing the reserves policy, the Trustees have considered the following factors:

- The pipeline of non-governmental funding sources and level of risk associated with each one.
- The current level of reserves and level of committed costs.
- Current and future levels of activity and related expenditure, together with the associated risks around each one.
- The business plan and financial forecasts.

The requirements of our grant agreements with Mastercard Impact Fund and Nominet UK mean that these funds may only be used to generate restricted reserves.

Trustees determined that a target of £550k in unrestricted reserves was desirable for 2024/25 to mitigate any potential risks. Unrestricted reserves at 31 March 2025 were above target at £835k, (2024: £1,875k) which trustees have confirmed is appropriate given budget and investment needs for the years ahead.

As at 31 March 2025 the charity also holds £258k in restricted funds (2024: £1,263k), which are to be used for specific purposes as defined by funders.

### **Risk Management**

Be the Business considers good risk management to be a key part of its operational requirements. As such, consideration is given to areas of activity where stakeholders or the reputation of the organisation are potentially vulnerable to adverse actions that could affect:

- Operational performance.
- Achievement of aims and objectives.
- Meeting of stakeholders' expectations.

In formulating the view of risk, the trustees have specifically considered the following:

- Financial Sustainability** – Risks related to the charity's funding streams including reliance on grants and corporate partner support. Mitigation strategies include evaluation of each project, management of funds, diversification of income sources, maintaining prudent reserves, and cost control to ensure operational sustainability.
- Compliance and Regulatory** - Risks related to compliance with legal and regulatory requirements, including charity law, GDPR, and safeguarding obligations. The charity has invested in regular staff training and engages external advisors to ensure adherence to legal standards and best practices.
- Reputational Risks** – Exposure to reputational risks from negative publicity or stakeholder concerns; mitigated by maintaining clear communication policies and procedures and upholding ethical standards.
- Operational and IT Risks** - The ongoing threat of cyberattacks and disruptions to service delivery are managed through robust IT security measures, including data protection protocols and system audits.
- Talent and Volunteer Risk** – The dependency on key members of staff, volunteer engagement and the physical safety and health of our staff and stakeholders; mitigated by introducing a centralised knowledge repository to capture business processes, documentation, and institutional knowledge. Health and safety procedures and annual display screen equipment assessments are in place.

To manage these risks, a register is maintained and reported to the Trustees on an ongoing basis. Periodic monitoring also ensures that systems and procedures are being followed and that new risks are addressed and identified as they arise. External audits and internal reviews take place to assess the effectiveness of risk controls.



### **Future Plans & Going Concern**

This year was our first without grant funding from the Department for Business & Trade, which had previously accounted for a significant proportion of our income and strongly influenced our strategic direction.

In response, we restructured and reoriented the organisation to operate sustainably in a new funding environment, focusing on securing income from private sector partners and grant-makers, and developing propositions that meet the needs of our customers while remaining fully aligned with our charitable objects.

In the year ahead, we will build on this foundation with renewed momentum — extending our reach, amplifying our insights, and delivering greater public benefit.

Our priorities are to:

- Deliver high-quality, value-for-money services to corporate customers and strategic partners, using this work to generate actionable insights that help small businesses boost productivity.
- Form collaborations with universities, corporates, and other expert organisations to deepen our capabilities in high-impact fields such as data analytics and artificial intelligence, enabling us to deliver even greater productivity benefits.
- Build on our leadership in SME AI adoption to develop a robust understanding of how businesses can unlock the full potential of this technology to achieve rapid productivity gains.
- Extend our influence by leveraging the Productive Business Index — enhancing the quality of its data, increasing publication frequency, and expanding its reach across diverse communication channels.
- Increase revenue from large enterprises, grant-making bodies, and public sector tenders, where our SME productivity expertise can deliver measurable value.
- Expand our direct-to-market services by growing participation and strengthening our value proposition, including the Productivity Programme for small and midsize organisations.

Through these priorities, we aim not only to diversify and grow our income, but also to ensure that our work consistently delivers measurable outcomes for the businesses we support, in line with our charitable purposes and the Charity Commission's public benefit requirements.

Given the above, the Trustees are assured that the charity's strategy and ambition are aligned to its founding principles. And having reviewed our financial position, reserves levels, and opportunity pipeline, they are confident that the organisation remains a going concern for the foreseeable future with sufficient reserves forecast for at least twelve months from the date of signing the accounts.

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**Statement of Trustees' Responsibilities**

The trustees (who are also directors of The Productivity Group for the purposes of Company law) are responsible for preparing the Trustees' Report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company, including the incoming resources and the application of resources, including income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and 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.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

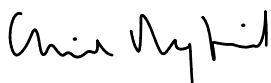
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company, and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as each of the trustees are aware at the time the report is approved:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they should have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Board on 30 October 2025 and signed on its behalf by:



Sir Charlie Mayfield  
Chair of Trustees

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF THE PRODUCTIVITY GROUP**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE PRODUCTIVITY GROUP**

#### **Opinion**

We have audited the financial statements of The Productivity Group for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the group and parent charitable company's Balance Sheets, the 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 of the parent charitable company's affairs as at 31 March 2025 and of the group's and parent charitable company's net movement in funds, including the 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.

#### **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**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. 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 the audit:

- the information given in the Trustees' Annual Report (which includes the strategic report and the directors' 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' Annual Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 2, 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 and the parent 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 group or the parent 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**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with the regulations of Employment law and Charity Law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Companies Act 2006, Charities Act 2011, Charities SORP (FRS 102) and considered other factors such as payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks are related to the valuation of pro bono services and the recognition of grant income. Audit procedures performed by the engagement team included:

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF THE PRODUCTIVITY GROUP

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- Enquiries of management regarding correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the charity, particularly in relation to the recording of income and processing of payments and payroll, to ensure these were in place throughout the year;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing and testing journal entries made in the year, particularly those made as part of the year-end financial reporting process; and
- Challenging assumptions and judgements made by management in their critical accounting estimate being the recognition and valuation of pro bono services.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our 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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Thomas Wilson (Senior Statutory Auditor)  
For and on behalf of HaysMac LLP, Statutory Auditors

Date: 06/11/2025

10 Queen Street Place  
London  
EC4R 1AG

**THE PRODUCTIVITY GROUP (Be the Business)**  
**GROUP STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating an income and expenditure account)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
<b>Income and endowments from:</b>					
Donations and pro-bono support	2	698,444	1,438,214	2,136,658	6,690,668
Charitable activities:					
DBT Grant		125,000	-	125,000	3,872,826
Other		131,223	-	131,233	711,413
Other Trading Income	3	625,820	-	625,820	647,980
<b>Total Income</b>		<u>1,580,487</u>	<u>1,438,214</u>	<u>3,018,701</u>	<u>11,922,887</u>
<b>Expenditure on:</b>					
Charitable activities	4	<u>2,621,110</u>	<u>2,443,179</u>	<u>5,064,289</u>	<u>12,718,646</u>
<b>Total Expenditure</b>		<u>2,621,110</u>	<u>2,443,179</u>	<u>5,064,289</u>	<u>12,718,646</u>
<b>Net (Expenditure)/ Income</b>	7	<u>(1,040,623)</u>	<u>(1,004,965)</u>	<u>(2,045,588)</u>	<u>(795,759)</u>
<b>Net Movement in funds</b>		(1,040,623)	(1,004,965)	(2,045,588)	(795,759)
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>1,875,264</u>	<u>1,263,008</u>	<u>3,138,272</u>	<u>3,934,031</u>
<b>Total funds carried forward</b>	14	<u>834,641</u>	<u>258,043</u>	<u>1,092,684</u>	<u>3,138,272</u>

All the above results are derived from continuing activities. There are no recognised gains or losses other than those stated above.

Full comparative figures for the year ended 31 March 2024 are shown in note 19.

The notes on pages 16 to 24 form part of these financial statements.

	<b>Notes</b>	<b>2025 £</b>	<b>2024 £</b>
<b>Fixed Assets</b>	11	11,936	29,778
<b>Total Fixed Assets</b>		11,936	29,778
<b>Current Assets</b>			
Debtors – amounts falling due within one year	12	424,743	2,092,408
Cash at Bank		1,169,154	1,756,582
<b>Total Current Assets</b>		1,593,897	3,848,990
<b>Liabilities</b>			
Creditors: amounts falling due within one year	13	(513,149)	(740,496)
<b>Net Current Assets</b>		1,080,748	3,108,494
<b>Total Assets less current liabilities</b>		1,092,684	3,138,272
<b>Total Net Assets</b>		<b>1,092,684</b>	<b>3,138,272</b>
<b>The funds of the charity:</b>			
Unrestricted funds		834,641	1,875,264
Restricted funds		258,043	1,263,008
<b>Total Group Funds</b>	15	<b>1,092,684</b>	<b>3,138,272</b>

The company has taken the exemption allowed by section 408 of the Companies Act 2006, not to prepare a company only statement of financial activities. The net deficit for the charity for the year was £(2,045,588) (2024: net deficit of £(795,759)).

The notes on pages 16 to 24 form part of these financial statements.

The accounts were approved by the Trustees on 30 October 2025 and signed on their behalf by:



.....  
 Sir Charlie Mayfield  
 Chair

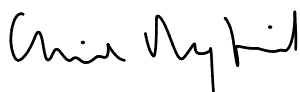
**THE PRODUCTIVITY GROUP (Be the Business)**  
**CHARITY BALANCE SHEET**  
**AS AT 31 MARCH 2025**

**Company number 10754958**

	<b>Notes</b>	<b>2025 £</b>	<b>2024 £</b>
<b>Fixed Assets</b>	11	11,936	29,778
<b>Total Fixed Assets</b>		11,936	29,778
<b>Current Assets</b>			
Debtors – amounts falling due within one year	12	1,139,113	2,768,780
Cash at Bank		100,349	1,026,915
<b>Total Current Assets</b>		1,239,462	3,795,695
<b>Liabilities</b>			
Creditors: amounts falling due within one year	13	(158,714)	(687,201)
<b>Net Current Assets</b>		1,080,748	3,108,494
<b>Total Assets less current liabilities</b>		1,092,684	3,138,272
<b>Total Net Assets</b>		<b>1,092,684</b>	<b>3,138,272</b>
<b>The funds of the charity:</b>			
Unrestricted funds		834,641	1,875,264
Restricted funds		258,043	1,263,008
<b>Total Group Funds</b>	15	<b>1,092,684</b>	<b>3,138,272</b>

The notes on pages 16 to 24 form part of these financial statements.

The accounts were approved by the Trustees on 30 October 2025 and signed on their behalf by:



.....  
Sir Charlie Mayfield  
Chair



**THE PRODUCTIVITY GROUP (Be the Business)**  
**GROUP STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	2025 £	2024 £
Cash flows (used in) / from operating activities	A	(587,428)	(1,848,148)
Cash flows (used in) investing activities			
Net purchase of tangible fixed assets		-	(5,402)
Change in cash and cash equivalents in the period	B	(587,428)	(1,853,550)
Cash and cash equivalents at the beginning of the period		1,756,582	3,610,132
Cash and cash equivalents at the end of the period		<u>1,169,154</u>	<u>1,756,582</u>

A. Reconciliation of net income to net cash flow from operating activities	2025	2024
	£	£
Net Income	(2,045,588)	(795,759)
Decrease/(Increase) in debtors	1,667,665	(686,273)
Decrease in creditors	(227,347)	(387,222)
Depreciation of fixed assets	17,842	21,106
Net Cash provided by operating activities	<u>(587,428)</u>	<u>(1,848,148)</u>

B. Analysis of changes in net cash funds	At 1 April 2024	Cashflows	At 31 March 2025
	£	£	£
Cash in hand	1,756,582	(587,428)	1,169,154
Total cash and cash equivalents	<u>1,756,582</u>	<u>(587,428)</u>	<u>1,169,154</u>

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the Charity and cash and cash equivalents.

## **1. ACCOUNTING POLICIES**

The principal accounting policies adopted, judgements and key sources of estimation and uncertainty in the preparation of the financial statements are as follows:

### **Basis of accounting**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice for Charities (FRS102) applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Charities Act 2011.

The charity meets the definition of a public benefit entity under FRS 102, with its objective to promote the productivity of business in order that the UK economy as a whole will benefit through improved business sustainability, employment security, job satisfaction and standards of living (see pages 2 and 3 for further details).

The charity has one subsidiary company, Be the Business Trading Ltd, registered in England and Wales under company number 10894488. The group accounts include the results of the subsidiary, consolidated on a line-by-line basis.

### **General Information**

The Productivity Group, trading as Be the Business, was incorporated in England and Wales on 4 May 2017 as a charitable company limited by guarantee (company number 10754958 and a charity registered in England and Wales (charity number 1173660). The registered office address is 10 Queen Street Place, London, England, EC4R 1AG and the charity operates from its principal address at 26-28 Glasshouse Yard, London EC1A 4JU.

### **Preparation of accounts on a going concern basis**

The Trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. Operations have continued successfully to the date of signing these accounts, and the review of our financial position, funding discussions, reserves levels and future plans, Trustees have confidence that the charity remains a going concern for the foreseeable future.

### **Significant judgements and sources of estimation uncertainty**

In preparing the financial statements management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies. The trustees consider that the key area of judgement in the accounts is the valuation of pro-bono support.

Pro-bono support is valued at the lower of the value of the donation to the charity and fair value and is recognised on receipt of the support. We are fortunate to receive a wide range of pro-bono support from a large number of sources which is valued on a prudent basis using appropriate estimation techniques. The rate card developed by management for recurring pro bono support is reviewed annually to test that the valuation assumptions remain appropriate. Material categories of support and the basis for valuation are as follows:

- Programmatic support – includes mentors, advisory board members, sector Steering Group members and others who give their time to facilitate our programmes with SME leaders for free. The support is valued using meeting attendance records or surveys conducted to establish average time commitments, with hourly rates calculated by reference to market rates for the type of support being provided.
- Office space is valued with reference to market rates taking into account the nature of the organisation, the number of desks and facilities provided.

## **1. ACCOUNTING POLICIES (continued)**

### **Funds structure**

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Designated funds are unrestricted funds earmarked by the Trustees for particular activities or purposes. Restricted funds are those funds which are to be used in accordance with specific instructions imposed by the donor or funder.

### **Income**

All income is recognised once the charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably.

### **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. Expenditure includes attributable VAT which cannot be recovered.

### **Tangible Fixed Asset and Depreciation**

All assets costing more than £500 are capitalised. Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their useful lives.

Computer Equipment 33.3% straight line.

### **Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### **Creditors**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount after allowing for any trade discounts due.

### **Pensions**

The charity operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of charity in an independently administered fund. The pensions costs charged in the financial statements represent the contributions payable during the period.

### **Employee short term benefits**

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

### **Foreign exchange**

Monetary assets and liabilities denominated in foreign currencies are translated at the period end rate of exchange. Transactions denominated in foreign currencies are translated at the rates prevailing at the transaction date.

### **Financial instruments**

The charity only 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 their settlement value.

**THE PRODUCTIVITY GROUP (Be the Business)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**2. DONATIONS & PRO-BONO SUPPORT**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Programmatic Support	1,865,598	6,239,774
Movement building and campaigns	-	4,920
Secondments	-	30,234
Office space	196,300	390,000
Other pro-bono	74,760	25,740
<b>Total pro-bono</b>	<b>2,136,658</b>	<b>6,690,668</b>

**3. OTHER TRADING INCOME**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Commercial trading	625,820	647,980
<b>Total other income</b>	<b>625,820</b>	<b>647,980</b>

**4. ANALYSIS OF EXPENDITURE 2025**

	<b>Staff costs</b>	<b>Direct costs</b>	<b>Support costs</b>	<b>Total 2025</b>	<b>Total 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Movement building and Campaigns	-	-	-	-	2,465,757
Programmes	1,009,157	2,335,309	362,031	3,706,497	8,350,721
Research and Insights	242,329	95,520	38,109	375,958	766,061
Innovation Lab	574,863	276,313	130,658	981,834	-
Digital tools	-	-	-	-	1,136,107
<b>Total expenditure</b>	<b>1,826,349</b>	<b>2,707,142</b>	<b>530,798</b>	<b>5,064,289</b>	<b>12,718,646</b>

**ANALYSIS OF EXPENDITURE 2024**

	<b>Staff costs</b>	<b>Direct costs</b>	<b>Support costs</b>	<b>Total 2024</b>	<b>Total 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Movement building and Campaigns	1,286,221	886,469	293,067	2,465,757	2,645,634
Programmes and Pilots	952,259	6,870,941	527,521	8,350,721	6,202,265
Evaluation Research and Insights	502,614	199,505	63,942	766,061	822,739
Digital tools	675,721	305,860	154,526	1,136,107	1,252,065
<b>Total expenditure</b>	<b>3,416,815</b>	<b>8,262,775</b>	<b>1,039,056</b>	<b>12,718,646</b>	<b>10,922,703</b>

**5. SUPPORT COSTS**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Staff related costs	116,308	397,935
Office costs	204,644	403,425
IT support	108,408	84,954
Professional fees	55,651	101,161
Depreciation	17,842	21,106
Realised currency gains	565	(27,785)
Irrecoverable VAT	27,380	58,260
	<b>530,798</b>	<b>1,039,056</b>

**THE PRODUCTIVITY GROUP (Be the Business)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

<b>6. GOVERNANCE COSTS (included above)</b>	<b>2025 £</b>	<b>2024 £</b>
Audit fees	23,030	22,650
Other services	1,200	12,410
	<u>24,230</u>	<u>35,060</u>
<b>7. NET INCOME / EXPENDITURE</b>	<b>2025 £</b>	<b>2024 £</b>
Net income is stated after charging:		
Auditors' remuneration		
Audit services	23,030	22,650
Other services	1,200	12,410
Depreciation	17,842	21,106
<b>8. STAFF COSTS AND NUMBERS</b>	<b>2025 £</b>	<b>2024 £</b>
Salaries and wages	1,477,039	2,809,251
Social security costs	154,754	309,913
Pension costs	134,976	255,609
Secondment and consultancy fees	-	130,529
Other staff costs	59,580	69,786
	<u>1,826,349</u>	<u>3,575,088</u>

Included in other staff costs are payments made on termination of £52,578 (2024: £42,042).

	<b>2025</b>	<b>2024</b>
Average staff numbers (including secondees):		
Movement building and Campaigns	-	9.2
Programmes	13.3	16.5
Research and Insights	1.4	2.0
Digital tools	-	4.8
Innovation Lab (formally Partnerships)	4.8	6.0
Finance & Operations (formally Administration staff)	2.8	12.4
	<u>22.3</u>	<u>50.9</u>

Number of employees whose emoluments in the period were:

	<b>2025</b>	<b>2024</b>
£60,000 - £69,999	6	4
£70,000 - £79,999	1	3
£80,000 - £89,999	-	2
£90,000 - £99,999	2	2
£110,000 - £119,999	-	2
£209,999 - £210,000	1	-
£270,000 - £279,999	-	1

Total remuneration of the key management personnel of the charity was £256,213 (2024: £460,181).

**THE PRODUCTIVITY GROUP (Be the Business)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**9. TRUSTEES**

No trustees received remuneration from the charity for their services (2024: none). No expenses were reimbursed to trustees in the period. (2024: none)

**10. TAXATION**

The charity is exempt from corporation tax as all its income is applied for charitable purposes. The charity's trading subsidiary donates to the charity an amount equal to any taxable profits under Gift Aid. Consequently there is no taxation charge for the year (2024: £nil).

**11. TANGIBLE FIXED ASSETS – CHARITY AND GROUP**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Computer Equipment Cost at 1 April	96,519	91,117
Additions	-	5,402
Disposals	-	-
	<hr/>	<hr/>
As at 31 March	96,519	96,519
Depreciation at 1 April	66,741	45,635
Charged in year	17,842	21,106
	<hr/>	<hr/>
As at 31 March	84,583	66,741
	<hr/>	<hr/>
<b>Net book value at 31 March</b>	<b>11,936</b>	<b>29,778</b>

**12. DEBTORS**

	<b>Group</b>		<b>Charity</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Prepayments	22,295	55,020	19,539	55,020
Trade Debtors	210,265	403,870	31,395	360,370
Sundry Debtors	-	6,547	-	6,547
Amounts owed by group undertakings	-	-	895,996	719,872
Accrued income	192,183	1,626,971	192,183	1,626,971
	<hr/>	<hr/>	<hr/>	<hr/>
	424,743	2,092,408	1,139,113	2,768,780

Accrued income of £nil (2024 - £nil) in both group and charity is due after more than one year.

**13. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Charity</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade Creditors	104,214	494,836	92,040	494,036
Sundry Creditors	-	2,840	-	2,840
Deferred income	354,671	46,420	23,750	-
Accruals	54,264	196,400	42,924	190,325
	<hr/>	<hr/>	<hr/>	<hr/>
	513,149	740,496	158,714	687,201

**THE PRODUCTIVITY GROUP (Be the Business)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**14a. ANALYSIS OF NET ASSETS BETWEEN FUNDS – GROUP AND CHARITY 2025**

	Unrestricted funds	Restricted funds	Total 2025
	£	£	£
Fixed Assets	10,819	1,117	11,936
Current Assets	1,324,579	269,318	1,593,897
Creditors: amounts falling due within one year	(500,757)	(12,392)	(513,149)
<b>Net assets</b>	<b>834,641</b>	<b>258,043</b>	<b>1,092,684</b>

**14b. ANALYSIS OF NET ASSETS BETWEEN FUNDS – GROUP AND CHARITY 2024**

	Unrestricted funds	Restricted funds	Total 2024
	£	£	£
Fixed Assets	28,778	1,000	29,778
Current Assets	2,069,020	1,779,970	3,848,990
Creditors: amounts falling due within one year	(222,534)	(517,962)	(740,496)
<b>Net assets</b>	<b>1,875,264</b>	<b>1,263,008</b>	<b>3,138,272</b>

**15. NET MOVEMENT IN FUNDS – GROUP 2025**

	At 1 April 2024	Income	Expenditure	At 31 March 2025
	£	£	£	£
<u>Restricted funds</u>				
Department for Business & Trade	41,334	-	(41,334)	-
Productivity through People	50,000	-	-	50,000
Mastercard Impact Fund	445,719	-	(403,178)	42,541
Ufi VocTech Trust	5,696	-	(5,696)	-
University of Manchester	8,972	-	(8,972)	-
University of Bath (Nominet UK)	711,287	-	(545,785)	165,502
Other (Pro Bono)	-	1,438,214	(1,438,214)	-
<b>Total restricted funds</b>	<b>1,263,008</b>	<b>1,438,214</b>	<b>(2,443,179)</b>	<b>258,043</b>
<u>Unrestricted funds</u>				
Charity	1,875,264	256,223	(1,296,846)	834,641
Subsidiary	-	1,324,264	(1,324,264)	-
<b>Total unrestricted funds</b>	<b>1,875,264</b>	<b>1,580,487</b>	<b>(2,621,110)</b>	<b>834,641</b>
<b>Total funds</b>	<b>3,138,272</b>	<b>3,018,701</b>	<b>(5,064,289)</b>	<b>1,092,684</b>

**THE PRODUCTIVITY GROUP (Be the Business)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

The nature and purpose of each material restricted fund is as follows:

- **Department for Business & Trade**  
Grant agreement to develop new programmes to increase productivity in small businesses, secure support from large enterprises to drive productivity initiatives, and amplify the productivity messages through data-led insights. This grant has been fully spent.
- **Productivity through People**  
Donation to develop the Be the Business Productivity through People initiative so that more businesses can be reached with similar high-impact results to the original programme that we delivered through business schools.
- **Mastercard Impact Fund**  
Grant agreement as part of the Strive UK initiative to work with Black, Asian and other ethnic minority business leaders from around the country to support the development of their businesses.
- **University of Bath (Nominet UK)**  
Grant agreement in partnership with the University of East London to equip 18-25 year olds from disadvantaged backgrounds with digital skills and connect them with local small businesses looking to use productivity-enhancing technology.
- **Other (Pro Bono)**  
Made up of 3 types of in-kind support:
  - Programmatic Support – our programmes enable SMEs to benefit from the expertise and support of experienced individuals from a range of business sizes and sectors. All volunteers donate their time and this is tracked and valued at market rates.
  - Office Space – office space donated to the Group.
  - Steering Group – Construction Productivity Taskforce, leading figures in the construction industry have formed a working group to undertake practical interventions designed to make the sector more productive. The members of the taskforce donate their time to the project.

**15b. NET MOVEMENT IN FUNDS – GROUP 2024**

	At 1 April 2023	Income	Expenditure	At 31 March 2024
	£	£	£	£
<u>Restricted funds</u>				
Department for Business & Trade	277,488	3,872,826	(4,108,980)	41,334
Productivity through People	50,000	-	-	50,000
Mastercard Impact Fund	941,647	-	(495,928)	445,719
Ufi VocTech Trust	40,056	(1,804)	(32,556)	5,696
The University of Manchester	-	24,970	(15,998)	8,972
The University of Bath (Nominet UK)	704,705	654,322	(647,740)	711,287
Scottish Enterprise	3,123	-	(3,123)	-
Other (Pro Bono)	-	6,690,668	(6,690,668)	-
<b>Total restricted funds</b>	<b>2,017,019</b>	<b>11,240,982</b>	<b>(11,994,993)</b>	<b>1,263,008</b>
<u>Unrestricted funds</u>				
Charity	1,917,012	380,544	(422,292)	1,875,264
Subsidiary	-	301,361	(301,361)	-
<b>Total unrestricted funds</b>	<b>1,917,012</b>	<b>681,905</b>	<b>(723,653)</b>	<b>1,875,264</b>
 <b>Total funds</b>	 <b>3,934,031</b>	 <b>11,922,887</b>	 <b>(12,718,646)</b>	 <b>3,138,272</b>



**THE PRODUCTIVITY GROUP (Be the Business)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**16. NET MOVEMENT IN FUNDS – CHARITY 2025**

	<b>At 1 April 2024</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gift Aid Transfer</b>	<b>At 31 March 2025</b>
	<b>£</b>	<b>£</b>	<b>£</b>		<b>£</b>
Restricted funds	1,263,008	1,438,214	(2,443,179)	-	258,043
Unrestricted funds	1,875,264	256,223	(1,922,846)	145,196	834,641
<b>Total funds</b>	<b>3,138,272</b>	<b>1,694,437</b>	<b>(3,885,221)</b>	<b>145,196</b>	<b>1,092,684</b>

**17. TRADING SUBSIDIARY**

The charity owns 100% of the share capital of Be the Business Trading Limited, company number 10894488, (registered in England and Wales). The results for the year to 31 March 2025 are shown below.

	<b>2025 £</b>	<b>2024 £</b>
Turnover	1,324,264	653,685
Administrative costs (including intercompany recharge)	(1,179,068)	(284,343)
<b>Net profit before taxation</b>	<b>145,196</b>	<b>352,324</b>
<b>Net current assets</b>	<b>1</b>	<b>1</b>

100% of the trading subsidiary's taxable profits of £145,196, (2024: £352,324) are donated to the parent under the existing deed of covenant.

**18. RELATED PARTY TRANSACTIONS**

During the year, overhead expenditure of £113,113 (2024: £72,238) has been recharged to the subsidiary Be the Business Trading Ltd. £276,876 (2024: £119,927) was also recharged to the subsidiary for staff costs during the year.

At 31 March 2025, an amount of £895,997 (2024: £719,871) is owed to The Productivity Group by Be the Business Trading Limited. This figure includes gift aid of £145,196 (2023: £352,324).

**THE PRODUCTIVITY GROUP (Be the Business)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**19. GROUP STATEMENT OF FINANCIAL ACTIVITIES 2024**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £
<b>Income and endowments from:</b>				
Donations and legacies	2	-	6,690,668	6,690,668
Charitable activities:				
DBT Grant		-	3,872,826	3,872,826
Other		33,925	677,488	711,413
Other Trading Income	3	647,980	-	647,980
<b>Total Income</b>		<b>681,905</b>	<b>11,240,982</b>	<b>11,922,887</b>
<b>Expenditure on:</b>				
Charitable activities		723,653	11,994,993	12,718,646
<b>Total Expenditure</b>	4	<b>723,653</b>	<b>11,994,993</b>	<b>12,718,646</b>
<b>Net Income/(Expenditure)</b>	7	<b>(41,748)</b>	<b>(754,011)</b>	<b>(795,759)</b>
<b>Net Movement in funds</b>		<b>(41,748)</b>	<b>(754,011)</b>	<b>(795,759)</b>
<b>Reconciliation of funds</b>				
Total funds brought forward		1,917,012	2,017,019	3,934,031
<b>Total funds carried forward</b>	13	<b>1,875,264</b>	<b>1,263,008</b>	<b>3,138,272</b>

All the above results are derived from continuing activities. There are no recognised gains or losses other than those stated above.