

# UN GLOBAL COMPACT NETWORK UK

## 2023 ANNUAL REPORT & ACCOUNTS



**Global Compact**  
Network UK

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# INTRODUCTION



## It has to be about impact

Since taking on the role of Chair of the UN Global Compact Network UK in September 2023, I have seen how we continue to grow our community, wrestling together with the challenges and opportunities of sustainability, and what responsible and thriving business looks like in today's complex world. As we progress through 2024, we do so with an ongoing commitment to driving impact and maintaining our bold ambition, paired with our trademark focus on pragmatism and helping people with real-world implementation.

Our focus remains on our strategic plan to shape a world where we want to live and do business; inspiring business ambition, enabling action, and collaborating to shape the business environment.

In 2023, the Network achieved charity status in the UK, with formal charitable objectives encompassing the promotion of sustainable development, poverty alleviation, environmental

preservation, and the advancement of ethical standards and conduct within businesses and the private sector in the UK.

Looking ahead, our programming will continue to assist our members in responding to current and emerging sustainability issues such as climate, nature, human rights, living wage, reporting, and sustainable finance. Responding to insight from our membership, we will continue to broaden our offering to better serve the needs of our SME participants, as well as increase our presence across the UK with planned in-person events in Scotland, Northern Ireland, and Wales.

In my term as Chair of the Global Compact Network UK, I look forward to working with you to grow our community, promote the values we share, and drive real-world impacts that advance corporate sustainability and the UN Sustainable Development Goals.

Finally, I would like to thank my predecessor as Chair of the UN Global Compact Network UK, Dr Márcia Balisciano, and acknowledge her myriad contributions to the success of our organisation over many years of selfless service.



David Schofield  
Chair, UN Global Compact Network UK



# A YEAR IN REVIEW



2023 gave the UN Global Compact Network UK much to celebrate. Over the course of the year, we welcomed 230 new members, including 110 SMEs seeking to embed sustainability into their strategies and operations; we organised more than 130 events covering a wide range of topics, including human rights, living wage, nature, climate, and the Sustainable Development Goals. These numbers reflect increasing UK business engagement with all aspects of corporate sustainability.

And whilst significant political and economic disruptions affected UK businesses – sadly continuing the trend established in 2020 by the COVID pandemic – addressing environmental, social, and governance (ESG) risks became even more essential for fostering resilience and long-term sustainability for businesses. The UN Global Compact Network UK has been proud to support UK businesses with setting ambitious goals and transforming risks into opportunities for bold action.

A few highlights from 2023:

- Our [Sustainability Reporting](#) series (1,700 attendees) helped companies navigate the rapidly evolving world of corporate sustainability disclosures;
- Our [Transitioning to a Circular Economy](#) series (2,300 attendees) shared good practice for implementing circular economy principles across seven key sectors;

- Our [Climate Transition Plans](#) webinar series (1,790 attendees), held in partnership with the Transition Plan Taskforce, provided early guidance for companies on creating solid climate transition plans;
- Our first ever webinar series exclusively for SMEs, [Environmental Sustainability for SMEs](#) (345 attendees), offered them support in developing comprehensive environmental strategies and making progress towards reaching Net Zero;
- In partnership with Unilever and The Living Wage Foundation, we organised a national roundtable discussion to explore how UK businesses can advance the living wage agenda nationally and globally.
- The high point of the year was our Annual Summit, held at the iconic London Guildhall in October. Over two days, our hybrid event united more than 3,000 business and civil society representatives, fostering inclusive, solutions-based discussions on the most pressing ESG challenges facing companies today.

It was also a year of significant changes for the Network Secretariat. In March 2023, the UN Global Compact Network UK became a registered charity, recognising our contribution to the public good. We also welcomed David Schofield as the new Network Chair. Under his leadership, we look forward to expanding the impact and reach of our Network.

We have an exciting programme of work planned in 2024 in support of our mission to build a world we all want to live and do business in. We look forward to working with you.



Steve Kenzie  
Executive Director  
UN Global Compact Network UK

# ABOUT US

## UNITED NATIONS GLOBAL COMPACT

As a special initiative of the UN Secretary-General, the [United Nations Global Compact](#) is a call to companies to align their operations and strategies with Ten Principles in the areas of human rights, labour, environment, and anti-corruption.

**24,625**

**Global participants**

**167**

**Countries**

**62**

**Country networks**

## UN GLOBAL COMPACT NETWORK UK

As one of 62 Country Networks, the UN Global Compact Network UK connects UK based organisations that are part of the UN Global Compact in a global movement dedicated to driving sustainable business. Through an extensive programme of activity, we promote sustainability leadership to create a world we want to live and do business in by inspiring ambition, enabling action, and collaborating to shape the business environment.

**1,001**

**UK participants**

**856**

**Business  
participants**

**145**

**Non-business  
participants**

**5,407,606**

**UK employees**

**For more information, visit [unglobalcompact.org.uk](https://unglobalcompact.org.uk)**

“Signing up to the UN Global Compact should be action number one for businesses seeking to sort their impact on the world. The Ten Principles are just the start, the UN Global Compact is as much a community as a commitment. You will meet executives facing the exact same challenges, finding the same opportunities, and solving sustainability together.”

**Solitaire Townsend, Co-Founder & Chief Solutionist, Futerra**

# GOVERNANCE AND CHARITABLE STATUS

The UN Global Compact Network UK is governed by a Board of Trustees who are elected by Network members to oversee the running of the organisation. Trustees also sit on the Network Advisory Group, along with a diverse panel of Network members, providing invaluable guidance to the Network Secretariat on strategy, programmatic activity, and growth ambitions.

We believe that an effective Board must be diverse. Our Board is currently gender balanced and represents companies of different sizes from a range of industry sectors. Going forward, our Board have committed to have more than one Trustee from an underrepresented ethnic group and that no gender represents more than 60% of Trustees. We will seek to add 2-4 new Trustees to the Board in 2024 and will continue to review these targets as the Network grows and evolves.

## Our Board



**David Schofield**  
Sustainability Director,  
Aviva



**Charlie Bronks**  
Head of ESG,  
Crown Agents Bank



**Hiba Khan**  
Civil Engineer & Sustainability  
& Social Outcomes Lead for  
International Development  
Services, Mott MacDonald



**Rachel Moseley**  
Director, Sustainability  
London Stock Exchange  
Group (LSEG)



**Matthew Sparkes**  
Sustainability Director,  
Linklaters



The UN Global Compact Network UK was registered as a charity with the Charity Commission for England and Wales on 2 March 2023 (charity registration number 1202147).

**OUR CHARITABLE OBJECTS**

The objects of the Charity are to promote sustainable development for the benefit of the public by:

- (a) the preservation, conservation and the protection of the environment and the prudent use of resources;
- (b) the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities; and
- (c) the promotion of sustainable means of achieving economic growth and regeneration, in particular, but not limited to, through the advancement of education in subjects relating to sustainable development.

We also promote ethical standards of conduct and compliance with the law in the administration and management of the public and private sectors with a focus on the protection of people and the environment.

We use the oft-cited definition of “sustainable development” from the report of the World Commission on Environment and Development, Our Common Future (1987), which defines it as

“development which meets the needs of the present without compromising the ability of future generations to meet their own needs.”

**PUBLIC BENEFIT STATEMENT**

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission’s general guidance on public benefit, Charities and Public Benefit.

We engage the general public, government departments, and business and non-business organisations of all sizes through our programmes. We benefit those who attend our events and access our resources, and the public more widely, by improving business practices in line with the UN’s Sustainable Development Goals and the UN Global Compact’s Ten Principles. We also engage policy-makers to advocate for increased focus on sustainable development in policy and to seek to further educate decision-makers about its importance. Promoting responsible corporate citizenship is recognised as one of the most direct ways to have an impact on the environment, on poverty, and to achieve sustainable development.

The Trustees are satisfied that any private benefit to our members from their membership in the Global Compact Network UK is incidental to the greater and wider public benefit achieved from changing these organisations’ business practices.



# STRUCTURE, GOVERNANCE AND MANAGEMENT

## STRUCTURE

Global Compact Network UK is a registered charity (England and Wales number: 1202147) and a company limited by guarantee (England and Wales number: 08567552) operating as UN Global Compact Network UK.

The charity's governing document is in the form of Articles of Association dated 13 June 2013 and amended by Special Resolution dated 9 February 2022.

UN Global Compact Network UK is governed by its Board of Trustees, which meets formally at least four times each year and determines the overall strategic direction of the charity. The Board must operate – and ensure that the UN Global Compact Network UK operates – within the rules set out in our [Articles of Association](#), MOUs signed with the United Nations Global Compact Office and The Foundation for the Global Compact, the Global Compact Local Network Quality Standards, and the laws set out in the Insolvency Acts, the Companies Act 2006, and Charity Acts.

The Board is supported by a Network Advisory Group. The Advisory Group provides strategic guidance to the Board of Trustees and Network Secretariat on issues including, but not limited to, the Network's programmatic priorities and delivery, communications, and member recruitment. While the Advisory Group is an important component of the UN Global Compact Network UK's governance model, it does not have legal standing. Group members do not have a formal fiduciary duty to Network members or exposure to any personal liability with regard to the UN Global Compact Network UK.

Throughout the period covered by this report the day-to-day management of UN Global Compact Network UK has been delegated to another independent legal entity, The Sustainability Hub, which provides the Network Secretariat. The Board are currently in the process of transferring all day-to-day management from The Sustainability Hub to Global Compact Network UK and anticipates this transition will be completed in September 2024.

## MEMBERS

As a company limited by guarantee, not having share capital, the members of the company Global Compact Network UK have agreed to act as guarantors of the company's liabilities. Each member undertakes to contribute up to £1 in the event of insolvency or of the winding up of the company, as specified in our Articles of Association. This is a common form for non-profit organisations (including charities) in the UK.

Participants of the UN Global Compact and UN Global Compact Network UK are not automatically members of the company. To join the company, an application must be submitted to the UN Global Compact Network UK Board for approval. While being a member of the Network gives access to all our programmes, only members of the company can vote at general meetings and sit on the Board and Advisory Group of the Global Compact Network UK. Only UK-based United Nations Global Compact participants are eligible to join the company; joining is optional, but all participants are encouraged to do so.

On 31 December 2023, there were 364 company members, representing 44% of Network participants. All company members are listed in our Register of Members.

## TRUSTEES

Trustees of the UN Global Compact Network UK are committed to the principles and values of the United Nations Global Compact. The Board have overall legal responsibility for the UN Global Compact Network UK and therefore are the persons with general control and management of the administration of the Network. Trustees are also members of the UN Global Compact Network UK Advisory Group.

Trustees are nominated by the Board and their appointment confirmed by company members at the Annual General Meeting. Training is provided for all new Trustees and the current Board received formal third party training during the year to better understand their obligations and duties in applying charity law and guidance issued by the Charity Commission.

Trustees may serve for a period of three years, with the option of re-election or nomination for a further three-year term.

The Trustees during the year are included in the Reference and Administrative details on page 38.



# 2023 AT A GLANCE

## The UN Global Compact Network UK Community in 2023...

**930**

participants, including 788 business participants and 142 non-business participants, with over 5,407,606 UK employees.

**142**

of our members had signed up to the Science-based Targets Initiative and have made commitments to reduce their GHG emissions in line with the Paris Agreement goals.

**56**

of our Members had signed up to the Women's Empowerment Principles and made commitments to advance gender equality and women's empowerment in the workplace, marketplace, and community.

## Our programming in 2023

Over

**6,800**

employees attended our seven webinar series to build knowledge on topics including Reporting, Inclusion & Occupational Safety and Health, and Transitioning to a Circular Economy, and more.

**127**

companies participated in our five Accelerator programmes to embed SDG-aligned practices into their business operations and across the value chain.

**119**

companies joined our five Working Groups on Modern Slavery, Child Labour, SDGs, Climate Disclosures, and Diversity, Equity and Inclusion to discuss with experts and peers challenges and best practices.

# 2023 PROGRAMMING





# Environment

The UN Global Compact Network UK's Environment Programme aims to support businesses in setting net zero targets and implementing transition plans in line with science across climate, nature, and water, as well as connecting environment and climate issues to social, economic, and governance issues.

In 2023, our Environment Programming continued to aid businesses in setting ambitious emissions reductions targets through our successful [Climate Ambition Accelerator](#). We also expanded the scope of our 2022 activities, including through our [Environment Q&A Surgeries](#).

We continued to build our influence and strategic partnerships by joining the Broadway Initiative's alliance of organisations collaborating to meet net zero. We renewed participation in the European Peer Learning Group on Climate, a forum facilitated by European Global Compact Local Networks to share knowledge on corporate climate management, and in the UK Business Group Alliance for Net Zero (BGA).

## HIGHLIGHTS

### TRANSITIONING TO A CIRCULAR ECONOMY

During the Spring, we held a six-part webinar series which dove into the specific challenges and opportunities related to implementing circular economy principles in key issue areas including the built environment, critical metals & minerals, electronics, packaging, food & agriculture, and fashion & textiles. The series attracted over 7,000 registrants and featured 23 expert speakers from leading companies.

### ENVIRONMENTAL SUSTAINABILITY FOR SMEs

We launched a series of 11 interactive webinars to equip small- and medium-sized enterprises in the Network with the knowledge, tools, and resources to help them develop comprehensive environmental strategies. Supported by **mdsustain**, the series provided SMEs with a peer-learning forum through which they could engage with experts and learn from one another about how smaller businesses can identify, disclose, and address their various environmental impacts in a manner aligned with stakeholder expectations. The sessions included case studies of how leading SMEs are making progress on the environmental sustainability agenda.

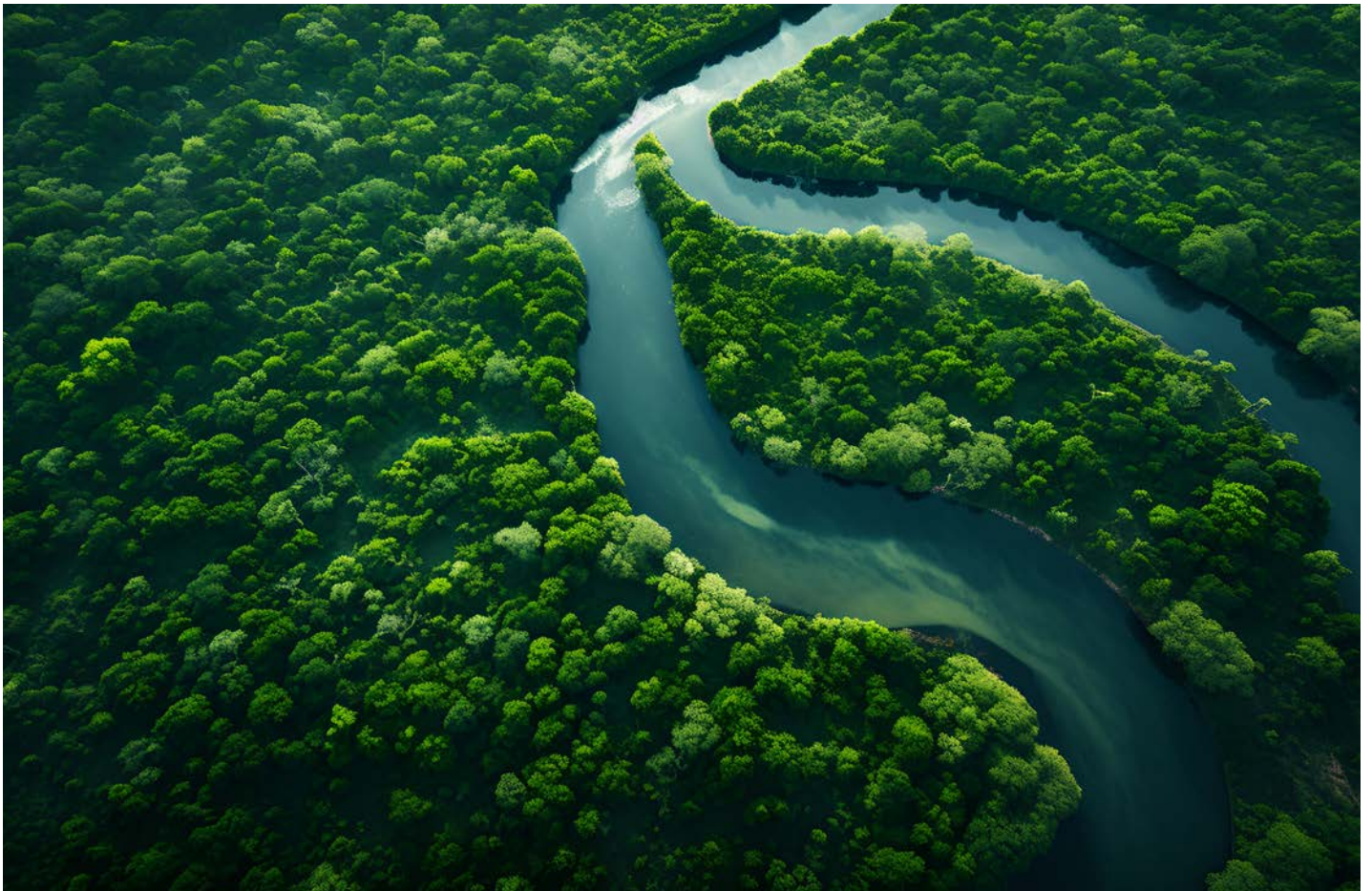
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"I can confidently say this training is vital for any SME in the UK that isn't 100% clear on how to measure, reduce, and report on their environmental impact."

**Mark Roberts, CEO, Conscious Creatives**

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## CREATING IMPACTFUL CLIMATE TRANSITION PLANS

In May we hosted a three-part interactive webinar series in collaboration with the Transition Plan Taskforce (TPT) to aid businesses with developing and publishing detailed net zero transition plans as soon as possible.

This series provided early guidance on the TPT's framework and a platform for companies to share their challenges, solutions, and good practices in developing transition plans. Participants heard from early adopters of the TPT's guidance discussing their approach to the transition, the importance of starting early, and actions they are taking to achieve their goals.

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"I have noticed that I engage better with my peers at work, I am more confident and make impactful contributions in official meetings. In a nutshell, this works!"

**Dialogue for Growth participant, Mills & Reeve**

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## DIALOGUE FOR GROWTH

Recognising the growing need for organisations to embed sustainability and business transformation across their operations and broader value chains, the UN Global Compact Network UK and [Impact](#) have designed '[Dialogue for Growth](#)', an eight-week programme designed for senior sustainability professionals that are looking to improve how they educate, engage, and influence individuals and stakeholders to support action on sustainability within the business.

The first cohort ran from September to November, receiving extremely positive feedback, and the programme will continue to run through 2024.





# Social sustainability

The UN Global Compact Network UK's [Social Sustainability Programme](#) supports businesses to understand, apply, and uphold human rights and social sustainability standards in their operations and across their value chains.

In 2023, our successful [Target Gender Equality Accelerator](#) offered Members the opportunity to deepen implementation of the [Women's Empowerment Principles](#). Our three working groups on [Child Labour](#), [Diversity, Equity, and Inclusion](#) (DEI), and [Modern Slavery](#) provided space for members to explore relevant challenges and the strategies businesses are developing on these issues.



We published our [LGBTIQ+ Inclusion in the Workplace](#) report in 2023. The brief builds on our 2022 [Pride Plus: Building LGBTIQ+ Inclusive Business](#) webinar series and provides useful recommendations and guidelines to help companies accelerate LGBTIQ+ acceptance and inclusion in their workplaces.

## HIGHLIGHTS

### [BUSINESS & HUMAN RIGHTS ACCELERATOR](#)

In 2023, we launched our new Business & Human Rights Accelerator programme to activate businesses to move from commitment to action on human rights through identifying salient impacts, establishing an ongoing due diligence process, and developing an actionable plan. Over six months, participants gained a clear understanding of how to identify their human rights and labour rights responsibilities, the ability to prioritise actions and implement grievance mechanisms and remedies, and an invaluable network of peers, partners, and experts with which to join forces.

22 companies joined us to advance their human rights journey across their operations, supply chains, and beyond.

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“Fighting for Gender Equality is an absolute must have mission that all companies need to honestly address. The Target Gender Equality Accelerator programme provides invaluable insights into gender equality and diversity, which has enabled dialogue and direction.”

**Kusum Prabhakar, Partner, Chief Operating Officer, RedCompass Labs**

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## INCLUSION AND OCCUPATIONAL SAFETY & HEALTH: NEW APPROACHES FOR BUSINESS

The UK Network presented a four-part webinar series on inclusive approaches to occupational safety and health (OSH) to support businesses to level up their OSH agendas and seize the opportunity by emphasising the importance of Diversity, Equity, and Inclusion (DEI). The series built upon existing approaches to OSH and delved into issues relating to mental health, gender, and disabilities and neurodiversity in the workplace. Participants developed a nuanced understanding of OSH through a DEI lens and the knowledge and practical tools to address gaps in existing OSH policies and programmes within business.

## CONSORTIUM CONTRE L'ESCLAVAGE MODERNE



The 'Consortium Contre l'Esclavage Moderne' (CCEM) is a collaboration between international human rights experts and data scientists from [Trilateral Research](#) and the UN Global Compact Network UK, in strategic

partnership with the largest business association in the Democratic Republic of Congo (DRC) – the [Fédération des Entreprises du Congo](#) (FEC) – and the Labour Inspectorates of North and South Kivu.

The UK Network and these strategic partners are supporting the strengthening of social norms around non-use of modern slavery in Eastern DRC and implementing training and capacity building to operationalise global frameworks and legislation. The CCEM is developing methodologies for businesses to conduct human rights assessments and understand their supply chain risks against modern slavery issues in compliance with international standards and legislation.

## LIVING WAGE PROGRAMMING

On 3 October 2023, the UK Network, together with living wage ambassadors Unilever and The Living Wage Foundation, organised a national roundtable discussion to explore how UK businesses can advance the living wage agenda nationally and globally. The discussion was multi-stakeholder and included representatives from companies, investment groups, worker organisations, and civil society groups actively working on living wage issues. The objective of the roundtable was to identify challenges and best practices with selected stakeholders, particularly focusing on the role of the private sector in delivering living wages within their own operations and supply chains.

With support from the other European Country Networks, the UK Network co-hosted the 2023 UN Global Compact European Peer Learning Meeting on Business and Human Rights in Copenhagen. The meetings were an opportunity for leading European companies in human rights to share knowledge, experiences, and challenges on specific areas of business and human rights. The focus of the meeting in November 2023 was on living wages across supply chains and UK Network members Unilever, Lloyds Banking Group, and Lego joined us.

We look forward to expanding our Living Wage Programming in 2024.



"The programme took a complex subject and broke it down into a manageable and understandable process. As a result of this learning, I feel more confident to implement an HR due diligence framework that is pragmatic, considered, and effective."

**BHR Accelerator participant**



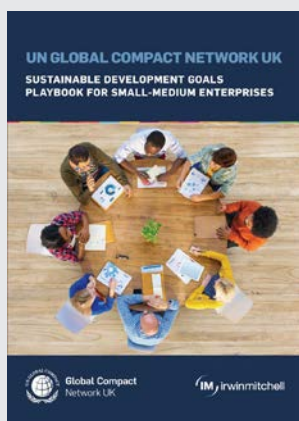


# Governance and SDGs

The [UN Sustainable Development Goals](#) (SDGs) outline a collective vision of the future we want. Strengthening the institutional arrangements used to deliver on the SDGs is essential to achieve these ambitions. The SDGs and good governance principles are integrated into all our programming, and we encourage our members to use the SDGs as a comprehensive roadmap to responsible business.

The [Governance Programme](#) was introduced in 2023 as an independent workstream to support our members in driving more accountable, ethical, inclusive, and transparent business, and becoming industry leaders on transformational governance, anti-corruption, sustainability reporting, and sustainable finance.

## SDG PLAYBOOK FOR SMEs



The UN Global Compact Network UK, in partnership with the law firm Irwin Mitchell, developed the [SDG Playbook for SMEs](#): a step-by-step guide to help smaller companies unlock the competitive advantages associated with embracing the SDGs.

In 2015, the UK Government joined every other country worldwide and committed to [Transforming our world: the 2030 Agenda for Sustainable Development](#) and through it the 17 SDGs. We have now passed the halfway point and if we are to achieve the Goals by 2030, we need to raise our ambitions.

The SDGs provide a unique chance for all sectors to rally around a common global agenda. The private sector was at the table in 2015 and remains a vital catalyst for global action. Companies – no matter how big or small – need to engage with the SDGs, not just for society and the planet, but because future success will only be the reward of those who place sustainability at the core of their business model.

By integrating the SDGs into their business strategy and operations, SMEs can lower costs and risk, strengthen customer loyalty, unlock new revenue streams, and improve relations with employees, suppliers, and other stakeholders. Research shows that sustainability strategies offer SMEs a competitive advantage; however, they consistently report difficulties taking action in this area. The SDG Playbook for SMEs provides the building blocks for small- and medium-sized enterprises to integrate the SDGs into core business functions.

Vicky Brackett, Group Chief Commercial Officer at Irwin Mitchell, launched the SDG Playbook for SMEs at our Annual Summit in October 2023. With over 1,200 downloads, the SME Playbook has become the UK Network's most downloaded resource.



Our [Sustainability Reporting Week](#), hosted in partnership with ERM, was the first activity of the new programme and dove into the European Green Deal finance package and the specifics of the new reporting regulations, and discussed how they will impact businesses. The series drew in more than 1,790 attendees.

The UN Global Compact Network UK's [Sustainable Development Goals Programme](#) supports businesses in comprehending and applying the goals and setting ambitious targets in line with priority SDGs. This year, the programme continued to support members through our [Global Goals Working Group](#) and two successful accelerators, [SDG Innovation Accelerator for Young Professionals](#) and [SDG Ambition](#).

## HIGHLIGHTS

### SDG FLAG CAMPAIGN

25 September marked the eighth anniversary since the world adopted the UN Sustainable Development Goals. For our second annual SDG Flag Day, organisations displayed their commitment to the Global Goals and the action that they're already taking to combat major global challenges, including climate change, gender inequality, and poverty by raising an SDG flag. This year, over 650 SDG flags were raised across the UK by businesses, charities, civil society organisations, and schools in our global movement working #TogetherForTheSDGs.

The Rt Hon Andrew Mitchell MP, Minister for Development, announced the UK Government's support for our 2023 SDG Flag Campaign at the APPG for the UN Global Goals' Annual Private Sector Conference, and the [Foreign, Commonwealth and Development Office was lit up](#) in the colours of the SDGs to mark the occasion.

### SDG PIONEERS

Each year the UN Global Compact recognises a class of SDG Pioneers — business leaders working at any level of their company who are using business as a force for good to advance the 17 SDGs. In 2023, the UK Network identified two leaders who are advancing the Sustainable Development Goals through a principles-based approach.

Solitaire Townsend, Co-founder & Chief Solutionist at Futerra, was our 2023 SDG Pioneer representing an SME. At Futerra, Solitaire advises the world's most influential organisations to activate the Sustainable Development Goals. Solitaire was named a Sustainability Leader of 2023 by Ad Week, and Positive News calls her one of the leading voices changing the climate narrative.

Uzma Hamid-Dizier, Director of Responsible Business and Inclusion at Slaughter and May, was our 2023 SDG Pioneer representing a large company. Uzma leads the firm's Responsible Business Committee and the implementation of the responsible business strategy. She also spearheaded a collaboration with seven other founding firms to launch Legal CORE and co-chairs the leadership-led, cross-firm collective, which is aimed at tackling the underrepresentation of ethnic minority groups in the UK legal sector.

As the winner of the UK Round, Uzma competed in the Global Round and was named the SDG Pioneer for Large National and Multinational companies in the Western Europe and North America region at the UN Global Compact Leaders' Summit in September.

"Taking part in the SDG Ambition Accelerator provided us with a concrete toolkit and detailed understanding of how to set and embed ambitious sustainability goals in a business – including best practices across sectors. This has informed our own journey and also links back to our services on how boards and senior management should provide direction, oversight, and control over sustainability issues."

**Angelina Magal, Manager, Nestor Advisors**





# Annual Summit 2023

The UN Global Compact Network UK Annual Summit 2023, held at the iconic Guildhall in the City of London, and online, brought together leaders from business, government, and civil society for solutions-based discussions on the most pressing ESG challenges. Over the two days of the Summit, more than 3,000 attendees heard fascinating insights on how advancing sustainable business practices can shape a more inclusive, equitable future, and how businesses – both large and small – can benefit by fully integrating sustainability into their operations.

## HIGHLIGHTS

[Driving a Just and Green Transition](#) saw a panel of industry experts focus on the challenges and opportunities of achieving a sustainable, resilient, and inclusive zero-carbon economy. They talked of the need to remove tribal rifts and depoliticise the transition, emphasising the importance of integrating carbon, environment, and people, and tackling all three together.

In [Addressing the Barriers to Diversifying Senior Leadership Roles](#), attendees heard first-hand experiences of leading diverse teams and the benefits of having a range of perspectives in

decision-making positions. The panellists spoke about effective strategies, such as setting targets and accountability measures, and integrating diversity into broader business plans, and the need to build environments that provide people from disadvantaged backgrounds the chance of an equal shot at success.

[Advancing Culture Change for Transformational Governance](#) discussed the importance of foresight and horizon scanning in transformational governance and the need to harness both innovation and long-term thinking. Anticipatory governance, which involves looking at signals of change and multiple plausible futures, was presented as a way to navigate the complex challenges of the future.

[Raising Ambitions for Sustainable Development](#) discussed the transformation process businesses need to go through to effectively integrate the SDGs into their strategy. This will involve normalising the conversation around sustainability and embedding it into company culture, decision-making processes, and governance. It also requires a strong business case, building a coalition of stakeholders, choosing which SDGs align with their business, measuring progress, and embedding sustainability into reward and recognition programmes.



# ACCELERATING MEMBERS' PROGRESS



The UN Global Compact Network UK empowers its members to accelerate action towards the Ten Principles and the SDGs. In addition to our programming, we provide tailored support and guidance to advance our members' sustainability goals as well as networking opportunities independent of our core thematic programme streams.

## HIGHLIGHTS

### COMMUNICATION ON PROGRESS SUPPORT

One of the key requirements of being a UN Global Compact business participant is to submit an annual [Communication on Progress](#) (CoP). This annual report serves multiple purposes including promoting learning, driving improved sustainability performance, and fostering accountability.

In 2023, the UN Global Compact launched a new enhanced CoP format to streamline reporting on the Ten Principles and

the SDGs and to align with the evolving reporting landscape. In addition to communicating updates about the new changes, the UK Network hosted biweekly drop-in sessions to answer member queries and better support them during this transition. These sessions will continue in 2024.

### 2023 KICK-OFF EVENT

Navigating the wide range of engagement opportunities offered by the Network can be challenging. To support members in identifying relevant programmes and maximising their membership value, the Network hosted its very first kick-off event at the beginning of the year. The event featured a presentation of upcoming programming across Environment, Social, and Governance themes and provided an opportunity for members to ask questions and meet the UK Network team. This event will be repeated annually.

### UN GLOBAL COMPACT NETWORK UK MEMBERS' AND SME BREAKFASTS

We continued to host our monthly Members' Breakfasts – informal, interactive morning sessions offering members a forum to share ideas, challenges, and experiences with peers. Our SME Members' Breakfasts offered a space for smaller companies to discuss the particular challenges they face when tackling sustainability issues.

We hosted 18 breakfasts in total, bringing together over 120 individuals.

"The UNGC offers a safe space for having the challenging, yet courageous conversations needed to make a real difference. It's given us access to a network of sustainability professionals and industry experts from different backgrounds to learn from through the SDG Ambition Accelerator Programme. This year, thanks to their Climate Accelerator Programme, we've gained the knowledge we needed to accelerate our journey towards net-zero. We know they'll be there to support us every step of the way."

**Kathryn McConnell, Head of Brand Marketing & Community, Monica Vinader Limited**



# INSPIRING UK BUSINESSES TO TAKE ACTION



In line with its vision for all UK businesses to take ambitious actions to create the world we want to live and do business in, in 2023 the UN Global Compact Network UK increased its efforts to reach more businesses and stakeholders in the UK.

We hosted 21 open events to engage with the wider UK business community on how to identify business solutions to tackle challenges on climate, nature, circular economy, reporting, governance, and social impacts.

In September we launched our [external newsletter](#) to update external stakeholders on upcoming events and activities and share the latest sustainability developments, initiatives, resources, and tools. Our external newsletter is also an opportunity for the UK Network to spotlight our members' achievements.



# OUR SUSTAINABILITY EFFORTS

Our commitment to sustainability is aligned with the dedication and standards we expect from our members. By integrating social and environmental sustainability into our organisation, we embody and action our values, demonstrating our own commitment to creating a more sustainable world.

## DIVERSITY, EQUITY, AND INCLUSION

We are committed to promoting and respecting diversity, equity, and inclusion in our workforce and our external stakeholder community. We believe that having a diverse workforce and fostering an inclusive culture where everyone feels valued and able to fully express themselves is a key element of a successful business. The UK Network has a Diversity, Equity, and Inclusion Policy that outlines our commitments.

## INCLUSIVE COMMUNICATIONS AND MARKETING

We prioritise inclusive and accessible digital marketing and communication materials. For example, our website uses EqualWeb, an accessibility widget that allows users to adapt web content to their individual accessibility needs.

## SPEAKER DIVERSITY

The UK Network organises over 100 events every year, each providing a platform for our speakers to inspire and share their knowledge with hundreds of people. To ensure that we provide equal opportunities for speaking roles and share a wide range of perspectives at our events, we send an annual anonymous Speaker Diversity Monitoring Survey to our presenters. We track a range of diversity indicators including ethnicity, gender, sexuality, disability, and socio-economic background.

## DIVERSITY AND INCLUSION GROUP

The UK Network is a member of the Diversity and Inclusion Group on the UN Global Compact Country Network Hub. This allows us

to communicate our practices with other Local Networks around the world, as well as share national and company examples, spark conversation, and share outcomes with others.

## LIVING WAGE EMPLOYER

The UN Global Compact Network UK has been [Living Wage accredited employer](#) since 2019. All Secretariat staff are paid at least the London Living Wage. We recognise that paid internships are key to enabling decent work, equal opportunity for employment, and growth within the organisation for young people, particularly for candidates of varying socio-economic backgrounds.

## RECRUITMENT VIA APPLIED

Since 2019, we have used [Applied's blind hiring platform](#) to eliminate bias from our staff recruitment process. Using anonymised applications and predictive, skill-based assessments, we identify talent that might have been overlooked by reviewing CVs alone. Each job posting includes diversity disclaimers and, where possible, we use gender and ethnically diverse interview panels.

## NET ZERO TARGET

In line with the UK Government's ambitions laid out in the Net Zero Strategy, the UN Global Compact Network UK has made a commitment through the SME Climate Hub to:

- Halve our carbon emissions before 2030;
- Cut emissions to zero before 2050; and
- Share our progress on a yearly basis.

We published our first Net Zero Progress Report this year to understand the source and magnitude of our carbon emissions. We will be forming a cross-functional net-zero team to conduct quarterly monitoring and risk assessments and to oversee the completion of our annual [Net Zero Progress Report](#) moving forwards.



# LOOKING AHEAD TO 2024



We entered 2024 with a renewed focus on our strategic goals. We are committed to evolving our current initiatives to provide continuing support and inspiration to our members on key sustainability issues. We have also increased our efforts to shape the business environment through a new advocacy strategy.

Our new programming will respond to emerging sustainability trends and the evolving demands of the global business landscape. In the spring, we launched the [Collecting Scope 3 Data Webinar Series](#), which supported businesses to efficiently collect Scope 3 emissions data from across their value chain. Under our Environment Programme, three new groups — the Circular Economy Working Group, the Climate-Peer Learning Group, and the Nature Working Group — have been introduced to support members in these challenging areas. Additionally, we are delivering innovative programming focusing on Climate and Human Rights, Male Allyship, and SDG Storytelling.

We encourage our SME participants to download our [SDG Playbook for SMEs](#), a step-by-step guide to help smaller companies unlock the competitive advantages associated with embracing the SDGs. Recognising the unique challenges faced by smaller companies, we continue to provide tailored support for SMEs in 2024. Our upcoming Sustainable Suppliers project will deliver training and education to SMEs in the supply chains of larger enterprises.

We look forward to continuing to work with our community to create a world we want to live and do business in.

# REPORT OF THE TRUSTEES



## FINANCIAL REVIEW

### RESULTS FOR THE YEAR

Income for the year totalled £3,272,006 (2002: £2,210,335) of which income from membership fees was £2,697,347 (2002: £1,758,962).

After total expenditure of £3,107,404 (2002: £2,144,060) the years activities showed a surplus for the year of £164,602 (2002: £66,275) which, when accumulated with the funds brought forward from previous years, leaves the charity with total funds at the year-end of £260,428 (2002: £95,826).

All funds held at the year end are unrestricted (2002: all funds held were unrestricted).

### RESERVES POLICY

In establishing a Reserves Policy, the Trustees considered income risk, expenditure risk, general operating environment, and cost of closure. After a formal assessment of these

considerations, the Trustees determined that UN Global Compact Network UK requires reserves equal to at least 3 months of operating expenses.

As of 31 December 2023, UN Global Compact Network UK held unrestricted reserves of £260,428 representing approximately 1.7 months of the budget for 2024 (an increase from less than 1 month's coverage at 31 December 2022).

With activity and membership numbers continuing to increase in 2024 the Trustees remain confident that the reserves of the charity will be sufficient to meet at least 3 months of operating expenses by the end of September 2024 to allow the transfer of all operations from The Sustainability Hub to UN Global Compact Network UK.

## RISK REVIEW

UN Global Compact Network UK has a Governance & Risk Committee of the Board with robust processes for identifying, analysing, and mitigating material risks. The Trustees confirm that controls are in place to mitigate the current major risks identified which are:

RISK CATEGORY:	RISK:	MITIGATION:
Operational	Loss of key staff, resulting in additional workload pressures, and loss of institutional memory	Consultant engaged to undertake culture review. System for regular performance appraisals implemented to monitor job satisfaction. Job descriptions being updated to clarify roles. Remuneration benchmarked and updated. Increased focus on career progression and professional development.
Financial	Inadequate reserves; Errors in budget forecasts.	Forecasts scrutinised by Board. Regular reviews of key financial indicators to ensure early warning of developing problems.
Compliance	Inadvertent failure to comply with regulations.	Identifying key requirements for an organisation of our size and type and assigning responsibility for compliance.



## COMPLAINTS

The charity received no complaints during the year (2022: none).

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the legal entity Global Compact Network UK for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the Trustees are aware:

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

## AUDITORS

During the year Mercer & Hole LLP were re-appointed as auditors of the charitable company and will be proposed for re-appointment at the next Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 4 June 2024 and signed on the Board's behalf by:

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D G Schofield – Chair of Trustees



# INDEPENDENT AUDITOR'S REPORT

## Independent Auditor's Report to the Trustees and Members of Global Compact Network UK Limited

### OPINION

We have audited the financial statements of Global Compact Network UK Limited for the year ended 31 December 2023 which comprise the statement of financial activities, incorporating the income and expenditure account, the balance sheet, the cash flow statement and the related notes numbered 1 to 12. 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 charitable company's affairs as at 31 December 2023, and of the charitable company's incoming resources and application of resources, including the charitable company's income and expenditure, for the period 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 charitable company 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 charitable company's ability to continue as a going concern for a period of at least 12 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 Report of the Trustees' including the Directors' and Strategic Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.



# Independent Auditor's Report to the Trustees and Members of Global Compact Network UK Limited (continued)

## 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' Report, including the Directors' and Strategic Report for the financial period for which the financial statements are prepared, is consistent with the financial statements; and
- the Report of the Trustees', including the Directors' and Strategic Report, has been prepared in accordance with applicable legal requirements.

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees' Report including the Directors' and Strategic Report.

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

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

## RESPONSIBILITIES OF TRUSTEES

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

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

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that act.

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.

# Independent Auditor's Report to the Trustees and Members of Global Compact Network UK Limited (continued)

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:

- we gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates, and considered the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, the Companies Act 2006.
- we evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and the financial report (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate entries including journals to overstate income or understate expenditure and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- discussions with management, including considerations of known or suspected instances of non-compliance with laws and regulations and fraud;
- gaining an understanding of management's controls designed to prevent and detect irregularities; and
- identifying and testing journal entries.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the

less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at [frc.org.uk/auditorsresponsibilities](https://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 and Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Jolene Upshall - Senior Statutory Auditor**  
4 June 2024

Mercer & Hole LLP  
Statutory Auditor  
Trinity Court  
Church Street  
Rickmansworth  
WD3 1RT

# FINANCIAL STATEMENTS



**Global Compact**  
Network UK

## Statement of financial activities incorporating income and expenditure account for the year ended 31 December 2023

	NOTES	31.12.23 UNRESTRICTED TOTAL FUNDS £	31.12.22 TOTAL FUNDS £
<b>INCOME AND ENDOWMENTS FROM</b>			
<b>Charitable activities</b>	2		
Membership fees		2,697,347	1,758,962
Sponsorship		246,642	290,000
Projects		183,256	97,039
Programmes and Working Groups		115,240	55,625
Other trading activities	3	25,420	8,467
Investment income	4	4,101	242
<b>TOTAL</b>		<b>3,272,006</b>	<b>2,210,335</b>
<b>EXPENDITURE ON</b>			
Raising funds	5	6,754	4,525
<b>Charitable activities</b>	6		
Membership fees		2,554,570	1,696,405
Sponsorship		249,887	293,238
Projects		183,216	95,281
Programmes and Working Groups		112,977	54,611
<b>TOTAL</b>		<b>3,107,404</b>	<b>2,144,060</b>
<b>NET INCOME</b>		<b>164,602</b>	<b>66,275</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		95,826	29,551
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>260,428</b>	<b>95,826</b>

The statement of financial activities includes all gains and losses recognised in the period. All income and expenditure derives from continuing operations.

The notes on pages 30 to 37 form part of these financial statements.





	NOTES	31.12.23 £	31.12.22 £
<b>CURRENT ASSETS</b>			
Debtors	9	1,157,007	1,290,093
Cash in hand		713,475	760,025
		<b>1,870,482</b>	<b>2,050,118</b>
<b>CREDITORS</b>			
Amounts falling due within one year	10	(1,610,054)	(1,954,292)
		<b>260,428</b>	<b>95,826</b>
<b>NET CURRENT ASSETS</b>			
		<b>260,428</b>	<b>95,826</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<b>260,428</b>	<b>95,826</b>
<b>NET ASSETS/(LIABILITIES)</b>			
		<b>260,428</b>	<b>95,826</b>
<b>FUNDS</b>			
	11		
Unrestricted funds		260,428	95,826
<b>TOTAL FUNDS</b>		<b>260,428</b>	<b>95,826</b>

The financial statements on pages 27 to 37 were approved and authorised for issue by the Board of Trustees on 4 June 2024.

.....  
**D G Schofield - Chair of Trustees**

The notes on pages 30 to 37 form part of these financial statements.

UN Global Compact Network UK is the operating name of Global Compact Network UK, a charity registered in England and Wales (1202147) and a company limited by guarantee in England and Wales (company number 08567552).



	NOTES	31.12.23 £	31.12.22 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	a	(50,651)	(125,732)
<b>Cash flows from investing activities</b>			
Investment income		4,101	242
Net cash provided by investing activities		<b>4,101</b>	<b>242</b>
Change in cash and cash equivalents in the year		(46,550)	(125,490)
Cash and cash equivalents at the beginning of the year		760,025	885,515
Cash and cash equivalents at the end of the year		<b>713,475</b>	<b>760,025</b>

**a. Reconciliation of net income to net cash flow from operating activities**

	31.12.23 £	31.12.22 £
<b>Net Income for the year (as per the statement of financial activities)</b>	<b>164,602</b>	<b>66,275</b>
Interest from investments	(4,101)	(242)
Decrease/(Increase)in Debtors	133,086	(976,170)
(Decrease)/Increase in Creditors	(344,238)	784,405
<b>Net Cash provided by operations</b>	<b>(50,651)</b>	<b>(125,732)</b>

**b. Analysis of cash and cash equivalents**

	31.12.23 £		31.12.22 £
Cash at bank and in hand	713,475		760,025
	01.01.23 £	Movement £	31.12.23 £
Cash at bank and in hand	760,025	(46,550)	713,475

The charitable company does not have any financial debts such as overdrafts or bank loans.

The notes on pages 30 to 37 form part of these financial statements.



## **1. ACCOUNTING POLICIES**

### **BASIS OF PREPARING THE FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). UN Global Compact Network UK meets the definition of a public benefit entity under FRS102 and has therefore prepared the financial statements in accordance with the Statement of Recommended Practice (second edition - October 2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP) and the Charities Act 2011. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

### **GOING CONCERN**

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The Trustees have reviewed the charity's forecasts and concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

### **INCOME**

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

Membership fees are recognised in the period for which the membership relates.

Sponsorship income is only received from organisations that are registered participants of the UN Global Compact Network UK.

### **EXPENDITURE**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Fees due to the UN Global Compact Head Office in New York on subscriptions are recognised in the period for which the subscription relates.

### **JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In applying the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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

### **TAXATION**

The charity was granted charitable status on 2 March 2023 and is exempt from corporation tax on its charitable activities from this date. The organisation is liable to corporation tax on the profits arising up to and including 1 March 2023.

### **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.





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

### **DEBTORS**

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

### **CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### **LIABILITIES AND PROVISIONS**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

### **FUND ACCOUNTING**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Throughout the year the charity did not hold any Restricted funds.



## 2. INCOME FROM CHARITABLE ACTIVITIES

	31.12.23 £	31.12.22 £
Membership Fees	2,697,347	1,758,962
Sponsorship	246,642	290,000
Projects	183,256	97,039
Programmes and Working Groups	115,240	55,625
	<b>3,242,485</b>	<b>2,201,626</b>

## 3. OTHER TRADING ACTIVITIES

	31.12.23 £	31.12.22 £
Sales of flags and pins	25,420	8,467
	<b>25,420</b>	<b>8,467</b>

## 4. INVESTMENT INCOME

	31.12.23 £	31.12.22 £
Deposit account interest	4,101	242
	<b>4,101</b>	<b>242</b>

## 5. RAISING FUNDS

	31.12.23 £	31.12.22 £
<b>Other trading activities</b>		
Purchases	6,754	4,525
	<b>6,754</b>	<b>4,525</b>



## 6. CHARITABLE ACTIVITIES COSTS

	NOTES	FEES PAYABLE TO HEAD OFFICE £	UK NETWORK SECRETARIAT FEES £	DIRECT COSTS	SUPPORT COSTS (NOTE 7)	TOTAL
<b>2023</b>						
Membership Fees		1,080,586	1,258,170	123,868	91,946	2,554,570
Sponsorship		246,642	0	0	3,245	249,887
Projects		0	81,411	95,315	6,490	183,216
Programmes and Working Groups		0	81,411	25,076	6,490	112,977
		<b>1,327,228</b>	<b>1,420,992</b>	<b>244,259</b>	<b>108,171</b>	<b>3,100,650</b>
UK Network Secretariat - estimate of time on indirect activities (support) (4%)			59,208			
<b>Total UK Network Secretariat Fees</b>	<b>12</b>		<b>1,480,200</b>			
<b>2022</b>						
Membership Fees		685,130	872,850	46,694	91,731	1,696,405
Sponsorship		290,000	0	0	3,238	293,238
Projects		0	40,480	48,326	6,475	95,281
Programmes and Working Groups		0	37,950	10,186	6,475	54,611
		<b>975,130</b>	<b>951,280</b>	<b>105,206</b>	<b>107,919</b>	<b>2,139,535</b>
UK Network Secretariat - estimate of time on indirect activities (support) (6%)			60,720			
<b>Total UK Network Secretariat Fees</b>	<b>12</b>		<b>1,012,000</b>			





## 7. SUPPORT COSTS

Support costs are allocated to the core activities of the charity based on an estimate of time spent supporting each workstream.

	NOTES	31.12.23 £	31.12.22 £
Advertising & Marketing		2,490	1,274
Audit		9,825	6,000
Accountancy		15,188	5,354
Bank Fees		3,725	820
Insurance		2,941	2,300
Legal		1,097	11,361
IT costs		5,601	4,544
Corporation tax on profits to date of Charitable Status (2023: to 2 March; 2022: full year)		8,096	15,546
		48,963	47,199
UK Network Secretariat - estimate of time on indirect activities (support) - 2023 4%; (2022 6%)		59,208	60,720
	6	<b>108,171</b>	<b>107,919</b>
Membership Fees - 2023: 85% (2022: 85%)		91,946	91,731
Sponsorship - 2023: 3% (2022: 3%)		3,245	3,238
Projects - 2023: 6% (2022: 6%)		6,490	6,475
Programmes - 2023: 6% (2022: 6%)		6,490	6,475
	6	<b>108,171</b>	<b>107,919</b>

## 8. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

### Trustees' expenses

There were no Trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.



## 9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23 £	31.12.22 £
Trade debtors	738,467	787,695
Amounts recoverable on contract	4,567	80,955
Other debtors	413,973	297,155
Prepayments and accrued income	-	124,288
	<u>1,157,007</u>	<u>1,290,093</u>

## 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23 £	31.12.22 £
Payments on account	911,882	619,745
Trade creditors	626,601	691,170
Corporation Tax	8,096	15,546
VAT	41,071	52,706
Other creditors	7,303	-
Accruals and deferred income	15,101	575,125
	<u>1,610,054</u>	<u>1,954,292</u>



## 11. MOVEMENT IN FUNDS

	AT 1.1.23 £	NET MOVEMENT IN FUNDS £	AT 31.12.23 £
<b>Unrestricted funds</b>			
General fund	95,826	164,602	260,428
<b>TOTAL FUNDS</b>	<b>95,826</b>	<b>164,602</b>	<b>260,428</b>

Net movement in funds, included in the above are as follows:

	INCOMING RESOURCES £	RESOURCES EXPENDED £	MOVEMENT IN FUNDS £
<b>Unrestricted funds</b>			
General fund	3,272,006	(3,107,404)	164,602
<b>TOTAL FUNDS</b>	<b>3,272,006</b>	<b>(3,107,404)</b>	<b>164,602</b>

Comparative net movement in funds, included in the above are as follows:

	AT 1.1.22 £	NET MOVEMENT IN FUNDS £	AT 31.12.22 £
<b>Unrestricted funds</b>			
General fund	29,551	66,275	95,826
<b>TOTAL FUNDS</b>	<b>29,551</b>	<b>66,275</b>	<b>95,826</b>

Net movement in funds, included in the above are as follows:

	INCOMING RESOURCES £	RESOURCES EXPENDED £	MOVEMENT IN FUNDS £
<b>Unrestricted funds</b>			
General fund	2,210,335	(2,144,060)	66,275
<b>TOTAL FUNDS</b>	<b>2,210,335</b>	<b>(2,144,060)</b>	<b>66,275</b>





## 11. MOVEMENT IN FUNDS (CONTINUED)

A current year 12 months and prior year 12 months combined position is as follows:

	AT 1.1.22 £	NET MOVEMENT IN FUNDS £	AT 31.12.23 £
<b>Unrestricted funds</b>			
General fund	29,551	230,877	260,428
<b>TOTAL FUNDS</b>	<b>29,551</b>	<b>230,877</b>	<b>260,428</b>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	INCOMING RESOURCES £	RESOURCES EXPENDED £	MOVEMENT IN FUNDS £
<b>Unrestricted funds</b>			
General fund	5,482,341	(5,251,464)	230,877
<b>TOTAL FUNDS</b>	<b>5,482,341</b>	<b>(5,251,464)</b>	<b>230,877</b>

## 12. RELATED PARTY DISCLOSURES

Throughout both 2023 and 2022 the Trustees delegated the day-to-day operations of the charity to a third party, The Sustainability Hub Limited of which the Company Secretary of the charity (S E Kenzie) is the majority shareholder.

The Sustainability Hub Limited is solely responsible for the cost of providing all Secretariat services to the charity including the employment of staff delivering these services. The cost of providing these services to the charity in the year to 31 December 2023, excluding VAT, was £1,480,000 (2022: £1,012,000). At 31 December 2023 £nil was due to The Sustainability Hub (at 31 December 2022 £123,350 plus VAT was due to The Sustainability Hub).

It is planned that all Secretariat functions provided by The Sustainability Hub, including the employment of staff, will be assumed by the charity and the current arrangement with The Sustainability Hub will cease. The Trustees expect this transfer to be concluded by 30 September 2024.

# REFERENCE AND ADMINISTRATIVE DETAILS

**Registered Company name**

Global Compact Network UK (operating as UN Global Compact Network UK)

**Registered Company number**

08567552 (England and Wales)

**Registered Charity number**

1202147 (England and Wales) – charitable status granted on 2 March 2023

**Governing document**

The charity is controlled by its articles of association and operates as a company, limited by guarantee, as defined by the Companies Act 2006.

**Registered office**

153-157 Goswell Road  
London  
EC1V 7HD

**Trustees**

M Balisciano (Chair to 29.6.23; resigned 29.6.23)

C Bronks

H A Khan

R H Moseley (appointed 29.6.23)

D G Schofield (Chair from 29.6.23)

M J Sparkes

D Stronati (resigned 08.09.23)

A E Turrell (resigned 29.6.23)

**Company Secretary**

S E Kenzie

**Auditors**

Mercer and Hole LLP

Registered Auditor

Chartered Accountants

72 London Road

St Albans

Hertfordshire

AL1 1NS

## ABOUT THE UNITED NATIONS GLOBAL COMPACT

As a special initiative of the United Nations Secretary-General, the UN Global Compact is a call to companies worldwide to align their operations and strategies with Ten Principles in the areas of human rights, labour, environment, and anti-corruption.

Its ambition is to accelerate and scale the global collective impact of business by upholding the Ten Principles and delivering the Sustainable Development Goals through ambitious, accountable companies, and environments that enable change. With more than 22,000 companies and 3,000 non-business signatories based in over 160 countries, and 62 Local Networks, the UN Global Compact is the world's largest corporate sustainability initiative — one Global Compact uniting business for a better world.

For more information, visit [www.unglobalcompact.org](http://www.unglobalcompact.org)

## ABOUT THE UN GLOBAL COMPACT NETWORK UK

The UN Global Compact Network UK connects UK companies and other organisations in a global movement dedicated to driving sustainable growth. Through an extensive programme of activity, it promotes sustainability leadership to create a world we want to live and do business in, by inspiring ambition, enabling action, and collaborating to shape the business environment.

The Ten Principles of the UN Global Compact, rooted in UN treaties, provide a robust foundation for corporate sustainability and business action on the Sustainable Development Goals (SDGs).

For more information, follow us on [LinkedIn](#) (UN Global Compact Network UK) or visit [unglobalcompact.org.uk](http://unglobalcompact.org.uk)

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