

BKL

IMPACT REPORT

2023



IN IT TOGETHER



It's my pleasure to introduce BKL's first impact report.

Don't let the word 'report' put you off. Beyond the corporate terms and abbreviations such as ESG (environmental, social and governance) and DEI (diversity, equity and inclusion), this is the story of people working together on doing the right thing.

Throughout my nine years at BKL, it's never been enough for us just to be a successful business and employer. We've continually looked for ways to make a difference; to support communities; to set an example in the accountancy sector and beyond, such as through our long-standing relationship with social mobility charity LTSB and our charitable foundation.

2022/23 brought a milestone on that journey when BKL became a Certified B Corporation: something only a handful of accountancy firms have achieved. I'm proud of how we've earned a place in the B Corp community and how we'll be held accountable against some very high standards as we continue to improve. As this report shows, ESG is giving us a framework for those improvements: planning and taking action for people, planet and purpose, not just for profit.

This report, and the accomplishments it takes stock of, are a team effort and I'd like to thank everyone who's contributed. As 2023/24 progresses, we're already looking ahead. Our private equity investment from CBPE Capital in April 2023 has given us the ideal partner to help us grow and have an even greater impact. Watch this space!

Lee Brook

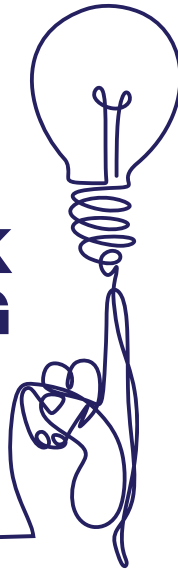
CEO



BKL'S VALUES

THINK BIG

We are always **challenging ourselves to think differently** and reimagine what's possible. This happens when we are open to new ideas: brave in how we suggest them, curious about exploring them and enthusiastic in how we make them work.



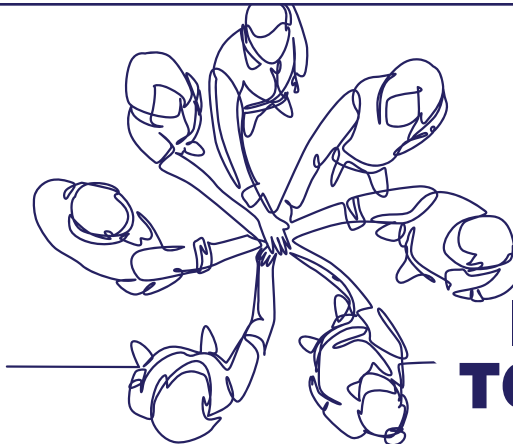
We work with conviction, **seeking to be the best version of ourselves** in everything we do. This belief is rooted in the confidence we have in ourselves, our team, our work and our business. We understand and believe that we can all achieve remarkable things.



TAKE PRIDE

ENJOY IT

We bring our whole selves every day – **free to express ourselves**, our beliefs and share our unique perspective in all that we do. We enjoy our time at work and know it's also important to enjoy our time at home. We laugh, have fun and make this part of what we're known for.



BKL is a business for everyone. We work together and care about each other so that we can all achieve our best. By building a more inclusive culture, we **enable innovation and growth**. Our choices, decisions and actions have a positive impact on our people, our society and the environment and help create a sustainable business.

IN IT TOGETHER

DO THE RIGHT THING

We value **fairness, honesty and integrity** above all else. We speak openly and fairly with each other to build relationships based on trust and respect. We're accountable for our actions and do what we say we'll do, even if it's not easy.



BKL'S VISION

**WE ARE CREATING A
SUSTAINABLE BUSINESS
WHERE OUR PEOPLE
LOVE TO WORK
CLIENTS GROW
FROM OUR ADVICE & WE
ACHIEVE GREAT
THINGS TOGETHER**

REFLECTING ON THE YEAR



This report covers our last full financial year, which ended in March 2023. It was a year where much of our focus was on strategic planning and putting some foundations in place.

Embarking on a great voyage requires preparation, planning and the fundamentals of how you get from A to B; this is the approach we have taken this year, as we begin our ESG journey. We have focused on bringing the right people into the business to define, and then amplify, what we want to achieve and who we want to be. We have appointed a new Chief People Officer and Impact Project Manager, both of whom are passionate about ensuring BKL has a positive impact.

Writing our first impact report has been a reflective exercise that has enabled us to look back at our areas of success and, maybe more importantly, our areas of learning.

Whilst this report explores the steps and progress made during the last full financial year, it feels remiss not to acknowledge some of the big wins that have happened since the end of March 2023, up to when this report was published in September 2023. We highlight some of these at the end of the report (page 33).

We've published this in line with the first anniversary of our B Corp certification. In future, we aim to publish each report in June, closer to our financial year end to ensure the report is as relevant as possible.

The developments that we have made over the past six months are just ripples in comparison to the waves we're working to create over the coming years. It felt important to include them in the report to demonstrate progress but also to demonstrate areas of learning and improvements.

So, we hope you enjoy this tour of the foundations we've laid, and that you'll come back in 2024 to see how we've built on those foundations together.

**NEW TO
IMPACT
REPORTS?**

See our
glossary
on page 36

THE JOURNEY WE'VE BEEN ON

‘The firm has grown because of its good people, no matter where they have come from.’

Neil Graham, Partner and BKL's longest-standing employee since 1988

1980-1989

- Brian Berg starts his own accountancy practice in a one-room office on Regent's Street in Central London
- The firm moves to 35 Ballards Lane in Finchley, North London

1990-1999

- Through a merger, we become Berg Kaprow Lewis
- The firm appoints Fiona Kerin as our first female partner

2010-2019

- Myfanwy Neville becomes the first person to progress from new graduate trainee to partner at BKL
- We begin working with social mobility charity LTSB
- Following a rebrand, we are officially known as BKL
- Jon Wedge becomes the first person to progress from new school leaver trainee to partner at BKL
- We join Inclusive Employers
- We establish The BKL Foundation, our charitable foundation, with trustees who work at BKL
- Major office refurbishments, introducing energy conservation and efficiency measures such as occupancy sensors and sleep modes

2020-now

- We begin working towards B Corp certification
- Myfanwy Neville completes Cambridge Institute of Sustainable Leadership training and becomes BKL's first Head of ESG
- We begin working with Hannah Keartland, Outsourced Chief Impact Officer, on our ESG strategy
- We become a Certified B Corporation in September 2022
- Following B Corp certification, we develop our ESG strategy for increasing our impact
- BKL takes private equity investment from CBPE Capital, allowing us to continue achieving sustainable growth
- Rebecca Jackson joins as BKL's first Impact Project Manager
- Greg McCaw joins as BKL's first Chief People Officer
- BKL offsets its carbon emissions
- We relaunch Mosaic, our impact forum
- We sign up to the Better Business Act

OUR JOURNEY TO B CORP



Certified B Corporations (B Corps) are a worldwide community of businesses that meet high standards of verified social and environmental performance, public transparency and legal accountability to balance profit and purpose. There are over 7,000 B Corps across 160+ industries and more than 90 countries. The UK has over 1,500 B Corps.

Our decision to apply for B Corp certification came in 2020 when we started developing our five-year strategy for 2021-26. We were confident that we were having an impact in many areas; we wanted to give ourselves a framework to measure and improve it. B Corp certification offered us a broader structure for going beyond the positive steps we'd already taken. It enabled us to assess our impact on our people, clients, communities, and the environment in detail.

The whole certification process took 14 months and we became certified in September 2022 with a score of 83.6. There's a breakdown of that score on the next page.

As a people business, we're proud to have earned an Impact Business Model (IBM) from B Lab during the assessment process in recognition of our focus on developing our employees.

Potential employees are interested in and excited to know more about our B Corp certification. It's also opened doors to opportunities we wouldn't otherwise have had from our existing client base – as well as from external clients coming to us independently.

B Corp certification isn't just about improving ourselves: it enhances our responsibility to others. On page 31, we explain how being a B Corp is integral to how we work to inspire and engage others.

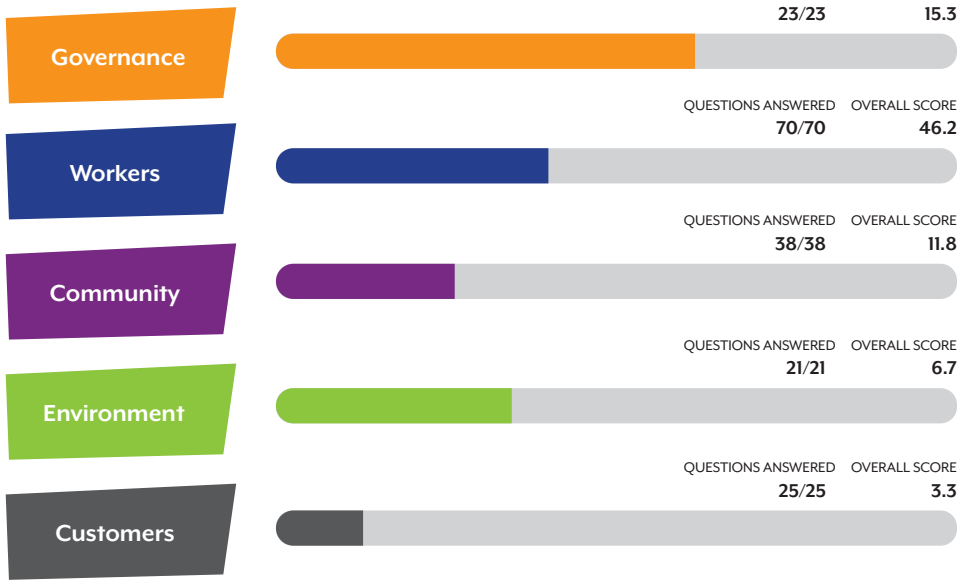


OUR B IMPACT SCORE

BKL (Berg Kaprow Lewis LLP)

For year ended 31 March 2021*

OVERALL SCORE
83.6



*2020/21 (i.e. the year ended 31 March 2021) was the last complete financial year before we began our application for B Corp certification.

Our ESG strategy: it's business, but better

We started creating our ESG strategy by using the B Corp certification process as a framework. However, once we had received our score, we were able to lift out the biggest areas of impact for our business to create a strategy specific to BKL.

ESG gives us an overarching framework to plan and take actions that will improve our sustainability.

We're committed to scaling up and amplifying our impact as a business, but this is fairly new territory. To help us learn, we continue to seek the advice of experts to guide us.

Working with our outsourced Chief Impact Officer Hannah Keartland, whose business Keartland & Co is a fellow B Corp, has enabled us to map out areas where we can have a positive impact, as well as the aspects where the business is negatively impacting people or the planet, such as our environmental footprint.

This led us to create our ESG strategy according to five pillars. The rest of this report explores our aims and our impact in 2022/23 under each pillar.

1. Playing our part in an environmentally sustainable economy

2. Being a great employer for all

3. Better business through our governance and operations

4. Driving positive impact through everything we do

5. Leading by inspiring and engaging others



PLAYING OUR PART IN AN ENVIRONMENTALLY SUSTAINABLE ECONOMY



We will measure and understand the full environmental impact of our business, which will lead us to creating and implementing a plan to significantly reduce it.

Reducing our footprint

Carbon calculations

Prior to identifying a business to help us measure our environmental impact, we used the Department for Environment, Food & Rural Affairs' (DEFRA's) **greenhouse gas (GHG) emissions** conversion factors to complete an internal analysis of our carbon calculations for **Scopes 1 & 2** from 2020-2022.

The calculations covered aspects of **Scope 3**, based on spending across business travel and top supplier estimates by industry factor. However, certain areas are missing, notably water usage (due to a lack of data) and estimates for energy usage of employees working from home, which is more prevalent now than it was pre-lockdown.



Calculated for financial years ended March 2022, March 2021 and March 2020

Whilst this enabled us to gain an understanding of our overall emissions, the reports do not demonstrate a like-for-like comparison. The pandemic and our office refurbishment resulted in significant fluctuations across our direct and indirect emissions and affected our ability to start from a consistent baseline.

Our key focus now is to obtain a Covid-free baseline of data for 2023 with the help of an external business; and from there, to measure and report on our environmental impact in the year 2023/24. This will enable us to grasp the extent of BKL's full value-chain emissions and put a reduction plan in place that's compliant with the **Science Based Targets Initiative (SBTi)**.

Journey to net zero

Our goal is to become **net zero** and to do that, we need to understand our **carbon footprint** in increasingly more detail and to implement a carbon reduction plan based on our current understanding of emissions to deliver on.

We have invested time into researching and meeting with multiple different providers of platforms, to help measure and report on our environmental data. We want to work with a provider that is experienced in working with service-based businesses and can guide us on the journey to net zero in line with the SBTi.

Whilst knowing the full extent of our emissions is very important to us, we will not wait to know our total carbon footprint before we start making reductions in the most material areas that are identified through our initial analysis.

During 2023/24, we will work with carbon experts to conduct an initial GHG analysis, whilst also creating and starting to act on an initial carbon reduction plan.

Waste management

We are currently recycling 29% of our office waste on average (excluding confidential shredding paperwork which is 100% recycled). This number clearly shows room for improvement and will be a focus for 2023/24. Under the guidance of our Impact Project Manager, key objectives will be to:

a) Understand our waste streams in more detail

b) Encourage colleagues in collective efforts to reduce our waste

c) Put processes in place to increase our recycling percentage

Waste and recycling are very visible to employees, so improving our practices will serve as a reminder of BKL's commitment to minimising our environmental impact. Therefore, we have chosen to prioritise this work over the coming months.

During 2023/24,
we will work with
carbon experts to
conduct an initial
GHG analysis

Donating & recycling

Where possible, we donate or redistribute things that no longer serve a purpose to us. Last year, we were pleased to support two local schools with donations of furniture.

To Moss Hall Junior School we donated:

4 desks

4 cabinets

8 chairs

8 pedestals

20 computer screens

1 printer

And to The Compton School we donated:

6 chairs

3 computer screens

We also repurpose BKL's tech hardware by offering it to staff in exchange for a donation to The BKL Foundation, or by donating it directly to charities that support underserved communities. Last year the Foundation received £205 from donations for second-hand laptops. Any hardware that is beyond its useful life is recycled under the WEEE (Waste Electrical and Electronic Equipment) directive.

In November 2022 our Management Accountant, Suman Koirala, donated five preloved BKL laptops to Kabir Secondary School in his home country of Nepal.

'Thank you so much for the office items. As soon as they arrived, the chairs were wheeled off in all directions by excited staff! The desks will come into good use as will the cabinets, which are going to be used for first aid. Thank you for thinking of us with these items.'

Moss Hall Junior School



'We are very thankful to your firm for providing us with computers, which will help us provide our students with technical education.'

We currently have 400 students, and we have recently constructed a computer lab but until now had just a few computers. And now with your kind support, we have eight functioning computers in our lab which will help us teach our students.'

Kabir Secondary School

Learning across the board

In 2022, Myfanwy Neville completed the Business Sustainability Management course with the Cambridge Institute of Sustainable Leadership (CISL). The course is designed to address the growing need for sustainability practices in business and to provide the tools to pioneer meaningful change. Myfanwy's experience of the course:

'This was an invaluable deep-dive into the world of sustainability – not only opening my eyes to aspects of sustainability that I hadn't considered, but also giving me a wealth of information to approach conversations with clients and peers with confidence and clarity.'

To share her knowledge from the CISL course, Myfanwy presented to BKL's senior leadership team about the implications of climate change and how BKL can see them as opportunities to change business for the better, such as through:

Differentiating ourselves from other firms

Efficiency cost savings

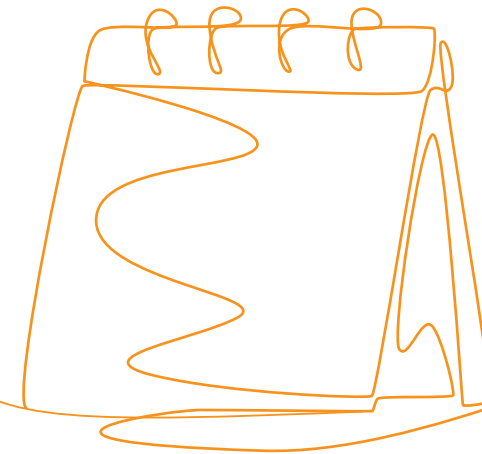
Value creation for investors

Clients' emerging need for sustainability reporting

Risk management

Engendering innovative thinking

Being ahead of the curve



Plans for the next 12 months

1. **Work with a carbon expert** to help us better understand our carbon footprint, generate an emissions reduction plan, and set our net zero target in line with the SBTi
2. **Switch from our current energy supplier to a renewable energy tariff** by October 2023
3. **Work with our waste management supplier** to streamline our internal waste processes and improve our office recycling from 29% to over 50% by December 2023
4. **Develop an ESG training programme** with the new CPO to ensure that ESG is understood and considered across all areas of the business
5. **Implement a responsible purchasing procurement plan** to ensure that we are making considered purchases in line with our goal to reduce our footprint

During 2023/24 we want to roll out ESG training more broadly within BKL. We will develop an ESG training programme under the guidance of our new Chief People Officer (CPO) and ensure this is integrated into all of BKL's other development. 13 people at BKL will complete the ICAEW's sustainability certificate and we will prioritise upskilling members of our impact forum, Mosaic.

BEING A GREAT EMPLOYER FOR ALL



We want to make BKL famous for valuing people and putting them and their development at the heart of what we do, supporting everyone in BKL to be the best version of themselves.

We are developing a fully inclusive culture where everyone can feel and be their best. We want all our people to love working at BKL: an environment that thrives on talent and hard work irrespective of background, belief, disability, ethnicity or gender.

Engagement surveys

We use employee engagement surveys, run through Workday Peakon Employee Voice. The software provides extensive scoring, between 1-10, across several areas; we're pleased to report that we attained an overall score of **8.1** and a diversity & inclusion score of **8.0**, which is in the middle range of the professional services sector. We will use relevant findings from all the Peakon scores to help us develop our new strategy.

In February 2023, we expanded our latest survey to include a set of diversity, equity and inclusion (DEI) questions. These focus on diversity, inclusivity and non-discrimination.

Future surveys will allow colleagues to provide demographic data such as sexual orientation. This will enable us to segment the data and better understand people's experiences and address concerns.

Representation at BKL

Over the last two years, we've focused on increasing diversity data capture to support all three areas of DEI:

Diversity

Having a picture of representation at every level in BKL helps us understand and measure whether our teams represent the communities we live and work in. Additionally, it helps us understand whether our strategy is having an impact.

Equity

Through data, we can continually review various equity dimensions such as pay, promotions, and colleague turnover rates. This allows us insight into how our decisions and actions may affect our colleagues differently.

Inclusion

When we have accurate representation data, we can effectively measure the experiences of individuals from different backgrounds and address any experience gaps that may otherwise be overlooked.



Data capture

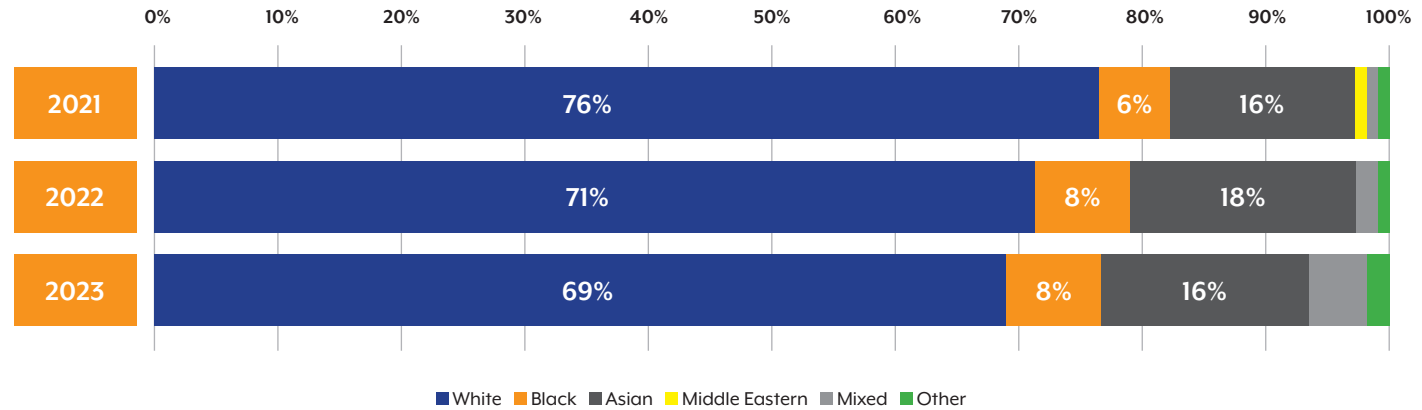
There are several areas where we want to improve data capture, including disability and sexual orientation. We have begun collecting these during recruitment and onboarding of new colleagues, to build a more comprehensive picture of representation at BKL. This data will help us continue to design a workplace that works for everyone.

Ethnicity

Over the last two years, ethnic minority representation has increased by 7%. Although we currently don't have any representation goals, we are committed to building a workplace that's representative of the community we work and live in. Partnerships with social mobility schemes like LTSB enable BKL to continue to bring diverse talent into the firm.

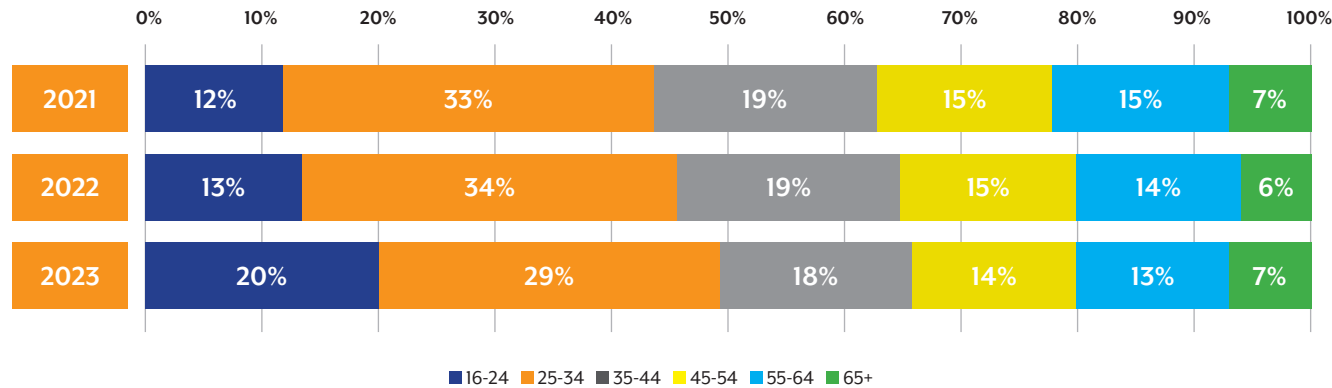
The data is presented in an aggregated format. However, we're conscious that language is evolving, identity is deeply personal, and people have their own preferences for how they would describe themselves and how they would wish to be described.

We know that it's important to understand the meaning behind the terms we use. As we improve our data capture, we will improve and broaden the options for people to select from.



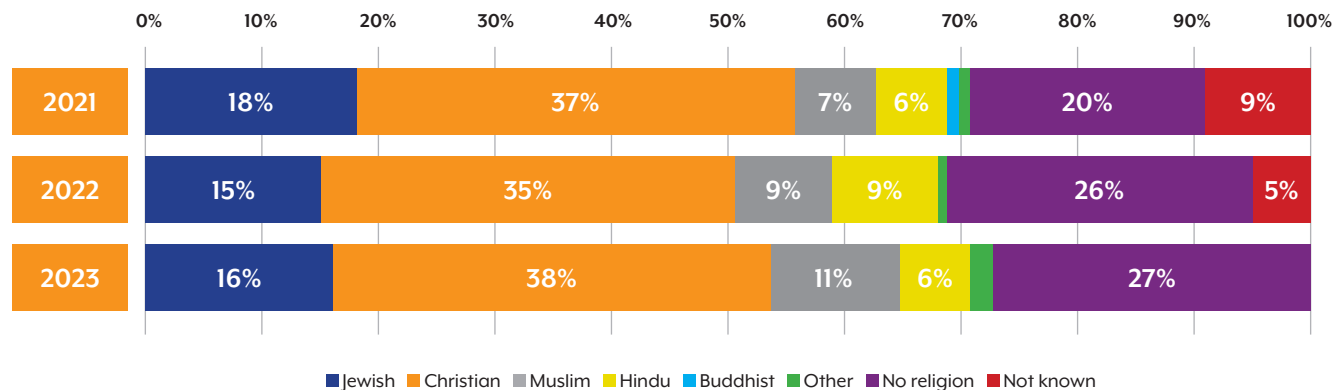
Age

BKL has a strong multi-generational workforce and understanding this data helps us meet our aim of being a great employer for all. Over the last two years, we have seen an increase in 16-24-year-olds by 6%. This is down to our continued investment in apprenticeships to build routes for talented people to join BKL.



Religion

We want an open culture where people feel safe to share their faith at work. BKL will continue to recognise the importance of different religious events and, more importantly, customs and practices, so that we continue to build an inclusive firm.



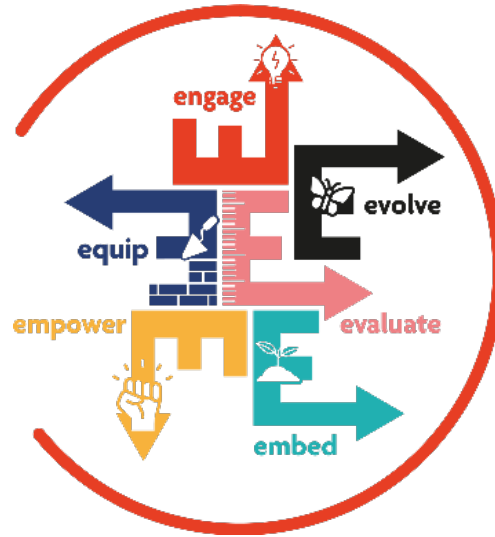
We want an
open culture
where people
feel safe to
share their
faith at work



Inclusive Employers

We use Inclusive Employers' six pillars of inclusion and diversity as a framework to benchmark and measure our inclusion progress against.

In 2022, we made our second submission to the Inclusive Employers Standard (IES). Across most of the pillars, higher scores reflect our progress, with our overall score almost doubling.



BKL's IES Scores: 2019 and 2022

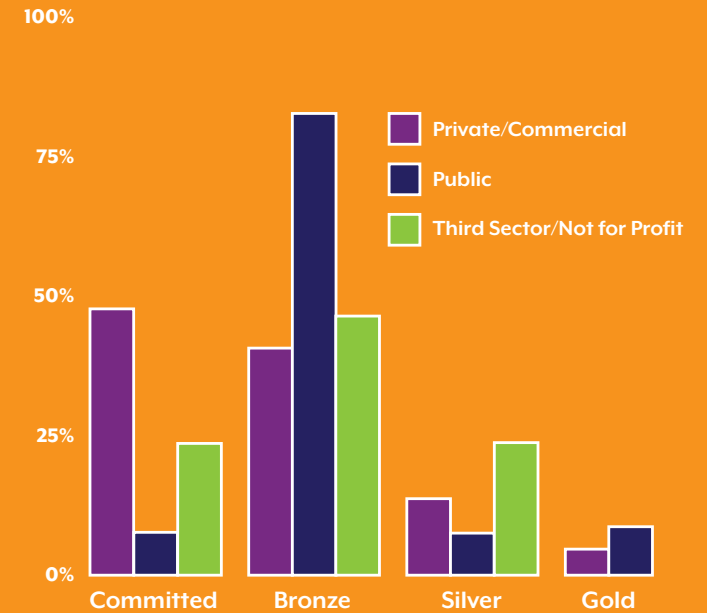
	Engage	Equip	Empower	Embed	Evaluate	Evolve	Total
2019	13	25	11	9	0	11	69
2022	33	33	11	15	22	22	136

While we had been hoping for Bronze or Silver accreditation – with the goal of achieving Gold accreditation by 2025 – we came away from the IES process with an in-depth breakdown of areas for further improvement, many of which will build on our strengths and provide the basis of our future People & Culture strategy. We've outlined 10 of these on the next page.

Average % score per pillar per outcome†

	Committed	Bronze	Silver	Gold
Engage	29%	45%	67%	94%
Equip	20%	30%	53%	83%
Empower	15%	31%	53%	92%
Embed	10%	28%	69%	82%
Evaluate	8%	27%	58%	78%
Evolve	13%	26%	58%	96%

Outcomes per organisation classification†



†Data based on all participants of the IES since 2019

10 areas of strength	10 areas to focus on
Gathering of employee diversity data at the application stage to store on the employee database	Collect data regarding gender reassignment
The ability to be able to self-declare as part of the form	Review communications around why we are collecting the data, include reassurances about the security of it and ensure we have reached all staff
High disclosure rates	Provide greater communication around the inclusion strategy to enable employees to see the 'bigger picture', as well as trainings and policies
Organisation participation in a wide range of inclusion activities	Collect data around engagement sessions to understand success of them
Survey covers relevant areas to inclusion and shows analysis of results by age and binary gender	Implement employee network groups to provide a channel of communication on employee experience
DEI is a focus of the corporate strategy and features in the firm's vision	Devise the upcoming DEI strategy to incorporate quantitative and/or qualitative data to be able to set targets and link to the corporate strategy
Senior managers participated in activities to increase their knowledge and understanding of DEI and employee experience	Explore positive action activities such as sponsorship, support to staff returning from career breaks etc
Monitoring and reviewing staff diversity data	Explore positive action activities such as sponsorship, support to staff returning from career breaks etc
Promoting inclusion and diversity through internal policies	Review the touchpoints of data monitoring and set specific targets
Training for employees on inclusion-related topics	Deliver a broader programme of mandatory training and establish a clear rationale for why it is offered



Events

2022/23 gave us many opportunities to bring people together, celebrate our cultural differences and raise money for good causes. Here are some highlights. While get-togethers like these will be a prominent feature of our approach to DEI in the future, they're also about having a good time.

Multicultural lunch

An annual event inviting everyone to bring or make a dish that represents their culture.

Macmillan Coffee Morning

In a similar thread to the lunch, we held an event based around people baking or bringing food – cakes and biscuits in this case – and raised **£376** for Macmillan Cancer Support.

Christmas Jumper Day

We followed the festive tradition, raising **£277** for Save The Children.

Business Fives London

In August 2022 and February 2023 we took part in this corporate football tournament. Both times we played in aid of men's mental health charity CALM. We raised a total of **£1071**.

Art for Wellbeing workshops

BKL alumna and local artist Slava Bespyanska ran two floral painting workshops in the office. The sessions helped attendees to slow down, get creative and practise mindfulness.

'The multicultural lunch was amazing. It provided an opportunity for us 'newbies' to spend some time with colleagues that we would not necessarily get to meet on a normal basis, whilst enjoying some incredible food. ... One of the first things that you notice when you walk through the doors at BKL for the first time is the diverse mix of staff. This is what makes the firm work and creates the great working environment that we are all able to enjoy.'

Simon Stock, Tax Consultant



Talent acquisition, learning and development

At senior level, we worked with CLIC whose Partner Academy supports leadership development in a broad range of areas. Everyone at BKL has access to The Professional Alternative, an online learning platform designed to support learning & development in professional services firms.

Apprenticeships and trainees continue to be an essential part of how we work at BKL. We typically have around 60 ACA and AAT trainees in the firm in any given year and we are proud to have retained over 35% of our intake from 2017.

Fabio Ricco shares his journey from trainee to becoming the youngest senior manager ever at BKL.

'I joined LTSB when I got to a crossroad after completing my A levels. I had started training as a mechanic and worked with my father on odd jobs, but having loved Maths and Business at school, finance became the next obvious choice for me.

I didn't feel that my school prepared me with the employability skills that I needed to find the right job, but LTSB gave me the experiences I felt were missing. This helped me secure a job at BKL. I joined in 2016 and have been here ever since.

I manage one of BKL's ABS pods: specialised teams within BKL's Advance Business Services team, providing accounts, outsourcing and other client services. This means that I can help guide younger colleagues who are starting their careers at BKL, something that is really important to me.

I started doing this as early as I could; and it's what helped me to win LTSB West London Apprentice of the Year in 2017.

One of BKL's values is 'Do the right thing' and I've seen how important LTSB is to that. BKL won LTSB's Employer of the Year in 2019.

I am a big believer in the work that LTSB have done and are still doing for young people. I am grateful to have been able to work with some impressive apprentices who followed a similar route to me. These apprentices have proved that the charity, with employer partners like BKL, continues to make a difference.'

See pages 27-28 for more LTSB experiences.



Wellbeing

We added to and retrained our existing mental health first aiders (MHFAiders), bringing the total number to 16 as of March 2023. In the year ahead, we will be exploring ways that colleagues can benefit from this investment.

We also held four hybrid Time to Talk drop-in sessions at lunchtimes, open to everyone at BKL wanting to chat about their mental health experiences or just to listen. We look forward to running these more regularly in the future.

Rewards & benefits

In July 2022, we surveyed everyone at BKL on which benefits were most valuable to them. As a result, we committed to completing a benefits review. Our objective was to bring greater choice and personalisation to benefits. We began that journey by choosing our new platform, Ben, which will enable us to provide greater choice and flexibility as we grow. We are focusing on establishing the core fundamentals of a comprehensive benefits package.

Family friendly policies

We know that policies must stretch far beyond words on a page; they represent our values and commitments to our colleagues. We've introduced:

- / Six months of full pay for the primary carer
- / Four weeks for the secondary carer

Communicating and listening

Our approach to internal communications ensures that everyone has an informed voice, and that the senior leadership team listens to those voices and acts on them. Ways in which we did that in 2022/23 included:

- / **From the Horse's Mouth:** these are hybrid meetings led by the BKL Board, for the whole firm. Members of the Board share the big picture of how the business is doing and where it is going. Attendees can ask questions in an open forum. At least two sessions are held per year, with additional meetings if there is a development that may impact people within the business, such as the transaction with CBPE (page 24).
- / **BKL Board Open Sessions:** introduced in July 2022 for small groups to meet with Board members to share their day-to-day experiences. Every person at BKL was invited to an Open Session. There was no set agenda; sessions consisted of groups of 8-10 people and people were invited to share how they felt and their experience in the workplace.

New Chief People Officer

To support our ambition to create a great employer for all, we have appointed (from May 2023) our first CPO, Greg McCaw. His background and experience are in colleague experience, culture and DEI. Greg is integral to gaining a deeper understanding of our people and creating a strategy to ensure their experience within the workplace is the best it can be.



Plans for the next 12 months

We will **launch a new People & Culture strategy** by the end of 2023. The strategy will be co-created by Greg and our colleagues, and is likely to focus on:

1. Building a clear philosophy and approach to **employee experience** to become an employer of choice
2. Building an **employer brand strategy** that leverages our values on being a B Corp
3. Creating the next phase of our **diversity, equity & inclusion strategy**
4. Building our approach to **leadership, growth & learning**
5. Having a clearly defined **strategy for culture** as we scale and grow
6. Building on our **family friendly policies** to include extensive neonatal support, pregnancy loss support and coaching for parents returning to work
7. Ensuring our **recruitment processes** work for people with disabilities and neurodivergent candidates

Partner Profile: Geeta Morgan

Geeta Morgan has been working in audit for over 15 years. She was appointed as a BKL Audit Partner for the financial services sector in January 2023 and officially joined BKL in April 2023.

Originally from Mumbai, Geeta moved to the UK as a teenager, and now lives in London and Guernsey.

When she is not auditing, Geeta enjoys building a property portfolio via auctions, listening to music and watching horror movies.

Here are some words she shared on her experience of BKL and what she would like to accomplish in her time here:

'I wanted to work in a firm where I could help in building and growing the business. My passion is to ensure that I have a motivated and accomplished team, a good pathway for employees to be able to reach their goals and for the firm to grow and be successful.

BKL's culture is one of the best I have ever encountered. There is so much freedom for people to express their views and opinions, safe in the knowledge that those views and opinions will be received in an unbiased manner with no repercussions. I find the work environment very pleasant and that is one of many reasons that I like working from the office.

Everyone was so welcoming during my first few weeks and ensured I settled in quickly. I can safely say that BKL is truly unique – it has successfully created a very welcoming culture and everyone is so friendly. My only regret is that I didn't join earlier!



BETTER BUSINESS THROUGH OUR GOVERNANCE AND OPERATIONS



Being a more impactful business means having the operational elements in place to enable that. Governance is an area of long-term focus for us; as we continue to grow as an organisation, we need to ensure that we are implementing policies that embed responsible business practices.

Private equity investment

In April 2023, we secured private equity (PE) investment from CBPE Capital to grow the business and explore new opportunities that will strengthen our service offerings. The B Corp certification process provided us with a strong basis for what we wanted in our investors and highly influenced us in the selection process. Throughout the process, we learnt that acting responsibly and considering ESG in every business decision and in day-to-day life is integral to CBPE: a position that BKL strongly identifies with.

The focus of governance throughout this period of reporting was ensuring that our transaction with CBPE was ethically and responsibly managed and that people within BKL felt well informed about the process and any potential changes. Members of the BKL Board (previously known as the Executive Committee) hosted hybrid drop-in sessions to provide updates and answer questions.

‘We are delighted to be backing Lee Brook and the team at BKL. BKL’s strong employee culture and values, empowered by investment in technology, drives an exceptional level of client service.’

Adam Richardson, Director at CBPE

As part of the due diligence process, BKL were required to complete a review of our ESG practices, conducted with the help of ESG consultancy and fellow B Corp Anthesis, designed to evaluate the management and performance improvement measures in place to help manage ESG risks and maximise ESG opportunities.

We achieved an ESG score of 54%, showing that BKL has taken a proactive approach to ESG management but has room for improvement. Anthesis highlighted our efforts around DEI, stating:

‘Particularly noteworthy are the strong practices around diversity and inclusion, including a long-standing partnership to improve the diversity during the recruitment process.’

It was important to us that we retained our culture and sense of purpose following the transaction, and so ensuring that we found the right investor was crucial. As part of the decision-making process, we asked CBPE to share their ESG policies and their position on matters that are important to us, such as DEI at board level. We were pleased to discover that CBPE shared our values and recognised the value of our business, its leadership and our staff.



Articles of Association

As part of the B Corp certification process, BKL amended the Limited Liability Partnership deed to illustrate that we are all legally obligated to actively balance purpose and profit in all decisions and actions undertaken by the business. During the preparations for the PE investment, we spent time recognising and understanding the actions we needed to take to ensure this legal obligation was preserved post-transaction, as well as the requirements needed to retain our B Corp certification.

Relaunching Mosaic

Mosaic was originally established as a multicultural forum to understand and promote DEI across the business. As we developed the ESG strategy, we saw an opportunity for Mosaic to have an expanded remit with more responsibility, including putting BKL's strategy into action and helping colleagues organise activities in these areas.

In February 2023 we announced the relaunch: inviting new members to join Mosaic, remotivating existing members and redefining the group's purpose.

Mosaic will become a central platform for driving change from the inside out. It will be a place where we model exemplary governance and are open to learning and evolving as the needs of the business adapt to the changing world.

Plans for the next 12 months

Performance management

1. **Recruit an independent Chair** by September 2023, to continue our journey and help us better understand decision-making that balances profit and purpose.
2. In 2024 we will **update all role descriptions and performance management approach** to ensure these incorporate and are linked to ESG.

Data measurement and reporting

3. By 31 December 2023, we will **implement an ESG data management and reporting framework**, and we will ensure that the data is transparent and readily available to everyone
4. From April 2023, ESG, social and environmental data will be an **agenda point at monthly BKL Board meetings**, to ensure decisions we make balance profit with purpose

Policies and procedures

5. **Define the purpose of Mosaic and the roles of its members** by September 2023, prior to assigning ESG-focused projects
6. **Develop and communicate a policy and code of conduct for suppliers and business partners** by March 2024
7. During 2023 we will **develop a 'good work code'** to ensure that we're working with clients who are a good fit for our values and culture
8. **Review and update all policies and procedures** to ensure these are aligned with being a better business by March 2024

DRIVING POSITIVE IMPACT THROUGH EVERYTHING WE DO

We can have an impact through the work that we do. We provide career opportunities to people who might otherwise not realise their full leadership potential and we enable businesses to thrive and grow.

By knowing how we can have an impact and placing strategic focus on these areas, we can amplify BKL's impact through:

The services we deliver

In November 2022, we appointed Tyler Jeffs as our Charities and Not for Profit Specialist to oversee the charity audits and strengthen the charitable offering.

BKL have been working with clients on procedures to reduce their waste packaging consumption. Helena Kanczula, one of our Business Tax Directors, has an in-depth knowledge of the compulsory charges for single use carrier bags and other environmental taxes, such as landfill tax.

Following the introduction of plastic packaging tax (PPT) from April 2022, we've worked with clients to help them look at their strategies and change their approach to plastic consumption.

'Whilst plastic packaging tax is a newly implemented area that only a modest number of [SME] businesses will be affected by, the team [at BKL] have experts on hand to advise and ensure that our compliance obligations are fulfilled efficiently. The tax team at BKL, providing support with VAT to PPT are our trusted business partner and as an overseas headed business, this has been invaluable for our future UK strategy.'

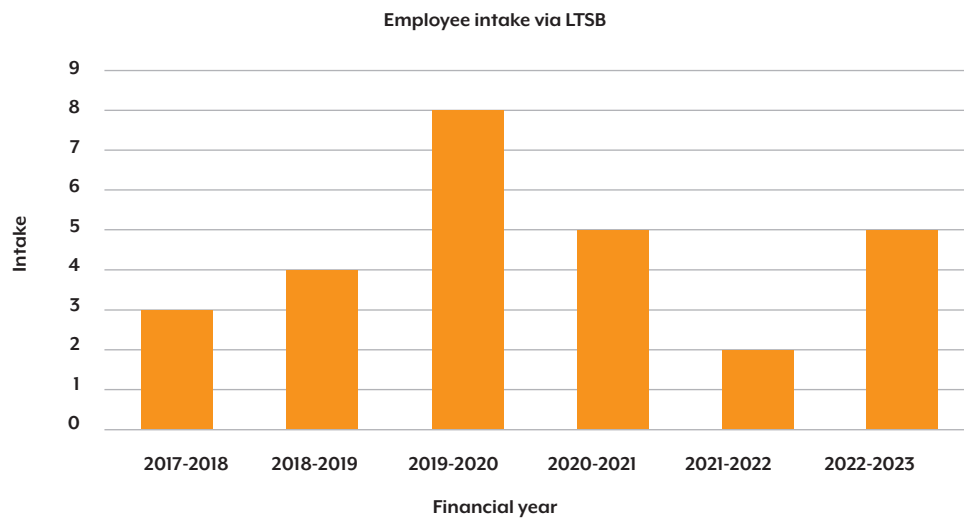
Anna Gregoire, Carambar & Co

The people we employ



LTSB (Leadership Through Sport and Business) is a social mobility charity providing support to talented young people who, without LTSB's help, might otherwise not realise their full leadership potential. The team at LTSB make sure those at risk of underemployment find careers equal to their ambition and ability and can contribute from their first day on the job.

BKL and LTSB have been working together since 2012. Since 2018, 27 colleagues have joined BKL through LTSB. On this page and the next are some thoughts on our partnership from LTSB alumni currently at BKL, and from LTSB themselves.



'BKL improve[d] my confidence ... I am now able to come into the office and feel confident every day in what I do'

Mille Everett

'I feel like BKL have really invested in my career... they're paying for all of my exams, but deeper than that, I think they really care about me as an individual'

Ellie Barrow

'BKL are very supportive and they really support innovative thinking and thinking outside of the box'

Tom Li

'BKL's passion for creating a diverse and inclusive team is inspirational. We have seen some incredible outcomes from our partnership. This has included fully qualified accountants along with apprenticeship roles for many young people who would have otherwise fallen victim to underemployment and lack of opportunities. The positive impact this has had on their families and communities is huge.'

Paul Evans, CEO of LTSB (2020-2022)

Bilshan's story

'When I finished secondary school, I knew I wanted to be an accountant in the future. I chose the apprenticeship route over university, so I could gain practical experience in the accounting industry whilst studying.'

After completing AAT Level 2, I joined BKL through the LTSB programme. BKL and LTSB have worked together for several years, so I knew they would understand how to help me to make the most of the opportunity.

Winning LTSB's North London Apprentice of the Year Award in 2019, after working hard, is something I'm really proud of.

Everyone at BKL is part of a calm yet productive work environment which makes it a great place to work. The study leave available to apprentices means I can focus on preparing properly for my exams. The managers are also very supportive of my development, giving the trainees a variety of different jobs to challenge us and build up our experience.

Coming from secondary school was a challenge in itself, because it hadn't really prepared me for working life and how to deal with a 9-5 job. However, BKL made the transition from full-time education to full-time employment very smooth and now the world of work is not as daunting as it was at first.

The biggest challenge I faced when I started at BKL was getting used to software I'd never used before. Thanks to plenty of training and patience from colleagues, I was able to learn from my mistakes and keep improving.

It's been rewarding to be a trainee and employee at the same time. Sometimes I'm putting knowledge from my studies to practical use. Other times I've learned things which take me ahead of my studies, like dealing with HMRC and client interaction.

It's also rewarding to know that my hard work is truly appreciated and that I have opportunities to work towards promotions and develop my career.

At the same time, BKL encourages people to look beyond our work and stay healthy. I enjoy organising regular football training.

Although I'm at an early stage on my path to becoming a chartered accountant and manager, I feel like I have matured as a person thanks to BKL. I have become more confident in my role and I know how it positively contributes to BKL as a whole.'



Our charitable Foundation

As part of BKL's commitment to making a difference, we established The BKL Foundation in 2019. The Foundation in 2022/23 consisted of five volunteer trustees, ranging from Partner to Apprentice. Although all members work for BKL, the Foundation sits independently of BKL.

Once audits have been completed after year end, BKL donates 1% of its total profits to the Foundation. As a separate legal entity to BKL, the Foundation has a duty to distribute the proceeds as it sees fit. BKL also matches funds up to £500 raised by BKL employees for charity through sponsorships or events.

The Foundation has primarily, but not exclusively, supported good causes local to the BKL office (Finchley, North London). It occasionally donates to UK charities involved in providing overseas aid, such as the DEC Ukraine Humanitarian Appeal.

Between April 2022 and January 2023 the Foundation donated over £70,000 to various charities.

The table below shows the grants awarded by the Foundation in 2022/23:

Date	Cause	Amount donated
01/04/2022	DEC Ukraine Humanitarian Appeal	£10,000
02/11/2022	Mind in Enfield & Barnet	£5,000
30/05/2022	Chipping Barnet Foodbank	£5,000
02/11/2022	Chipping Barnet Foodbank	£5,000
02/11/2022	Rephael House	£3,000
02/11/2022	Barnet Mencap	£5,000
02/11/2022	Homeless Action in Barnet	£5,000
02/11/2022	RESTART	£3,000
02/11/2022	Age UK Barnet	£5,000
02/11/2022	Together in Barnet	£5,000
02/11/2022	Live Unlimited Barnet	£5,400
20/12/2022	Say It Loud Club	£5,000
31/10/2022	St Joseph's Hospice	£5,000
02/11/2022	Panathlon Challenge	£3,000
16/01/2023	Fitness Without Boundaries	£1,000
		£70,900

'Thank [you to] BKL for their support over the years especially with a grant these past two years... Without support such as yours we would not be able to do this work.'

Homeless Action in Barnet

'A HUGE thank you to The BKL Foundation for your hugely generous donation of £5.4k to our Driving Ahead scheme, giving three Barnet care leavers the game changing opportunity of learning to drive, opening up new employment options and experiences!'

Live Unlimited Barnet

'We would like to thank BKL for their generous donation. This will help us provide specialist palliative care to people suffering from life-limiting illnesses in East London over the upcoming year.'

St Joseph's Hospice

Plans for the next 12 months

1. **Develop a strategy for our new ESG service** line during 2023. This will cover:
 - a. Integration into our existing service offerings
 - b. Expanding our ESG offering through partnership and acquisition
 - c. Supporting our existing clients on their own ESG journeys
 - d. Supporting impact-focused businesses, such as B Corps or not-for-profits, so that our advice can enable them to amplify their impact
2. During 2023, we will **identify how we can be most impactful through our giving and volunteering**. The BKL Foundation will lead on this work
3. During 2023, we will **build on our relationship with LTSB and explore additional partnerships** which could strengthen our impact business model

Warmth for homeless people

In November 2022 BKL's Group Finance Manager, Roze Remak, organised a collection of jackets, coats and money to donate to homeless people in London. Together with the involvement of four local students from Woodhouse College, Roze took suitcases containing over 65 jackets and coats to distribute to people sleeping on the streets near Leicester Square, bracing themselves for a cold, hard winter ahead.

The team also bought them hot drinks and food with money that had been donated, and offered something so easy to give but so often forgotten: acknowledgement and company.

There were so many jackets donated that we were also able to give a full box to Homeless Action in Barnet.

'This simple and easy deed meant that many would be warmer on the freezing streets of London, also giving them company and someone to listen to their stories. Homeless people are often villainised, but in reality, they are people like us who simply haven't had the same opportunities'

Natalya, Woodhouse College student

'One by one we offered them a jacket or two each and purchased them hot coffees from nearby. They were overwhelmingly grateful and kind to us, almost looking surprised that we were giving back to them. Their nice 'Thank yous' and smiles made it all worth it and I really cherished each conversation I had with them all.'

Seren, Woodhouse College student



LEADING BY INSPIRING AND ENGAGING OTHERS



‘We sit at the heart of business, churning numbers and providing insight, creating the necessary ecosystem to warrant and implement adaptations. As the next few years unfold, accountants worldwide have an immense responsibility, and opportunity, to support the shift to a sustainable global economy.’

Ravi Abeywardana, Technical Director of the Climate Disclosure Standards Board

We can use our leadership role to inspire others, change perspectives and encourage people to take action – within BKL and beyond.

B Corp certification

The accountancy sector is often thought of as slow to react to the climate crisis. Becoming one of the few B Corp accountancy firms (in the UK and worldwide) is an accomplishment that we are proud to shout about: following the example of other firms, becoming the first B Corp in the Accountancy Age Top 100 and seeing other accountancy firms join us in the B Corp community since.

Having gone through the process, we feel well positioned to recommend it and advise on how to approach B Corp certification at an organisational level. We hope that many more businesses of all sizes, in our sector and beyond, will explore the benefits of becoming a B Corp and embracing an active role in an inclusive, equitable, and regenerative economy.

In addition to inspiring businesses to become B Corps, we also recognise the immense value of engaging with the existing B Corp community. To that effect, our Chief Commercial Officer Simon Bussell, who had a leading role in our B Impact Assessment process, became a co-chair of the B Lab UK Marketing Working Group. The working groups serve to create a space for open networking, learning and collaboration amongst fellow B Corps.

‘Welcoming BKL is an exciting moment because they have the opportunity to lead the way within the UK accounting sector.’

Chris Turner, Executive Director of B Lab UK

Stewardship

Sustainability is a collaborative effort. For BKL to have a significant impact, we need to share what we've learned on our journey: among colleagues, with our clients and beyond.



Simon Bussell and Myfanwy Neville have had leading roles in this, including:

- / **Business but better**, a BKL video about our ESG and B Corp journey and how we're supporting owner-managed companies to become better businesses
- / A lunch & learn within BKL for B Corp Month in March 2023 (with food and drink from fellow B Corps)
- / Interviews for articles: Accountancy Age, ICAEW Insights, PSM The Professionals and FSP Partnership
- / Myfanwy's application to join the ICAEW Sustainability Committee – members of the Institute who are responsible for overseeing the development and implementation of ICAEW's strategy and policies on sustainability

UPDATE:
Myfanwy was formally appointed to the committee in May 2023

Plans for the next 12 months

1. During 2023, we will **develop a strategic plan for external leadership**, such as speaking engagements, writing articles, participating in panel discussions and roundtables. Our focus will be on the property & construction sector, accountancy sector and the B Corp community
2. During 2023, we will ensure that the BKL Board and wider leadership team are **aligned on our vision for ESG at BKL** and what success looks like
3. During 2023, we will **identify opportunities to become actively involved in external organisations, committees and groups** through which we can help to educate others on ESG while learning more ourselves

The past six months

Although this report focuses on 2022/23 i.e. BKL's last complete financial year, we've continued to make an impact in the six months since. Here are some of the further steps we've taken in that period of time.

Carbon offsetting and calculation

As a result of the carbon calculation we collated internally (see page 10), we were able to offset BKL's carbon emissions (across Scopes 1 & 2 and calculated Scope 3) in April 2023. We achieved this through investing in two gold standard accredited carbon offset projects:



Clean energy stoves

for families in Nigeria; reducing the carbon impact of the fuels being burned and improving air quality



Wind farm projects

in China, where most of the world's consumables are made

Whilst we know that offsetting is by no means a silver bullet, we see this as a vital step in our progress towards our ultimate goal of becoming net zero.

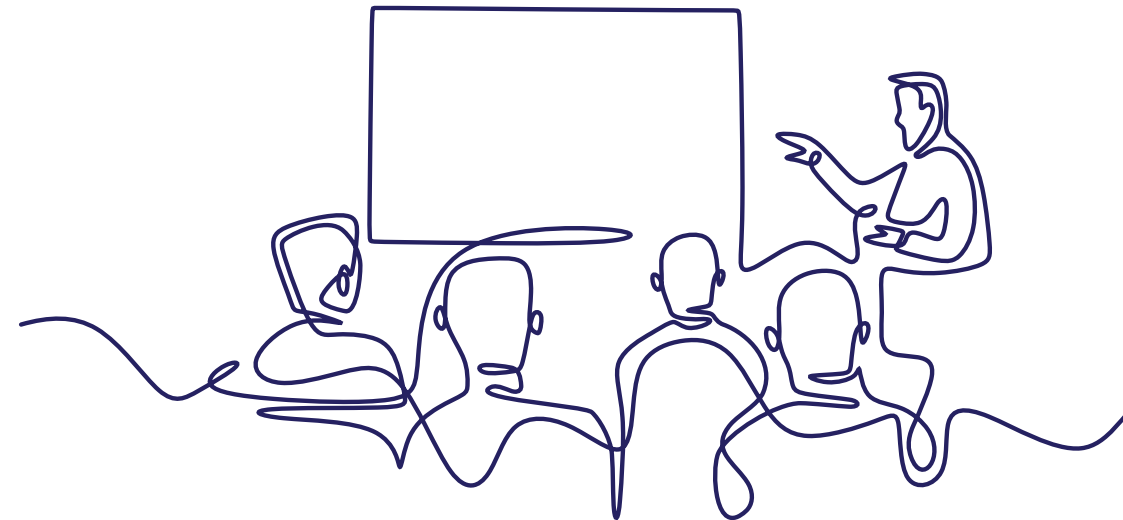
To ensure that we are accurately calculating our carbon footprint across all scopes, we have appointed carbon calculation experts, Net Zero Now, who are helping us to track our emissions and identify where and how we can reduce them further.

Expanding our team

We welcomed Rebecca Jackson as our first ever Impact Project Manager. This position was created to help ensure that we remain committed to our vision, and that we continue to make progress towards becoming a more sustainable business. Rebecca co-ordinates all our sustainability initiatives and ensures we are on track to achieve our goals.

As mentioned on page 22, Greg McCaw has joined us as Chief People Officer and is closely involved in a number of colleague experience, culture and DEI projects.

In another new role at BKL, Ryan Meyer joined as Talent & Development Manager, to drive continued investment in our people at every stage in their career.



B Corp score and goals for recertification

As a B Corp, we've committed to continually working to improve our score on the B Impact Assessment. Since our change in ownership structure, because of the CBPE transaction, we are required to recertify in March 2024. We are confident that the activities outlined in this report (both completed already and those we intend to complete in 2023/24) will contribute to an increase in our score to 95.

To demonstrate our progress, the table below shows our unverified score as of September 2023 and our target score for March 2024.

	September 2022 score (verified)	September 2023 score (unverified)
Governance	15.3	17.8
Workers	46.2	48.9
Community	11.8	13.4
Environment	6.7	8.2
Customers	3.3	3.2
Overall	83.6	91.7

March 2024 Target score
95



DO THE RIGHT THING



Thanks for spending time with this report.

Our audience was anyone who wanted to read it... and we're glad you have.

Whether this is the first impact report you've ever read, or one of many you've delved into, you've probably noticed one word coming up a lot: sustainability. So, to round off, I wanted to say a bit about what it means to us.

A sustainable business has been described as 'one that doesn't borrow from the future'. Whether that's through generating sustainable profits to offer stability of employment, client service and future investment; building a happy and well-supported team; offering a positive contribution to our local communities; or minimising the way in which we waste the planet's resources – our aim has always been to build a sustainable business that remains resilient to future changes, while helping our clients to do the same for theirs.

As leaders ourselves, and as accountants and advisers to leaders, we recognise our responsibility to equip businesses to adapt and grow into the new world.

Over a decade ago, Peter Bakker, President and CEO of the World Business Council for Sustainable Development, talked about how 'accountants will save the world' by considering not just 'financial capital' but 'social and natural capital'. The need to have a positive impact on people and planet is more vital than ever; who better to lead the charge than the accounting sector?

This is why we are investing in developing our approach to sustainable business, in all the ways we've demonstrated in these pages. This may be BKL's first impact report but it won't be our last, and we're already excited about the great things we'll be able to share with you in 2024!

Myfanwy Neville

Head of ESG



GLOSSARY



DEI (diversity, equity and inclusion) – workplace policies and actions that recognise people’s differences and enable fairness, wellbeing and belonging

ESG (environmental, social and governance) – a framework for systematically measuring a business’s impact and for taking actions to reduce the risks and make improvements

Greenhouse gas emissions (GHG) – gases emitted from the Earth’s atmosphere that trap heat

Carbon footprint – the total GHG emissions produced as a result of our actions

Scope 1 – Direct emissions from onsite sources, such as gas

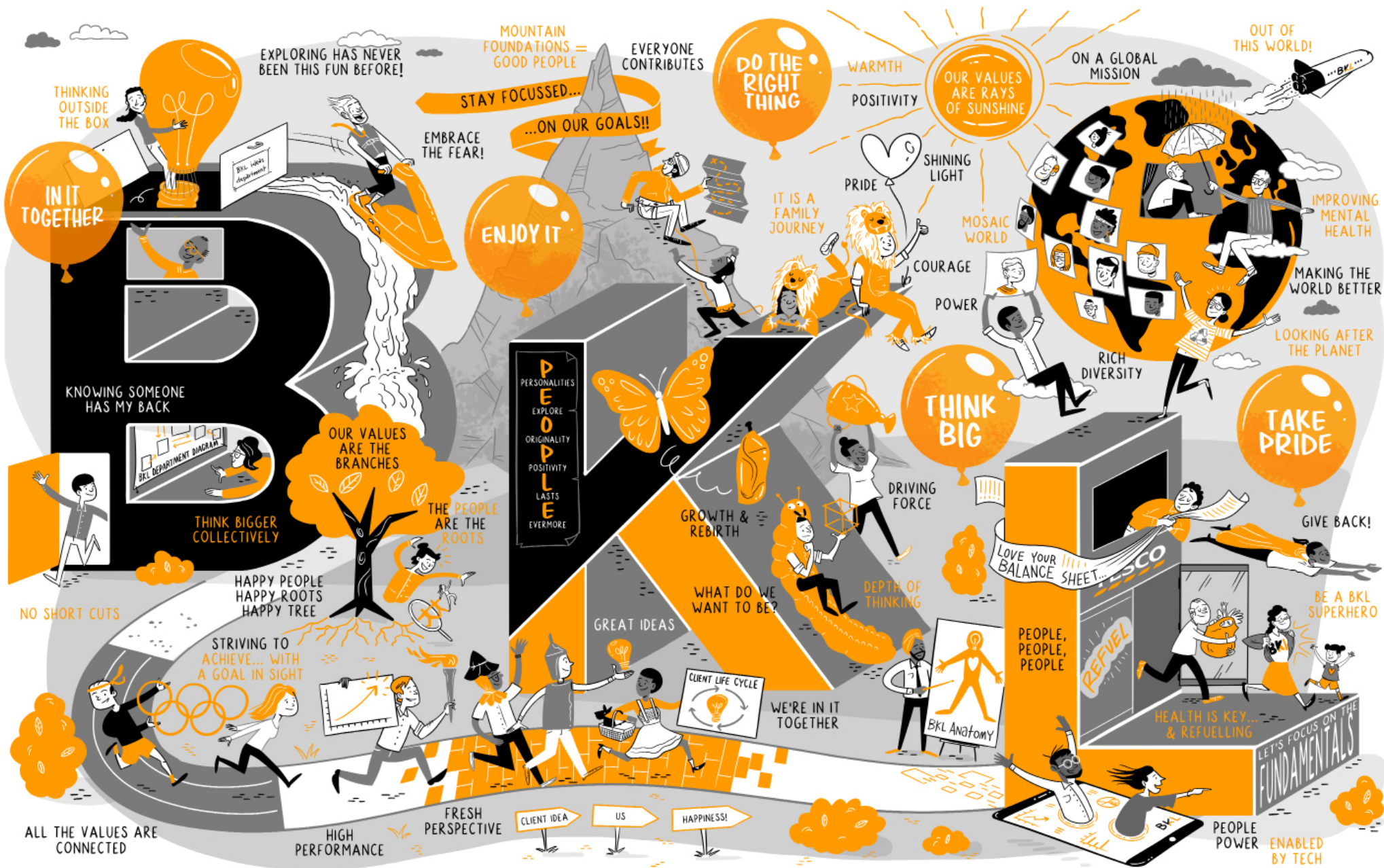
Scope 2 – Indirect emissions from purchased offsite sources, such as electricity

Scope 3 – Indirect emissions from the whole value chain, including travel, waste and our suppliers

CO₂e – Carbon dioxide equivalent is a unit of measurement used to standardise other greenhouse gases, such as methane, to make the effects comparable to carbon dioxide

Science Based Targets Initiative (SBTi) – using climate science to define emissions reduction practices and net zero targets

Net zero – cutting GHG emissions across our whole value chain to as close to zero as possible, with any remaining emissions reabsorbed from the atmosphere using qualifying offset approaches



In May 2022, we had a whole firm away day to explore what our five values mean to us. We created collages that represented how we interact with each other, how we work with clients and how we conduct ourselves. We then worked with digital artist Eddie Jacob to create a piece of artwork that combined ideas from all of the collages into one piece that is proudly displayed in our office.

© Copyright BKL 2023

www.bkl.co.uk

