

# Big Local Trust

Annual report and financial statements for  
15 February 2012 – 31 March 2013

charity number 1145916

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# Big Local Trust

## Charity details

The corporate trustee for Big Local Trust – Local Trust – submits the annual report and the financial statements for the period from the registration of Big Local Trust as a charity on 15 February 2012 to 31 March 2013.

**Big Local Trust registered charity number** 1145916

### Principal address

Unit D  
15-18 White Lion Street  
London  
N1 9PD

<b>Corporate trustee</b>	Local Trust:	registered company number	7833396
		registered charity number	1147511

<b>Chair of Local Trust (corporate trustee of Big Local Trust)</b>	John Kevin Sugrue
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<b>Chief executive of Local Trust (corporate trustee of Big Local Trust)</b>	Debbie Ladds
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<b>Big Local Trust protector</b>	Peter Thurston
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### Auditor

Crowe Clark Whitehill LLP  
St Bride's House  
10 Salisbury Square  
London EC4Y 8EH

### Solicitor

Withers LLP  
16 Old Bailey  
London EC4M 7EG

### Banker

The Co-operative Bank PLC  
1 Islington High Street  
London N1 9TR

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CCLA  
Senator House  
85 Queen Victoria Street  
London EC4V 4ET

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50 Bank Street  
Canary Wharf  
London E14 5NT

# Big Local Trust

## Corporate trustee report

### 1 Structure, governance and management

#### 1.1 Background

In July 2011, the Big Lottery Fund appointed the Community Development Foundation to establish a new organisation to be the corporate trustee of the Big Local Trust and to administer and deliver the Big Local programme across England.

The Community Development Foundation and partners (Capacity Global, CCLA, the Institute for Voluntary Action Research, the National Association for Neighbourhood Management, Renaisi, and UnLtd – the Foundation for Social Entrepreneurs) established Local Trust to be the corporate trustee on 3 November 2011.

Big Local Trust was established by Local Trust and the Big Lottery Fund. Big Local Trust is an unincorporated charity governed by a trust deed dated 13 February 2012 and deed of amendment dated 5 June 2013. Big Local Trust was registered with the Charity Commission on 15 February 2012.

#### 1.2 Focus of activities

The trustee has given due consideration to Charity Commission guidance on the operation of the public benefit requirement and are comfortable that the work of Big Local Trust meets that requirement. The work in the period to 31 March 2013 focused on establishing Big Local in 100 new communities, alongside supporting the first 50 Big Local areas.

#### 1.3 Corporate trustee

The trustees of Local Trust, the corporate trustee of Big Local Trust:

##### Trustees

Michael Arthur Hamilton (appointed 3 November 2011, chair until 10 July 2013 when resigned)

Kathryn Kane (appointed 19 December 2012)

Benjamin Yat Meng Lee (appointed 3 November 2011)

Peter Ensell Mills (appointed 19 December 2012)

Clifford James Prior (appointed 3 November 2011)

Andrew John Robinson (appointed 3 November 2011)

Alison Margaret Seabrooke (appointed 3 November 2011)

Penelope Anne Shepherd (appointed 19 December 2012)

John Kevin Sugrue (appointed 3 November 2011, chair from 10 July 2013)

Jonathan Michael Taylor (appointed 19 December 2012)

John David Whitton (appointed 19 December 2012)

##### Staff

There is a small staff team who make use of skills and expertise locally and in partner organisations to deliver a range of support to Big Local areas. Chief executive Debbie Ladds leads the Trust. Debbie was recruited and began in post on 5 January 2012. Debbie was previously the deputy chief executive at the Community Development Foundation and was the key lead on the successful consortium bid (led by Community Development Foundation) to Big Lottery Fund.

All the activities of Big Local Trust are promoted under the Local Trust and Big Local brands. The programme, Big Local, is funded by Big Local Trust.



## Big Local Trust

### Corporate trustee report (continued)

#### 1.4 Big Local Trust protector

The Big Local Trust has a protector who has a fiduciary duty to ensure the integrity of the administration of the Big Local Trust and the propriety of its procedures, and if necessary report matters of serious concern to the Big Lottery Fund as the founder or to the Charity Commission. The Big Lottery Fund appointed Peter Thurston BA FCA as protector in 2011. The appointment is for a maximum term of five years and the protector may serve for an unlimited number of terms. The protector can receive from Big Local Trust an annual remuneration of £15,000 and reasonable out of pocket expenses incurred in carrying out the role.

#### 1.5 Investment into Big Local Trust

£100 million was received from Big Lottery Fund into the Big Local Trust bank account on 9 March 2012; the first instalment of their grant to Big Local Trust.

£96,873,499 was received from Big Lottery Fund into the Big Local Trust bank account on 1 January 2013; the second instalment of their grant to Big Local Trust.

£17,464,758 was received from Big Lottery Fund into the Big Local Trust bank account on 27 March 2013 to support the long-term success of Big Local areas across England.

#### 1.6 Responsibilities of the corporate trustee

The corporate trustee of Big Local Trust is responsible for preparing the trustee annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) that gives a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the net income or expenditure, for the year. In preparing the financial statements, the trustee is required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the charities Statement of Recommended Practice (SORP)
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustee is responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustee is responsible for the maintenance and integrity of the financial information included on the charity website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

#### 1.7 Risk management

The trustee has a structured approach to risk management for Big Local Trust which:

- focuses on high risk areas of operation, not just financial risks
- helps staff find improved ways of working and of achieving the charity's objectives

## Big Local Trust

### Corporate trustee report (continued)

- focuses on current operations, identifying future actions and responses to identified risks
- cuts across boundaries, looking at charity-wide issues
- develops knowledge of controls among staff to manage identified risks and eliminate pointless procedures.

The chief executive is responsible for conducting a comprehensive risk analysis, making recommendations to trustees in line with the above approach. A risk register is reviewed quarterly by the sub-committee (or board). The risk register is used by staff to manage key risks and is used to inform the internal audit planning process.

#### **1.8 Key risks and uncertainties**

Key risks and uncertainties in the year included recognition that, because Local Trust is a new organisation acting as the trustee, it would need support from partners with relevant experience, and would need to have a focus on improving organisation and programme design as work progresses.

It was agreed to have clarity and transparency on governance and delivery given the involvement of some people in both governance and delivery, and to ensure active discussion with trustees, Big Lottery Fund and the protector on ways to mitigate risks. Mitigating activities have included the recruitment of additional independent trustees, which took place in this financial year.

In terms of the potential bureaucracy associated with an England-wide programme, it was agreed to develop systems with the specific intention of not overwhelming community activity, whilst ensuring the appropriate management of funds, in line with the requirements of the trust deed.



# Big Local Trust

## Corporate trustee report (continued)

### 2. Objectives and activities

#### 2.1 Development of Big Local

The Big Local programme funded by Big Local Trust is an exciting opportunity for residents in 150 areas around England to make a massive and lasting positive difference to their communities. It is about bringing together and supporting all the local talent, ambitions, skills and energy from individuals, groups and organisations who want to make their area an even better place to live.

Big Local's development has been premised on an understanding that:

- Residents and people locally are best placed to define and identify the priorities of their area.
- Residents and people locally need to control the funding in order to hold the power.
- A triple bottom line approach is needed in order to achieve real and lasting change for people and areas; this includes a focus on the environment, equality and economies.
- Residents and people locally often require a package of support across key priority areas and issues that are important to them.
- The policy context for community development is changing, there are fewer resources available to support this work and new models need to explore how we support people in areas to achieve lasting change.

#### 2.2 Selection of Big Local areas

The Big Lottery Fund selected the areas based on the amount of Big Lottery Fund funding to each local authority area compared to population and deprivation levels; rural versus urban spread; geographic spread across the region; and the absence of substantial non-Lottery funding. Their selection of areas included discussions with people and organisations in each area from the local authority and the local voluntary and community sector.

#### 2.3 Objects of Big Local Trust

The objects as stipulated in the Big Local Trust - trust deed are:

'to advance community development and the relief of unemployment for the benefit of the public in the localities in each region specified .... by making Distributions to the Recipients so as to develop the capacity and skills of the members of socially and economically disadvantaged communities for the benefit of the public in such a way that they are better able to identify and help meet their needs and to participate more fully in society.'

#### 2.4 Big Local outcomes

The four outcomes set by the Big Lottery Fund for Big Local are:

- communities will be better able to identify local needs and take action in response to them
- people will have increased skills and confidence so that they can continue to identify and respond to local needs in the future
- the community will make a difference to the needs it prioritises
- people will feel that their area is an even better place to live.

## Big Local Trust

### Corporate trustee report (continued)

#### 2.5 Delivery of Big Local activities

There are national contracts with the following organisations to support the delivery of Big Local – the Community Development Foundation, Capacity Global, the Institute for Voluntary Action Research, the National Association for Neighbourhood Management, Renaisi and Small Change – some of whom are providing expert advice and support for residents, whilst others are supporting us to deliver Big Local. There is a grant agreement in place with UnLtd as a co-funder and deliverer of the Star People programme.

We ask Big Local areas to identify and work with a range of locally trusted organisations to support their activities. We also provide a Big Local rep to each area. Reps are supported and managed for us by Renaisi.



# Big Local Trust

## Corporate trustee report (continued)

### 3. Achievements and performance

#### 3.1 Introduction

Our achievements are aligned to the successful delivery of Big Local. By 12 February 2027, as corporate trustee of Big Local Trust we will have delivered against the four Big Local outcomes (shown above). At this early stage, Big Local areas have made good progress.

#### 3.2 Announcement of all 150 Big Local areas

The Big Lottery Fund announced the programme and the first 50 areas in July 2010. The Big Lottery Fund supported the first 50 areas whilst they worked with the Community Development Foundation-led consortium, and then Local Trust, to establish the Big Local Trust and Big Local. The second 50 areas were announced on 29 February 2012 when Local Trust was beginning its role as the corporate trustee. The third group of 50 Big Local areas was announced on 10 December 2012.

The December 2012 announcement attracted over 550 pieces of media coverage from local, regional and national radio, TV and newspapers. Reporters and others visited Big Local areas to interview residents, spokespeople from local charities, voluntary groups and councils, combining this with interviews with Big Lottery Fund and us.

Following the announcement Big Local reps worked with Big Local areas to let people know about Big Local and encourage residents and others to get involved.

#### 3.3 Big Local – the pathway

There are seven steps for areas to follow to help them on their Big Local journey. This is called the Big Local pathway, and the steps are:

1. **Getting people involved** - the first stage is to spread the word about Big Local to make sure people know how they can get involved.
2. **Exploring your Big Local vision** - this is about thinking through how an area might change for the better. What do people like now? What could change? What would people like to build on?
3. **Forming your Big Local partnership** - once visions have been collected, the next stage is to create a Big Local partnership to guide the overall direction of Big Local in the area and make sure a diverse range of residents and local organisations continue to be involved. The majority of members will be residents.
4. **Creating your Big Local plan** - the next thing is to move to a shared long-term vision and plan. Plans need to build on what is already good about the area, provide community-wide benefit, respond to local needs, and explain how they meet Big Local's four outcomes. Each area has at least £1m funding and each plan will propose how best to use it over the 10 years and more.
5. **Delivering your Big Local plan** - delivering the agreed plan will involve a range of activities, such as creating a small grants programme for each area, using 'social investment' loans, and paying for specialist services.
6. **Collecting the evidence** - areas need to collect evidence to learn from and adapt their activities as they go along.

## Big Local Trust

### Corporate trustee report (continued)

#### 7. Reviewing the Big Local plan and partnership - annually to ensure they remain relevant.

Each Big Local area moves through the Big Local pathway at a pace that is appropriate for them.

#### 3.4 Big Local – progress

##### Getting Started and Getting People Involved

Big Local areas announced in July 2010 have been supported to deliver Getting People Involved activities. They have been able to access up to £30,000 each in funding to support this, either from the Big Lottery Fund, the Community Development Foundation or us as well as a range of support to deliver their Getting People Involved activities.

The 100 areas announced in 2012 are supported to deliver Getting Started activities, which have many similarities to Getting People Involved. Up until 31 March 2013 we had received 41 proposals from the Big Local areas announced in February 2012. Interestingly, these Big Local areas say they will be able to attract over £130,000 in match funding to support their activities. The three main areas to which Big Local areas allocated this funding were workers (25 per cent of funding), events (16 per cent) and marketing and communications (12 per cent).

We are also aware via informal feedback that Big Local areas are attracting 'in kind support' from different organisations and also attracting lots of voluntary time from residents and others. We plan to capture this data via monitoring reports.

##### Pathway funding

In case areas need more time to develop a Big Local plan, we made up to £18,000 from their £1 million available to help them maintain momentum before their Big Local plan is endorsed.

##### Big Local partnerships

The role of the Big Local partnerships is to guide the overall direction of Big Local in their areas. Each partnership is responsible for agreeing a shared Big Local vision and the Big Local plan, overseeing its delivery and reviewing evidence showing how the plan is progressing, making adjustments or changes as needed.

Essentially, the partnership is a way for people locally to provide recommendations in good faith about how their area can be improved.

The most important points to know about Big Local partnerships are that:

- Each partnership must have at least eight members.
- The majority of members (51%) of each Big Local partnership must be residents, but it can also include people from local organisations and businesses that are involved with or are in the area.
- Each partnership should broadly reflect the Big Local area.
- Membership of each partnership will change over time in response to Big Local activities and each partnership is required to review its membership once a year.
- Partnerships do not 'hold' their area's £1m. Big Local Trust will hold and invest the £1m for all 150 areas until each area is ready to use it.

We endorsed 13 Big Local partnerships during the year.



## Big Local Trust

### Corporate trustee report (continued)

#### Big Local plan

As areas move to a shared long-term vision they develop a Big Local plan. Their plan builds on what is already good about their area, provides community-wide benefit, responds to local needs, and explains how they plan to meet Big Local's four outcomes.

There has been convergence in the way that the first areas have prioritised activities in their plans towards improving the places they live in. The themes indicate what residents value, as well as what is required to meet the Big Local outcomes. For example:

- creating more opportunities for younger people (both through leisure and education)
- reducing the isolation of older people (through physical and social activity)
- improving and promoting health and wellbeing
- improving the physical environment, for example, green and open spaces
- investing in lifelong learning opportunities through training and education
- generating a sense of community spirit and community pride (through opportunities to engage in community activities)
- developing the local economy (focusing on fair finance, skills, enterprise and employment)
- involving more people in Big Local and working towards the improvement of community cohesion
- helping people to feel safe through directing efforts towards crime reduction and community safety
- investing in infrastructure to create more community facilities and leisure opportunities.

We endorsed nine Big Local plans during the year.

#### Learning from areas

Our research by the Community Development Foundation into how Big Local areas get people involved has shown that every Big Local area is different and that they are finding their own solutions to getting started, but we are seeing themes emerge in the types of activities they are choosing to do, these include:

- making sure everyone knows about Big Local
- mobilising assets – to make sure they get the most out of what is already available
- giving as many people as possible the opportunity to contribute their views
- getting a person involved who can co-ordinate Big Local activities
- delivering some 'quick wins' early on - such as community chests for small grants
- creating a partnership that is resident-led.

#### 3.5 Grant making policy

Big Local Trust grant making policies are set in accordance with the trust deed and explained below.

Each Big Local area draws down funding by providing proposals to be endorsed, setting out how they plan to work to address priorities identified by people in the area. Big Local areas are asked to identify an organisation to hold and be responsible for the funding. We call these locally trusted organisations. We expect most applicants to be organisations from the voluntary and community sector working in the area. However, we accept proposals from statutory bodies, such as schools and councils, or organisations from outside the area, where the area agrees this is most likely to help achieve the outcomes of Big Local.

## Big Local Trust

### Corporate trustee report (continued)

Each grant we award is only to be used for the charitable purpose for which it is made, as described in each proposal, and all grants are to help Big Local areas meet the Big Local outcomes. Locally trusted organisations are asked to record all Big Local grants in their accounts as 'restricted funds'.

Our monitoring of grants is proportionate to the size of the award, for example, for Getting Started awards of £20,000 we ask for a short grant expenditure report, and for Big Local plan funding we require an annual report as well as quarterly expenditure reports.

We are able to make grants, deposits and loans to credit unions and community development finance institutions on behalf of Big Local areas, if they choose to make social investments.

#### **3.6 Big Local – the conversation**

Big Local has created and will continue to generate conversation across England from the smallest local level to national discussion. At a community level Big Local conversations take place in many and varied ways through existing meetings or events and at specific Big Local meetings. Nationally we use events and social media to engage in conversations. Over the last year, more than 30,000 people visited our website viewing over 190,000 pages. This is supported by Big Local social media activity, and will continue to grow through Big Local Community, our online funding and contract management system.

#### **3.7 Big Local – economy, environment and equality**

##### **Big Local and local economy**

We understand the importance of money in communities, how difficult it can be to attract and keep money within a community and issues that exist for some communities in accessing fair finance. We and people in Big Local areas are working to ensure businesses work alongside residents to make Big Local happen.

We are working with Big Local areas to inspire them about what is possible in terms of enterprising approaches to making sure more of the money that is used in their community is kept within it, and spent again on the priorities that matter to them. As part of this approach, in October 2012 we held a 'sticky money' local economy event in Birmingham for a range of partners, reps and people from Big Local areas. This was followed up in December 2012 with a learning event for people in Big Local areas, hosted by St Matthews Big Local area in Leicester. We considered how money is created and circulated within local economies and how best to help it 'stick' in Big Local areas.

We have worked with Small Change to look at how Big Local areas can use social investment as a tool to help their Big Local area become an even better place to live, and result in a social and financial return on the investment.

We are able to invest through a combination of loans, shares and deposits (social investments) as well as grants. We are supporting people to understand that they don't have to choose just one funding mechanism. Over the last year, we have been raising awareness of social investment as an option to people in Big Local areas, identifying and working with credit unions and community development finance institutions to build an understanding of Big Local, setting up agreements of funding, assessment processes and reporting procedures.



## Big Local Trust

### Corporate trustee report (continued)

#### Star People

Star People awards are unleashing the energies of people who can transform the Big Local areas that they live in. These are individuals with fantastic ideas, both big and small, to make their areas even better. UnLtd are co-funding and delivering the Star People programme as part of Big Local.

Up until 31 March 2013, UnLtd distributed £908,469 in Star People awards made up of:

- 108 try-it awards - up to £500 awarded to individuals to try out their ideas to improve their local area
- 138 do-it awards - up to £5,000 (with an average award size of £2,500) to individuals to take forward their community enterprise idea with a clear project plan
- 17 build-it awards - up to £15,000 of funding to individuals who have an established social venture or community project.

Star People are leading initiatives growing food, improving parks and play areas, engaging people in sports and arts, boosting the local economy with affordable clothes, food and heating alternatives, challenging antisocial behaviour, creating food co-ops, providing services such as befriending schemes, meals on wheels, educational support, access to IT for all and much more.

UnLtd have also started to develop a network of Star Partners who find and support Star People. To 31 March 2013, 28 Star Partners worked with UnLtd to deliver the Star People programme in their Big Local area. Up until 31 March 2013, Star Partners received total funding of £205,033.

#### Big Local and the environment

Residents often identify environment, space and place as being important to them when thinking about priorities. A good environment is likely to have a positive impact on people's wellbeing while also helping to develop relationships. Conversations highlight that natural and built environments, including parks, shopping parades, playgrounds, forests, and heritage buildings are important to residents in Big Local areas.

We worked with Capacity Global to support nine Big Local areas as environmental pilot projects to help equip people with skills to turn the local environment around, one step at a time. Aligned to the pilots we produced a range of online resources. These include guides such as *Spaces for everyone*, case studies to inspire and online slideshows to share and inform. We also worked with the National Association for Neighbourhood Management to provide learning events open to all Big Local areas such as 'Growing it! Exploring local food and growing projects'.

#### Big Local and equality

Big Local areas have to involve the broadest range of people to have the best possible chance of making their areas even better. Involving a wide range of people increases the reach and impact of what can be done. Each of the locally trusted organisations and partnerships that we have endorsed agree that ensuring equality and promoting diversity are central values for Big Local. They also agree to work in a way that removes barriers that might prevent people from participating in Big Local. There is a commitment to respecting others for their contributions, whatever their background, ethnicity or beliefs.

#### 3.8 Big Local learning

In Big Local areas, we are working with individuals to develop their skills and knowledge, about what approaches are working effectively. More broadly, with the Institute for Voluntary Action

## Big Local Trust

### Corporate trustee report (continued)

Research, we use learning to help us understand how things can be improved to better support Big Local areas.

We worked with the National Association for Neighbourhood Management and other partners to design and deliver networking and learning activities for people in Big Local areas that create awareness about what other areas are doing and help meet the Big Local outcomes. Over the year we held 25 learning events, workshops and study visits. In total these events had 576 attendees keen to share what they are doing in their areas and find out more about the things that matter to them. The events included a series of spring events where people in Big Local areas came together to meet residents from other Big Local areas, compare notes and talk with us and our partners.



## Big Local Trust

### Corporate trustee report (continued)

#### 4. Financial review

##### 4.1 Big Local Trust – investment strategy

CCLA are our investment managers. The objectives of the investment strategy agreed in July 2012 are:

- for the investment assets of the Big Local Trust (the fund) to provide the resources required by Big Local, and
- to manage the assets in a manner that maximises the impact of the funds to enable Big Local areas to extend the life of Big Local beyond 10 years and £1m each.

For reasons of cost, efficiency, security, governance and risk management the fund is managed as a single pool of assets ensuring funding is available when required. By making use of the scale and duration of Big Local, the investment strategy provides the best long-term return whilst ensuring that at all times sufficient short-term funds are available to support spending. This will be achieved by investing a high proportion of the fund in cash, fixed income and similar securities, with a smaller portion invested in equities and similar securities in the UK and overseas that are expected to provide a higher return over the long term.

The investment strategy is implemented in a controlled way to ensure that risks are appropriately managed and consistent with the objectives of Big Local.

##### 4.2 Fund performance

CCLA manage the portfolio. Between July 2012 and March 2013 funds to the value of £209,412,688 were transferred to CCLA.

Substantial cash flow of £112,300,000 in the last quarter to March 2013 meant that the weighting to cash increased. This is not a permanent or strategic position and will reduce over time but not necessarily quickly; this is a young portfolio and CCLA will not move to invest in longer term assets unless we are satisfied that they offer good value and are an appropriate investment.

Interest rates available on cash recently declined under the influence of the Bank of England's Funding for Lending Scheme. In order to minimise the effect of this fall on receipts the portfolio exposure to longer dated deposits was increased, reaching 94 days at the end of the year.

In the fixed interest portfolio CCLA increased the holdings in the corporate bond sector, these offer a premium income to gilts but the sector can be illiquid and it is important to keep costs under close control in periods of low yields. Recently bond yields fell, an unhelpful development at a time when we were seeking to increase holdings in the sector. The yield on shorter dated government bonds has fallen below those available on instant access cash deposits.

Our consistent approach to equity investment has been to invest in regular monthly tranches to mitigate the effects of high levels of day-to-day volatility on long-term returns. The portfolio has a foundation of strong companies with attractive long-term return characteristics. It is built on a global basis with international stocks accounting for more than half of the total. A key feature of the portfolio is that it is structured to provide the long-term return based on benefits of equity investment but at lower levels of risk – volatility is materially below that for the market as a whole.

## Big Local Trust

### Corporate trustee report (continued)

#### Performance

The returns on the portfolio and on the benchmark since inception are as follows:

Period	Fund	Benchmark
To 30 September 2012 (a part quarter, cash was received mid-July)	+0.31%	+0.32%
The quarter to 31 December 2012	+0.49%	+0.38%
The quarter to 31 March 2013	+2.46%	+0.37%
<b>Since inception</b>	<b>+3.28%</b>	<b>+1.07%</b>

#### 4.3 Formal restrictions and controls

Reflecting our investment strategy, there are formal restrictions and controls on the investments that can be held within the fund. These are summarised below:

##### Cash and near cash

Cash and near cash will be a minimum of 18 months expected forward spend on the programme, with a maximum of 100% of the fund. In terms of individual counterparties, there is no limit to the amount which can be placed with a deposit fund rated AAA by a recognised rating agency. Deposits with any individual counterparty however must not exceed 10% of the fund. All counterparties will be approved by the trustee.

##### Fixed interest and similar securities

The maximum amount that can be held in fixed interest and similar securities is the entire fund less the minimum cash level noted above. The minimum credit rating for any security at the time of purchase is A- by a recognised rating agency. There is no limit to the proportion of the fund which can be invested in issues by or supported by the UK government. The exposure to bonds from any other single issuer is limited to a maximum of 5% of the fund at the time of purchase.

##### Equities and similar securities

The maximum level of equities and similar securities at inception will be 22% of the fund, and will vary over the life of the programme. There is no minimum holding of these securities. The holdings will be diversified on a geographical and industry basis. The maximum holding of any single equity at the time of purchase is 1% of the fund.

##### Social responsibility

The fund is managed on a socially responsible basis. From inception the securities of companies manufacturing indiscriminate weapons, and those with a significant involvement in the manufacture of tobacco products were excluded. The socially responsible investment policy will be reviewed and amended by the trustee from time to time.

#### 4.4 Performance benchmark

The performance benchmark of the fund is Bank of England's Official Rate +1% per annum.



## Big Local Trust

### Corporate trustee report (continued)

#### 4.5 Reporting

The investment manager of the fund reports to the board at least once a quarter, and the board reviews the investment strategy once a year in line with the trust deed.

#### 4.6 Policy on reserves

Big Local Trust is an expendable endowment to be spent by 13 February 2027. In order to achieve this, we developed a detailed 15 year indicative budget to ensure there is funding and support available during that time. Big Local Trust received £17,464,758 from Big Lottery Fund on 27 March 2013 to support the long-term success of Big Local across England. The 15 year budget is based on the following principles and assumptions:

##### Principles

Each area receives what has been promised to them:

- Getting People Involved funding for wave 1 areas (£30,000) and Getting Started funding for wave 2 and 3 areas (£20,000)
- plan preparation funding (£2,000)
- £1 million, plus 'interest'
- a contribution towards partnership running costs or grant administration (5% of the total spend) available once plan is endorsed
- an administration fee for loan giving based on a per loan rate
- funding for the 'market place' (currently £2,250 per annum per area, plus inflation) available once each area's plan is signed off
- travel and carer costs for residents to attend networking and learning events
- 5 years of support for community entrepreneurs (currently Star People awards).

##### Assumptions

The 15 year budget includes a prudent estimate of an average rate of return of 2% per annum.

The level of programme support for Big Local areas starts to reduce from April 2019 onwards because we estimate that all Big Local areas will have increased skills and confidence to deliver with more autonomy.

Regular reviews will take place throughout the 15 years to inform how Big Local is developed, how funding is allocated and how areas are supported. The 15 year budget is updated with actual spend and reforecast quarterly. It informs the investment strategy and a rolling 18 month cash flow forecast provided to CCLA.

# Big Local Trust

## Corporate trustee report (continued)

### 5. Plans for future periods

Our work is centred around four areas:

- programme delivery and development
- strategic learning
- communications and influencing
- governance.

#### 5.1 Programme delivery and development

We are committed to reflecting and reviewing how Big Local is managed, delivered and developed. This includes continuous review of the programme, the model that supports residents and how this can be refined and reviewed to better meet the Big Local outcomes.

In 2013/14 the key principles that we will continue to embed in Big Local are that it is resident-led; in the DNA of the community; and is sustainable (i.e. a focus now on year 11 onwards).

We have a vision for how Big Local is delivered and how it feels to people involved, which is that it is:

- responsive
- flexible
- light-touch
- effective, i.e. achieves the outcomes
- based on relationships
- delivered within budget.

Over the last year we worked with Fluent Technology and people in Big Local areas to design, test and implement Big Local Community, our online funding and contact management system. Residents and locally trusted organisations are able to develop their proposals for funding, manage their contacts, and share information with people within and beyond their Big Local area. It is a location for the Big Local market place where Big Local areas can access providers of training, support and services to help them implement activities or projects.

#### 5.2 Strategic learning

Strategic learning is about putting monitoring, evaluation and learning at the heart of Big Local so that it is relevant, timely and useful to Big Local areas and all those who support the delivery of Big Local. Our aim is to ensure that data collection always fulfils the dual purpose of assisting areas to learn, while also informing learning at a programme level.

We work with the Community Development Foundation and the Institute for Voluntary Action Research to ensure monitoring, evaluation and learning activities are designed and delivered in a timely and responsive way. We provide clear direction, advice and support to Big Local areas and partners to support this. We communicate as data, information and learning becomes available, in a way that is appropriate and accessible.

The overview beyond individual areas is particularly important as it alerts us to trends, good practice and issues to consider. Through this we help Big Local areas make better choices so that their money goes further, it informs the way we deliver the programme and informs others who are working with and supporting communities.



## Big Local Trust

### Corporate trustee report (continued)

We developed and published a theory of change to provide direction for Big Local. The theory of change sets out the elements that are critical to help Big Local areas make their areas even better places to live. It provides the basis of our strategic learning goals and all learning sits within this.

The Big Local theory of change is aligned to our work with the School for Public Health Research (SPHR). SPHR, through conversations with us and people in Big Local areas, have developed a draft proposal for some research (independent in terms of both funding and scope), through which they hope to evaluate the impact of Big Local on the social determinants of health. Big Local is described as a 'natural experiment' in community empowerment in this context and the experiences of residents will be explored to document more precisely the nature of this relationship. SPHR will carry out exploratory work to examine the feasibility for a larger piece of work with this focus. SPHR have set out an estimate for the cost of £1 million for their initial research. The funding is provided by the National Institute for Health Research.

#### 5.3 Communications and influencing

Effective communications and influencing helps us to achieve the Big Local outcomes. It also helps us engage effectively with different audiences and build an understanding of and support for our activities. Our approach is to be supportive, friendly, clear, positive and honest. In 2013/14, our plan is to:

- communicate about Big Local with a consistent tone and style which reflects our communications and influencing approach
- collaborate with areas, reps, partners and corporates (including the media) to promote and share Big Local activities and learning
- use our communications to influence policy and practice of benefit to Big Local areas.

#### 5.4 Governance

Governance is about ensuring that Local Trust and Big Local Trust runs effectively and follows good practice. Our approach to governance is led by the chair of the board and is based on:

- ensuring delivery of organisational purpose
- working effectively as individuals and as a team
- exercising effective control
- behaving with integrity
- being open and accountable.

In 2013/14 we plan to develop a three year forward looking strategy based on the lessons learnt so far. We also plan to ensure our systems and procedures continue to be robust and effective for the investment and management of the funds, and we will deliver all activities in line with our ethos, vision and values.

## Big Local Trust

### Corporate trustee report (continued)

#### 6. Auditors

A resolution to appoint Crowe Clark Whitehill was proposed and agreed at the last annual general meeting.

Approved by the trustee on 11 December 2013 and signed on their behalf by:

Signed J. K. Sugrue Date 11/12/2013  
John Kevin Sugrue Chair



## Big Local Trust

### Independent auditors' report to the trustees of Big Local Trust

We have audited the financial statements of Big Local Trust for the period ended 31 March 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustee, as a body, in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustee 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 charity and the charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the corporate trustee and auditor**

As explained more fully in the Statement of the Corporate Trustee's Responsibilities, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustee; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Corporate Trustee Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2013 and of its incoming resources and application of resources for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

## Big Local Trust

### Independent auditors' report to the trustees of Big Local Trust (continued)

- have been prepared in accordance with the requirements of the Charities Act 2011.

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Corporate Trustee Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Signed N. Hashemi Date 18/12/13  
Naziar Hashemi, Senior Statutory Auditor

For and on behalf of **Crowe Clark Whitehill LLP**  
Statutory Auditor  
London

## Big Local Trust

### Statement of financial activities (incorporating an income and expenditure account) for period 15 February 2012 to March 2013

	Notes	Restricted Funds £	Unrestricted Funds £	Total 2013 £
<b>Incoming resources from generated funds</b>				
Big Lottery Fund GPI funding returned		-	130,697	130,697
Big Lottery Fund funding		-	214,338,257	214,338,257
Community Development Foundation Big Local grant		30,000	-	30,000
Investment Income	2	-	1,851,462	1,851,462
Other		-	3,285	3,285
<b>Total incoming resources</b>		<b>30,000</b>	<b>216,323,701</b>	<b>216,353,701</b>
<b>Resources expended</b>	3			
Charitable expenditure:				
grants payable	4	-	3,716,530	3,716,530
delivery to areas		-	1,711,019	1,711,019
learning to support the programme		14,946	419,993	434,939
Cost of generating funds		-	255,382	255,382
Governance	5	15,054	256,412	271,466
<b>Total resources expended</b>		<b>30,000</b>	<b>6,359,336</b>	<b>6,389,336</b>
<b>Net incoming resources before other recognised gains and losses</b>		-	209,964,365	209,964,365
Gains on investments		-	3,730,300	3,730,300
<b>Net movement in funds</b>				
Balance at 15 February 2012		-	-	-
Balance at 31 March 2013		-	213,694,665	213,694,665

All amounts related to continuing activities.

All charitable activities are in relation to the Big Local programme.

All gains and losses recognised are included in the statement of financial activities.

The accompanying notes on pages 26 to 35 form part of these financial statements.

## Big Local Trust

### Balance sheet for period 15 February 2012 to 31 March 2013

	Notes	£
<b>Fixed assets</b>		
Tangible assets	6	57,141
Investments	7	211,942,988
		<u>212,000,129</u>
<b>Current assets</b>		
Cash at bank and in hand		1,684,474
Debtors	8	1,116,116
<b>Total current assets</b>		<u>2,800,590</u>
<b>Liabilities</b>		
Creditors: amounts falling due within one year	9	1,106,055
<b>Net current assets</b>		<u>1,694,535</u>
<b>Net assets</b>		<u>213,694,665</u>
<b>Funds</b>		
Unrestricted funds	13	213,694,665
<b>Total funds</b>		<u>213,694,665</u>

Approved by the corporate trustee, authorised for issue on 11 December 2013 and signed on behalf of the trustee:

Signed J. V. Sugrue Date 11/12/2013

John Kevin Sugrue

Chair



## Big Local Trust

### Cash flow for period 15 February 2012 to 31 March 2013

<b>Cash inflow/(outflow) from operating activities</b>	<b>£</b>
Net incoming resources	209,964,365
Investment income earned	(1,851,462)
Depreciation of tangible fixed assets	15,912
(Increase)/decrease in debtors	(1,116,116)
Increase/(decrease) in creditors	1,106,055
<b>Net cash inflow from operating activities</b>	<b>208,118,754</b>
 <b>Returns on investments and servicing of finance</b>	
Investment income received	1,851,462
	<b>1,851,462</b>
 <b>Capital expenditure and financial investment</b>	
Payments to acquire tangible fixed assets	(73,054)
Payments to acquire fixed asset investments	(209,412,688)
Receipts from the sale of fixed asset investments	1,200,000
	<b>(208,285,742)</b>
 <b>Net cash inflow/(outflow) before financing</b>	<b>1,684,474</b>
Increase/(decrease) in cash in the year	<b>1,684,474</b>
 <b>Analysis of changes in net funds</b>	<b>£</b>
Cash at bank and in hand:	
at 15 February 2012	-
Cash flows	1,684,474
<b>at 31 March 2013</b>	<b>1,684,474</b>

## Big Local Trust

### Notes to the accounts for the period 15 February 2012 to 31 March 2013

#### 1. Accounting policies

##### Introduction

The financial statements of the charity have been prepared in accordance with accounting standards, the Charities Act 2011 and the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005). These financial statements are drawn up on the historical cost accounting basis except that investment assets are carried at market value.

##### Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

##### Fund accounting

Unrestricted funds comprise those funds that the Trustee is free to use in accordance with the charitable objects. Restricted funds are funds that have been given for particular purposes and projects. Restricted funds must be used in accordance with the funders or donors' wishes.

##### Resources expended

Expenditure is included on an accruals basis for charitable activities, cost of generating funds and governance.

Resources expended are allocated to a particular activity where the cost relates directly to that activity.

Grants payable are accounted for in full as liabilities when approved and notified to Big Local areas because Big Local areas would have a valid expectation that they would receive the grant as offered and accepted.

The cost of staff whose responsibility was the direct management and administration of an activity are apportioned based on time spent in undertaking that activity. The direct staff cost allocation for the period to 31 March 2013 was:

- delivery to areas: 63%
- learning to support the programme: 18%
- governance: 19%

##### Allocation of support costs

Support costs are those costs which enable the generation of funds and which enable charitable activities to be carried out. These costs include finance, human resources and information technology. Support costs are re-allocated to each of the activities based on an estimate of support staff time attributable to each activity. The support staff cost allocation for the period to 31 March 2013 was:

- grant expenditure directly to areas: 30%
- delivery to areas: 21%
- learning to support the programme: 33%
- governance: 16%

## Big Local Trust

### Notes to the accounts for the period 15 February 2012 to 31 March 2013 (continued)

#### Costs of generating funds

Costs of generating funds are the investment management fees charged by CCLA for managing the investment portfolio. Fees were based on 0.3% of the value of the portfolio calculated on a monthly basis. Investment fees include VAT which cannot be recovered.

#### Governance costs

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. Governance costs include an element of staff time based on the proportional allocation described under the 'resources expended' policy above.

#### Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised. Land is not depreciated. Depreciation is provided to write off assets on a straight-line basis over their estimated useful economic life:

- ICT: 3 years

#### Investments

Investments are included at their mid-price at the year-end. Gains and losses arising on the disposal of investments and the revaluation to market value are charged or credited to the statement of financial activities in the year.

#### Pension

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

## 2. Investment Income

	2013 £
Interest earned on cash and cash instruments	716,137
Fixed interest from bonds	600,950
Dividends from equities	239,864
Bank interest	294,511
<b>Total</b>	<b><u>1,851,462</u></b>

## Big Local Trust

### Notes to the accounts for the period 15 February 2012 to 31 March 2013 (continued)

#### 3. Resources expended

	Charitable activities			Cost of generating funds	Governance	Total
	Grant expenditure directly to areas	Delivery to areas	Learning to support the programme			
	£	£	£	£	£	£
<b>Direct costs</b>						
Staff	-	208,966	61,599	-	62,645	333,210
Grants to areas						
GPI 2	440,564	-	-	-	-	440,564
Getting Started	776,894	-	-	-	-	776,894
Creating Plan	33,053	-	-	-	-	33,053
Pathway Funding	299,258	-	-	-	-	299,258
Big Local Plan Funding	739,668	-	-	-	-	739,668
Community travel and childcare	7,898	-	-	-	-	7,898
Area admin contribution	36,983	-	-	-	-	36,983
Grant funding for star people	1,277,105	-	-	-	-	1,277,105
Area delivery costs	-	1,430,374	-	-	-	1,430,374
Programme development	-	-	259,618	-	-	259,618
Direct governance costs	-	-	-	-	154,717	154,717
Finance charges	-	-	-	255,382	-	255,382
<b>Total direct costs</b>	<b>3,611,423</b>	<b>1,639,340</b>	<b>321,217</b>	<b>255,382</b>	<b>217,362</b>	<b>6,044,724</b>
<b>Support costs</b>						
Staff	61,140	41,694	66,150	-	31,471	200,455
Communication and marketing	8,415	5,738	9,104	-	4,331	27,588
IT and consultancy	7,140	4,869	7,726	-	3,676	23,411
Rent and office costs	23,559	16,068	25,491	-	12,128	77,246
Depreciation	4,853	3,310	5,251	-	2,498	15,912
<b>Total support costs</b>	<b>105,107</b>	<b>71,679</b>	<b>113,722</b>	<b>-</b>	<b>54,104</b>	<b>344,612</b>
<b>Total expenditure</b>	<b>3,716,530</b>	<b>1,711,019</b>	<b>434,939</b>	<b>255,382</b>	<b>271,466</b>	<b>6,389,336</b>



## Big Local Trust

### Notes to the accounts for the period 15 February 2012 to 31 March 2013 (continued)

#### 4 Grants payable

Big Local area / other	Locally trusted organisation	£
Arches Local (Central Chatham, Luton Arches)	Medway Voice	20,000
Barnfield	Plumcroft Primary School	113,350
Barrow Island	Cumbria Council for Voluntary Service	10,500
Barrowcliff	Groundwork North Yorkshire	18,315
Big Local SO18 (Harefield, Midanbury and Townhill Park)	Southampton Voluntary Services	122,313
Big Local SW11 (Clapham Junction, West Battersea)	Providence House	20,000
Birchfield	Neighbourhood Consultancy Limited	20,000
Birchwood	Birchwood Access and Training Centre	20,000
Bountagu (Bounces-Montagu)	Enfield Children & Young Person's Services	20,000
Bradley	Pendle Borough Council	20,000
Canvey's Big Local 1 million (Link Road of Canvey Island)	Castle Point Association of Voluntary Services Ltd	19,948
Central Jarrow	Groundwork South Tyneside and Newcastle	20,000
Chell, Chell Heath and Fegg Hayes	Staffordshire Housing Association	24,305
Church Hill	Bromsgrove and Redditch Network (BARN)	20,000
Clarksfield, Greenacres and Littlemoor	Greenacres Community Association	20,000
Clubmoor	Liverpool Mutual Homes	29,380
Collyhurst	Manchester Communication Academy Ltd	20,000
Conniburrow	Conniburrow Community Association (CCA)	10,000
Dewsbury Moor	Voluntary Action Kirklees	12,000
Dyke House	The Wharton Trust (The Annexe)	20,000
East Cleveland Villages (East Cleveland Rural Villages)	Tees Valley Rural Community Council (TVRCC)	20,000
Eastern Sheppey Big Local (Leysdown, Warden and Eastchurch)	Swale Council for Voluntary Service and Volunteer Centre	20,000
Firs and Bromford (Bromford and Firs Estate)	Birmingham Settlement	54,115
Gannow (Gannow Triangle)	Gateshead Voluntary Organisations Council	20,000
Greatfield Big Local (Greatfield Estate)	Hull and East Yorkshire Community Foundation (HEYCF)	24,393
Greenmoor Big Local (Scholemoor and Lidget Green)	Bradford Community & Voluntary Service	64,928
Growing Together (Lumbertubs, Lings and Blackthorn Estates)	Blackthorn Good Neighbours	20,000
Hackney Wick (Wick Ward)	Hackney Wick Festival	20,000
Hanwell, Copley Close	E.A.S.E. (Empowering Action & Social Esteem) Ltd	20,000
Hawksworth Wood	Hawksworth Older People Support Services	20,000
Heart of Pitsea (Pitsea Broomfields)	Basildon, Billericay and Wickford Council for Voluntary Service	20,000
Heart of Sidley	Rother Voluntary Action	20,000
Heath Big Local (The Heath)	Uttoxeter Knights	20,000

## Big Local Trust

### Notes to the accounts for the period 15 February 2012 to 31 March 2013 (continued)

Big Local area / other	Locally trusted organisation	£
Heston West (Brabazon Estate, Harlech Gardens - Heston West)	Heston West Community Partnership	20,474
Hill Top and Caldwell (Hill Top)	Warwickshire Community and Voluntary Action	19,992
Kingsbrook and Cauldwell	Community and Voluntary Service (Mid and North Bedfordshire)	6,918
Kingswood and Hazel Leys	CVS Northamptonshire (change from Corby VCS)	19,900
L30 Million Project (St Oswald and Netherton)	Sefton MBC	20,202
Langold, Costhorpe and Carlton (Langold and Carlton)	Rural Community Action Nottinghamshire	20,000
Leecliffe (Leeming Road and Aycliffe Road)	Community Action Hertsmere	25,421
Leigh West	Citizens Advice Service in the Borough of Wigan	108,988
Marsh and Micklefield	Buckinghamshire Community Foundation	20,000
Moorsley and Easington Lane	Easington Lane Community Access Point	20,000
Mottingham	Community Links Bromley	30,000
North Brixton	The London Community Foundation	30,000
North Cleethorpes	Voluntary Action North East Lincolnshire	20,000
North East Hastings	Orbit South Housing Association	18,000
North West Ipswich (Whitehouse and Whitton)	Community Action Suffolk	103,675
Northfleet North	Ebbsfleet Rainbow Centre	12,940
Northwood	Knowsley Housing Trust	20,000
Par Bay Big Local (St Blazey and Par)	Eden Project	175,500
People's Empowerment Alliance of Custom House, PEACH (Custom House)	London Borough of Newham	31,118
Podsmead	Podsmead Community Association	20,000
Prospect Estate	First Wessex	20,000
Radstock and Westfield	Curo Places (Somer Community Housing Trust General trading as Curo Places)	20,000
Ramsey	Ramsey Neighbourhoods Trust	19,940
Rastrick	Rastrick Cricket and Athletic Club	20,000
Ravensthorpe and Westwood	Cross Keys Homes	19,827
Ridge Hill	Tameside Metropolitan Borough Council	20,000
Rudheath and Witton	Groundwork Cheshire	20,000
Scotlands and Bushbury Hill (The Scotlands Estate/Bushbury Hill)	Wolverhampton Network Consortium	20,000
Shadsworth with Whitebirk	Community & Business Partners CIC	20,000
Slade Green	Howbury Friends	20,000
South Bermondsey	United St Saviour's Charity	185,000
South West Bishop Auckland	Durham County Council	20,000
St Matthews Estate	Voluntary Action Leicester	10,837
Three Parishes (Gobowen, St Martins and Weston Rhyn)	Oswestry Community Action	20,000
Thurcroft	Rotherham Federation of Tenants And Residents Ltd	20,000
Thurnscoe	Voluntary Action Barnsley	22,012
Tree Estate and part of Town Ward	Healthy Living Centre Dartford (on behalf of	20,000

## Big Local Trust

### Notes to the accounts for the period 15 February 2012 to 31 March 2013 (continued)

Big Local area / other	Locally trusted organisation	£
	the Princes Community Forum)	
Warsop Parish	Mansfield Community and Voluntary Service	40,000
Warwick Ahead (Warwick Estate, Knottingley)	One to One Development Trust	18,130
Whitleigh	Wood View Learning Community	20,000
Whitley Bay	North Tyneside Voluntary Organisations Development Agency	20,000
William Morris Big Local	Ascham Homes	2,000
Winterton	Voluntary Action North Lincolnshire	2,000
Worle	NSAH (Alliance Homes) Limited	20,000
Wormholt and White City	Urban Partnership Group	20,000
Wormley and Turnford	Council for Voluntary Service for Broxbourne & East Herts (CVSBEH)	20,000
Funding given	Residents travel bursary	7,898
Grant given	UnLtd	1,277,105
Note 3	Allocation of support costs	105,107
	<b>Total</b>	<b>3,716,530</b>

#### 5 Governance costs

	£
Staff costs	62,644
Financial advice	5,700
Audit fees	21,300
Legal and professional fees	71,914
Protector fees	19,522
Protectors legal fees	6,266
Trustees expenses	1,253
Trustee recruitment	13,709
Trustee training	-
Other	15,054
Allocation of support costs	54,104
	<b>271,466</b>



# Big Local Trust

## Notes to the accounts for the period 15 February 2012 to 31 March 2013 (continued)

### 6 Tangible fixed assets

	IT equipment £
<b>Cost</b>	
Balance brought forward	-
Additions	73,053
Disposals	-
<b>Balance carried forward</b>	<b>73,053</b>
<b>Depreciation</b>	
Balance brought forward	-
Disposals	-
Charge for year	15,912
<b>Balance carried forward</b>	<b>15,912</b>
<b>Net book value</b>	<b>57,141</b>
Brought forward	-
<b>Carried forward</b>	<b>57,141</b>

Fixed asset additions include £36,999 paid to Fluent Technology Ltd. to procure a bespoke funding and contact management system. A further £56,679 was paid out after the period-end to bring the system into full use.

### 7 Investments

	£
Market value brought forward	-
Investment additions	209,412,688
Investment disposals	(1,200,000)
Realised loss on disposal	(80,674)
Unrealised gain on investments	<u>3,810,974</u>
Net gains on investment	3,730,300
<b>Market value carried forward</b>	<b>211,942,988</b>
<b>Asset allocation:</b>	
Total cash and cash instruments	123,744,958
Total fixed interest	57,889,515
Total equity	<u>30,308,515</u>
	<b>211,942,988</b>

### 8 Debtors

	£
Debtors	100
Amounts due from Local Trust	2,978
Prepayments	2,783
Accrued income	<u>1,110,255</u>
	<b>1,116,116</b>

## Big Local Trust

### Notes to the accounts for the period 15 February 2012 to 31 March 2013 (continued)

#### 9 Creditors

	£
Trade creditors	126,153
Grants payable	574,316
Social security and other taxation	12,199
Accruals	393,387
	<u>1,106,055</u>

#### 10 Staff costs and numbers

	£
Wages and salaries	370,006
Social security and other taxes	44,552
Pension	18,517
	<u>433,075</u>

The monthly average full-time equivalent number of employees during the year was 10. Only one employee during the period earned between £80,000 and £90,000 per annum.

#### 11 Trustees' remuneration, benefits and expenses

Trustees received no remuneration. Three Trustees received reimbursements for travel costs during the period totalling £1,253. Trustee recruitment costs during the period were £13,709.

#### 12 Big Local Trust protector

Protector fees and expenses of £19,522 were payable.

#### 13 Consolidated movements in funds

Unrestricted funds	Incoming resources	Resources expended	Gains on investment	Closing balance
	£	£	£	£
Big Lottery Fund GPI funding returned	130,697	(130,697)	-	-
Big Local	214,338,257	(6,228,639)	3,730,300	211,839,918
Investment Income	1,851,462	-	-	1,851,462
Other	3,285	-	-	3,285
	<u>216,323,701</u>	<u>(6,359,336)</u>	<u>3,730,300</u>	<u>213,694,665</u>

## Big Local Trust

### Notes to the accounts for the period 15 February 2012 to 31 March 2013 (continued)

Restricted funds	Incoming resources	Resources expended	Transfers	Closing balance
	£	£	£	£
Other	30,000	(30,000)	-	-
	<b>30,000</b>	<b>(30,000)</b>	<b>-</b>	<b>-</b>

#### 14 Related party transactions

Alison Seabrooke is chief executive of the Community Development Foundation and a trustee at Local Trust (corporate trustee of Big Local Trust). Michael Hamilton and Andrew Robinson are both trustees at the Community Development Foundation and at Local Trust. In July 2011, the Big Lottery Fund appointed the Community Development Foundation to establish Local Trust to be the corporate trustee of the Big Local Trust and to administer and deliver the Big Local programme across England.

Local Trust was established as the corporate trustee on 3 November 2011. Big Local Trust was established as an unincorporated charity governed by a trust deed dated 13 February 2012 and the deed of amendment dated 5 June 2013, and was registered with the Charity Commission on 15 February 2012. On 31 March 2012 the Community Development Foundation ceased its role in administering and delivering the Big Local programme and shortly afterwards paid the balance of unspent Big Local grant funding of £99,922 to Big Local Trust.

During the period Big Local Trust paid the Community Development Foundation £121,926 for rent and research activities. At 31 March Big Local Trust owed Community Development Foundation a balance of £23,229.

Andrew Robinson is also a director at CCLA. CCLA manage the Big Local Trust investment portfolio. Big Local Trust paid CCLA £293,362 in investment management charges during the period. At 31 March Big Local Trust owed CCLA a balance of £126,126.

Penny Shepherd is a trustee at Local Trust and during the period was the chief executive of the UK Sustainable Investment and Finance Association. CCLA is a member of the UK Sustainable Investment and Finance Association and a number of CCLA staff are on UK Sustainable Investment and Finance Association committees. CCLA also sponsors UK Sustainable Investment and Finance Association activities from time to time.

Cliff Prior is chief executive of UnLtd and a trustee at Local Trust. Big Local Trust paid UnLtd a grant of £1,277,105 for the Star People programme.

Benjamin Yat Ming Lee is a director of the National Association for Neighbourhood Management. Big Local Trust paid the National Association for Neighbourhood Management £121,221 for delivery of learning and networking events during the period. At 31 March 2013, Big Local Trust owed the National Association for Neighbourhood Management a balance of £34,434.

John Whitton was a founding member of the Rudheath and Witton Together Big Local partnership. During the period the Rudheath and Witton area received a Getting People Involved (round 2) grant of £20,000 from Big Local Trust.



## **Big Local Trust**

### **Notes to the accounts for the period 15 February 2012 to 31 March 2013 (continued)**

#### **15 Pension**

We offer staff the opportunity to join a defined contribution Group Personal Pension Plan ('the scheme'). Monthly contributions to the scheme are invested in personal pension plans with an insurance company (Scottish Widows). Big Local Trust's contribution to the scheme is based on 10% of the employee's basic annual salary plus an amount equal to the saving Big Local Trust makes under the salary exchange system from the employer National Insurance contribution; the minimum employee contribution to the scheme is 3.5%.

Pension contributions made by Big Local Trust to the scheme during the year were £43,687 for nine employees. As at 31 March 2013 Big Local Trust owed £9,991 to the scheme relating to March salary payments; the amount due was settled on time during April 2013.

## Big Local Trust ('BLT') 2013 annual statement by the protector

### The function of the Protector

BLT is a UK registered charity with one Corporate Trustee controlling its affairs. The Trustee is Local Trust Limited, which is in turn controlled by a board of directors who meet quarterly, and by its Chief Executive to whom the board delegate the day-to-day running of BLT.

The Trust Deed defines the role of the Protector as ... "to ensure the integrity of the administration of the Charity and the propriety of its procedures".

The role does not include decision taking at any level, although the deed does grant powers of approval in certain specified situations.

During 2013 I have attended all Board meetings, the initial meetings of the Investment and the Audit sub-committees, I have met quarterly with the Big Lottery Fund and attended all meetings between them and BLT. I also had a number of meetings and conversations with the CEO and the Finance Controller about budgets and reporting.

### Protector's report

In 2012, I concluded my first Protector's report by stating...

"I believe that the first year of existence of BLT has been a great success, with a solid platform being built to allow the objectives of the Charity to be pursued over the coming years."

Steady and acceptable progress has been made towards achieving BLT's objectives, with all 150 areas up and running, albeit at a variety of stages of implementation.

The ten year programme was extended to 15 years with the agreement of Big Lottery Fund, and additional funding was provided by them to facilitate this. This additional time will enable BLT to take a more measured and less pressured approach to achieving its objectives, and provide the 150 areas with more time to implement their plans.

The Trustee has agreed an initial budget, with over £200m being forecast as available to the areas in support services and direct funding, although future investment returns will have an impact on the final amount.

Governance was greatly enhanced by the addition of five new Directors to the Corporate Trustee, with plans to add two more during 2014. This has brought a fresh perspective to the Board, as well as new skills and a more questioning approach.

In July, Mick Hamilton stepped down as a Director and as Chairman. His leadership and drive were essential during the early phases of the Trusts existence, and I add my gratitude to those expressed by the Board upon his departure.

His replacement, Kevin Sugrue, is proving to be a more than adequate successor in the role, and I expect BLT to continue to grow and progress under his leadership.

There have been some key personnel changes within the operating team, which has provided the Chief Executive with challenges and opportunities. It is important that the new team settles in quickly and efficiently.

## Big Local Trust ('BLT') 2013 annual statement by the protector (continued)

In early 2014, the Board are to meet for two days to discuss and agree on a range of organisational and strategic issues. I have asked them to include a review of the way in which they monitor the progress or otherwise of the 150 areas, and the work of the organisations supporting the areas.

As of now, BLT feels established and settled, and fit for purpose.

Peter Thurston

Protector – Big Local Trust

October 2013



## Big Local Trust

### Annual report and financial statements

#### Local Trust

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

The endowment for the Big Local programme is held by the Big Local Trust and overseen by Local Trust. The Big Local Trust was established by the Big Lottery Fund with a National Lottery grant of £196,873,499.

**If you need this document in other formats or a community language please get in touch with Local Trust and we will help you.**

Local Trust company no. 7833396, charity no: 1147511

Big Local Trust charity no: 1145916

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