

Local Trust

Annual report and financial statements

for 1 April 2024 to 31 March 2025

Registered charity number 1147511



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Introduction

Local Trust was established in 2012 to deliver Big Local, a National Lottery Community Fund programme which committed more than £1m of grant funding to each of 150 communities and neighbourhoods across England.

The areas selected by the National Lottery Community Fund to benefit from Big Local funding were, typically, communities that were seen to have missed out on their ‘fair share’ of National Lottery and other funding. A significant number were located on the edges of towns and cities that themselves faced problems associated with long-term economic decline and loss of social infrastructure.

The scale of the investment matched the challenge; the £217m originally provided to establish the Big Local programme is the biggest ever single-purpose National Lottery-funded endowment, and the largest ever investment by a UK grant-funder in place-based, resident-led change. Over the course of the programme, and as a consequence of the growth delivered by the careful management of our endowment, some £280m will have been committed in support of our mission.

Big Local, from the outset, was designed to be radically different from other funding programmes. In contrast to conventional top-down, time-limited or project-led funding, the money awarded to each Big Local area was provided on a ‘no strings’ basis – there was no application process, and the funds were made available to be spent over 10–15 years at communities’ own chosen pace, and on their own plans and priorities. By supporting local residents to take the lead in making decisions on how funds were spent in their areas, the Big Local programme aimed to build the confidence and skills of local people, strengthening local civic life and the social infrastructure that supports it.

Big Local sits at the heart of Local Trust’s mission and is the major programme that we deliver as an organisation.

In April 2024 we entered the final phase of Big Local and Local Trust ahead of our final closedown, currently planned for February 2027. This left two years to support Big Local areas to spend out the funds committed to them and successfully secure their local legacies. In the final year (2026-27), Local Trust will: complete work documenting and accounting for the Big Local programme; publish final research and evaluation reports; and wind down its operations, achieving a successful closure.

Increasingly, over this period, Local Trust is also looking towards securing its own organisational legacy, and that of the Big Local programme as a whole. Reflecting our founding deed, we have always sought to share learning from the Big Local programme to influence and inform policymakers, funders and others seeking to work with communities and place. We were pleased that learning from Big Local helped inform the case made by the Community Wealth Fund Alliance, a cross-sectoral campaign which successfully made the case to government for substantial new investment in rebuilding the social infrastructure of ‘left behind’ communities. We will continue to focus on sharing insight and knowledge with others over the remaining years of Local Trust’s operation.

Overview of 2024-25

April 2025 marks the beginning of the Big Local programme's final operational year. A further year follows, during which Local Trust will wind up its remaining operations, finish documenting what it – and Big Local areas – have achieved over almost a decade and a half of activity, and complete any remaining work identified as critical to securing its legacy.

During the last 18 months, we have planned in detail for the successful closure of both Big Local Trust and Local Trust in 2027. In November 2023, our Closure Plan set out how we would responsibly prepare for dissolution, whilst maintaining our ability to support Big Local areas and deliver our wider legacy ambitions. The Closure Plan was complemented by a Programme Delivery Framework and specific strategies on Legacy and on Equality, Diversity and Inclusion (EDI). We also streamlined our governance structures and organisational systems in 2023-24, in preparation for our closure activities.

Our Business Plan for 2024-25 was firmly rooted in all these strategies.

Local Trust's primary role has always been to support the 150 Big Local communities to make a success of the funds allocated to them. This has consistently been the focus of our business plans since 2012. Over the past year, this work has received sustained attention across the team and has resulted in considerable momentum in the numbers of Big Local areas 'closing out'. The year 2024-25 saw 49 areas closing out, bringing the overall total to 86 Big Local areas which have closed out of the programme. Together with 20 areas on track to close out, this put us ahead of our target of having 90 areas closed or in the close out phase by March 2025. The number of areas with over £200k still to spend fell from 53 to 9 over 2024-25, exceeding our target decrease of 30 such areas for the year. With just 12 months left in the Big Local programme, we expect 100 areas to be closed out by June 2025. Furthermore, over 90 areas have received support to strengthen and ensure their local legacy; this exceeds both our base target for the year of 50 areas, and our 'stretch' target of 70.

At the end of 2024-25, we estimated that 40 areas will still be active by September 2025. Many of these have faced specific challenges. In the past year, we have offered such areas bespoke support, undertook dedicated site visits and reviewed individual plans, and through area coordinators working closely with the funding team, area advisors and other partners who can help deliver key projects and activities. The close-out process introduced in 2023 has served areas and Local Trust well. However, given that the time to spend any remaining funds is narrowing, and those Big Locals still to close have less of a track record for achieving their plans, we are reviewing the thresholds and process for areas to close out. We will continue to refine our approach and the support available for these areas, recognising that increasingly tailored interventions will be required.

We planned to release at least £14.8m to Big Local areas during 2024-25. Between April 2024 and the end of March 2025, we paid out £16.0m, putting us ahead of our business target. We are required by the Trust Deed to spend a minimum of £220m by the end of the programme and we have already passed this milestone in terms of committed funds and cash spent. We continue to plan for full spend-out by February 2027 of the £280m realised by the Big Local Trust endowment

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fund. We are confident that we can comfortably meet the demands associated with support costs for Big Locals and organisational and area closure costs, whilst resourcing organisational legacy ambitions and retaining scope to respond to unexpected events. With a surprise general election in July 2024, for example, we were able to invest time and resources briefing the new government and connecting with new MPs across Parliament.

Such wider impact as an organisation has only been possible because of the scale of the Big Local programme, the learning we draw from it, and the credibility we gain from our effective support of its delivery. One of our goals is to influence those with power to effect change and make improvements – now and in the future – through the sharing of evidence, resources and insight drawn from our experience in neighbourhood and community renewal. We want the legacy of Local Trust’s work to last well beyond the end of the Big Local programme. As we move towards closure, we are focused on consolidating our learning, ensuring our materials are accessible, evergreen and faithfully capture the entirety of the programme and its outputs.

As part of our closure planning process, at the start of 2024-25 we began to consider how activities initiated as part of our legacy would be maintained and continue to have impact following the end of Local Trust. We know that we have a better chance of embedding such impact if we work with and through others. Many projects have been developed with partners that can continue to realise the Local Trust ambition beyond 2027. Notable initiatives this year have included: our partnership with the NHS Confederation, exploring radical transformation of health and social care through community-led actions; our support for 3ni, a new national network for local authority officers dedicated to community-led, place-based regeneration; our backing for the Independent Commission on Neighbourhoods (ICON), to build evidence for a government focus on the country’s most deprived neighbourhoods; and, our involvement with the consortium behind a new research centre, the Centre for Collaboration in Community Connectedness (C4).

Across this work, we continue to build on our strong track record of amplifying the voices and experiences of those who are marginalised and have the least power. Local Trust’s research team has been meeting with each area to put together their individual profile for our online repository, Learning from Big Local. This new website will capture evidence so that academics, community development workers and policymakers can continue to build on and learn from Big Local principles well into the future; C4 has already agreed to host the site on an ongoing basis. These stories are the culmination of years of hard work and the dedication of committed volunteers. They are also the best evidence that can be marshalled in favour of community-led neighbourhood regeneration.

Big Local remains one of a kind: the only large-scale community-led regeneration programme to provide long-term, non-prescriptive funding direct to the neighbourhoods that need it most. The context of a planned and purposeful closure is also unusual, and it is likely we will need to respond to a range of unforeseen events. Our greatest resource at Local Trust is our people, and we continue to invest in good communications, support and training as roles change. We are determined to maintain a high performing and engaged team, and an inclusive and positive culture that can deliver on our ambitions through to the end. As we move towards closure, we will remain anchored to our values, confident in the range of skills, expertise and experiences across the organisation, fleet-of-foot in terms of our capacity and attention, and focused on our ultimate goals.

Objects and activities for public benefit

Local Trust is a charitable company limited by guarantee. It is operated under the rules of its memorandum and articles of association dated 3 November 2011 and amended by written resolutions dated 27 March 2012 and 9 October 2014. It has no share capital and the liability of each member in the event of winding-up is limited to £1. Local Trust was registered with the Charity Commission on 30 May 2012.

The relationship between Big Local Trust, Local Trust and The National Lottery Community Fund

Local Trust is the corporate trustee of the Big Local Trust. Local Trust and the National Lottery Community Fund (formerly Big Lottery Fund) established Big Local Trust. Big Local Trust is an unincorporated charity governed by a trust deed dated 13 February 2012 and deeds of amendment dated 5 June 2013 and 23 July 2018. Big Local Trust was registered with the Charity Commission on 15 February 2012. Big Local is Local Trust's first and major initiative. All the activities of Big Local Trust are promoted under the Local Trust and Big Local brands.

Objects of Local Trust

The objects as stipulated in Local Trust's articles of association are:

'to undertake, do and perform all things the company shall consider expedient to develop the capacity and skills (including the enterprise skills) of members of socially and economically or socially disadvantaged communities in the United Kingdom in such a way that they are better able to identify, and help meet, their needs as individuals and to improve the communities in which they live, in particular by (but not limited to) local action projects, research, evaluation and policy analysis, making grants and social investments to individuals, local enterprises and communities, thereby promoting short term and long term change and the relief of unemployment.'

Objects of Big Local Trust

The Big Local Trust deed was amended in 2018. The revised objects of the charity are laid out in the trust deed (paragraph 5), as follows:

'5.1. The Objects of the charity are:

- (a) the advancement of community development; and
- (b) the relief of unemployment; for the benefit of the public, in particular, but without limitation, in the localities in each region specified in Schedule 6.

5.2. Objects 5.1(a) and 5.1(b) are to be achieved in particular, but without limitation, by:

- (a) making Distributions to Recipients; and
- (b) conducting research and disseminating the useful results of such research.

5.3. The Distributions referred to in clause 5.2 should be made 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:

- (a) to identify, and help meet, their needs; and
- (b) to participate more fully in society.'

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Our main activities are described below. All our activities focus on developing the capacity and skills of members of socially and economically, or socially disadvantaged, communities, as described in our objects, and are undertaken to further our charitable purposes for the public benefit.

The trustees confirm that they have referred to the Charity Commission's guidance on the Public Benefit requirement under the Charities Act 2011 when reviewing the Trust's aims, objectives, policies, in planning future activities and setting their grant-making policies.

Our areas of work

Local Trust is the corporate trustee of Big Local Trust, and the **Big Local programme** is at the centre of our work. The Big Local programme is funded from the Big Local Trust endowment created by the National Lottery Community Fund in 2012.

Big Local seeks to put power, resources and decision-making into the hands of local communities. Central to the design of the programme is a belief that when resources and decision-making are transferred to local communities, they have the most impact where they reflect the following key principles:

- **Long-term** – providing certainty and continuity, over a decade or more where possible
- **Resident-led** – building confidence and capacity among those wanting to make a difference to their community and their local area
- **Unconditional** – enabling residents to spend on their own terms and in their own time, on the projects they judge to be most important to them
- **Patient and non-judgemental** – giving communities 10 years + and opportunity to learn, make mistakes, resolve disagreements and overcome challenges for themselves, on their way to achieving their ambitions
- **Accompanied by support** – to help communities to build the confidence and capability to make the most of the opportunities available to them, while not constraining their own ambition and initiative.

One of the key legacy ambitions from the Big Local programme, reflecting the wishes of our Founder, the National Lottery Community Fund, is that others should benefit from the learning it generates. As a consequence, Local Trust seeks to share insight and learning gained from Big Local as widely as possible to inform and influence policymakers, funders and other organisations working with communities. This includes: learning around the design and delivery of the programme; insight generated from the data we collect and have access to; and, importantly, the experiences and voices of residents in Big Local areas themselves.

The four outcomes set by the National Lottery Community Fund for the Big Local programme 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.

Our strategy

As we move into this final phase of our work, our three key organisational priorities are:

- supporting Big Local areas to achieve their ambitions
- securing a sustainable legacy for both Local Trust and Big Local areas
- achieving a successful closure.

The way we will approach these challenges over the period 2023-27 is outlined in the following strategies.

- our Legacy Strategy, which sets out Local Trust's approach to defining its long-term organisational impact, with an intention that our work should have impact beyond the end of the Big Local programme
- the latest iteration of our Programme Delivery Framework, which sets out how we support Big Local areas as they progress through the programme
- our Closure Strategy, setting out how we plan to wind up Local Trust, now supported by a detailed Closure Plan that was approved by Trustees in November 2023

Our Diversity and Inclusion Strategy, which captures the range of work in support of diversity and inclusion Local Trust has championed through and alongside the Big Local programme, and how we will embed diversity and inclusion in the final phase of the programme and within our legacy

Progress report 2024–25

Our Business Plan and activities for 2024-25 reflected these strategies and plans, as well as work taken forward by trustees to further consider how we might consolidate our organisational legacy over our remaining period of operation. Our planning and review during this year focused on:

- Supporting Big Local areas and helping them achieve their legacies.
- Securing Local Trust's own legacy.
- Preparing for a successful closure.
- Promoting inclusivity and diversity.
- Navigating uncertainty and risk.
- Governance and organisation.

Supporting Big Local areas and helping them achieve their legacies

This past year has seen increased momentum in the number of areas closing out. Our priority remains one of working patiently with communities to help them achieve their ambitions and exit from the formal programme in a well-managed way. As timescales narrow, this has meant becoming more flexible and providing more tailored support to enable Big Locals to achieve their ambitions. We also actively engaged with at-risk areas to agree action plans, with clear milestones, to meet their expenditure targets.

- Between April 2024 and March 2025, we paid out £16.0m in grants, exceeding our target of releasing at least £14.8m to Big Local areas during 2024-25. This reduces the outstanding grant to be distributed during 2025-26 (Big Local's final year) to £7.6m.

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- By March 2025, 86 areas had closed out of the programme. A further 20 areas were in the close-out phase (with 5 holding less than £75k of local funding). The total number of areas closed or in the close out phase therefore exceeded our target of 90 areas closed or closing by the end of March 2025. We expect all these areas to be closed by August 2025.
- By March 2025, only 9 areas still held a balance of over £200k, down from 53 at the start of 2024-25. At the end of 2024-25, 13 areas remained above the £150k threshold.
- We implemented a programme of delivery review visits to the 36 areas classed as 'high need' (having at least £150k remaining and/or with specific concerns around progression). Visits covered a detailed review and discussion of plans and finances, potential risks, and support needs. This work has enabled us to ensure that expectations and requirements are agreed, viable delivery plans and realistic budgets are in place, the right support is made available, and all our funding processes have been adhered to.
- In early 2025, we reviewed potential support needs across all remaining active areas plus those closed in the preceding six months. This will inform regional and sub-regional support and action plans for a new strand of work called 'building local connections' in 2025-26.
- Action to ensure the local legacies of individual Big Locals included: offering all areas membership of Locality (a network supporting local community organisations); 'speedy support' tailored to areas closing out; and assigning specialist advisors to particular areas. Tailored support has been given around: setting up and running legacy bodies; fundraising to maintain activities, projects and services; and, owning and managing community assets.
- We also piloted legacy activities, including a 'meet the funders' event, and communications events for areas approaching closing out.

Securing Local Trust's own legacy

This year, we began considering how our legacy activities might be maintained and continue to have impact following closure. Many partnerships projects have already been developed, spinning out such activities to organisations that can continue to realise the Local Trust ambition beyond 2027.

- In April 2024, we launched a new partnership with the NHS Confederation. This is exploring the importance of community-led health in the Big Local programme and the need for radical transformation in health and care across the UK. The central aim is to improve population health and reduce inequalities through joined-up, community-led approaches at a hyper-local level. This will be achieved through the creation of practical partnerships between Big Local areas and NHS partners to share learning and drive change. The partnership will disseminate new evidence about successful integrated approaches, with the goal of influencing health and care at a national level.
- We helped establish the Independent Commission on Neighbourhoods (ICON), which launched in September. ICON aims to influence government to address the significant challenges faced by the country's most disadvantaged neighbourhoods. It will build on existing research (including by Local Trust's policy and research teams), generate new insights, and propose actions to improve the prospects of residents. The Commission's work is funded by Local Trust but is run by an independent secretariat.
- In October, we launched 3ni, a new learning network designed specifically for local government officers dedicated to community-led neighbourhood regeneration. Developed by Local Trust, supported by New Local and delivered by Capacity, 3ni offers a platform for collaboration and innovation in local government efforts to transform neighbourhoods across

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the country. We will maintain a close, collaborative working relationship with the team delivering the programme.

- We are members of a consortium of universities, voluntary and community sector organisations behind a new research body, the Centre for Collaboration in Community Connectedness (C4). Launched in December, and primarily funded by the ESRC, C4 will focus on strengthening connectedness and participation in place-based communities across the UK. Local Trust has committed to investing £1m and providing staff time to manage and support the work. We will feed in knowledge gained through Big Local.
- We have been developing Learning from Big Local, our new website bringing together the key research, learning and stories from across the programme. Our soft launch will take place in autumn 2025, once we take account of user testing and internal feedback, and to upload more content. C4 will host the website as an 'evidence repository' after the Big Local programme ends.
- We continued to produce a range of submissions, case studies and research reports. *Breaking the Cycle* (published with the Centre for Progressive Policy) explores how to bring growth and opportunity to areas stuck in a trap of 'no jobs or bad jobs'; *Young People's Wellbeing in Doubly Disadvantaged Neighbourhoods in Greater Manchester* (with #Beewell and the Centre for Education and Youth) investigates the experiences of young people; *Neighbourhoods in Action: Achieving big results by working hyperlocally* (with 3ni) examines how local authorities in England are using neighbourhood approaches to support their most disadvantaged areas.
- We commissioned a synthesis of evidence on how to create and maintain strong communities in the most deprived areas. Frontier Economics completed the initial phase and are now reorientating the project to answer ICON's core research questions.
- We partnered with Demos and 3ni to produce a series of policy papers, exploring how strong social capital can improve social and economic outcomes at the neighbourhood level.
- Our series of research seminars which covered a range of topics like community leadership, health and Pride in Place ran throughout the year.
- We continued to support Amazing Communities Together to establish itself as a credible, inclusive and sustainable network providing a national forum for practitioners and champions of resident-led renewal. Grown out of the Big Local programme, a priority for ACT's independent Board now is establishing an effective business model beyond Big Local and Local Trust funding.

Preparing for a successful closure

In November 2023, trustees approved a Closure Plan, setting out how we will responsibly prepare for close down of Local Trust by February 2027. This Closure Plan underpins all our activities, but also incorporates measures around core functions.

- In 2024-25, we agreed in principle which organisations we want to take responsibility for residuary functions following closure and the budget (if any) required to facilitate this. We took advice from Withers (solicitors) and Moore Kingston Smith (auditors) on these proposals.

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- By March 2025, we had reached agreement with C4 on holding some of these functions. We are in negotiation with a separate organisation about other functional support post-closure. We have set ourselves a deadline of September 2025 for these discussions. Thereafter, if necessary, we will complete an appraisal of alternative options by November 2025.
- We have updated staff twice during 2024-25 so that they understand the strategy, their role now, and the implications moving forward.
- In July 2024, we revised our stakeholders communications plan to ensure our partners at all levels remain fully informed.

Promoting inclusivity and diversity

In March 2023, our new Equality, Diversity and Inclusion (EDI) Strategy committed us to action across three domains: our relationship with Big Local partnerships, our external narrative, and the way we work. After a raft of new initiatives in 2023-24, 2024-25 has been largely a year of maintaining energy and momentum. The action plan for the year included:

- Brokering tailored support to Big Local partnerships in areas such as Nottingham around their approach to issues of equality in the final phases of their local plan.
- Sharing findings from the action learning project, based on work with two Big Local areas seeking to addressing systemic racial inequality and discrimination in their work.
- Development and dissemination of a community action plan focusing on youth engagement.
- Assurance regarding the equalities impacts of our approach to closure planning

Progress against commitments has been regularly reviewed by a Senior Management Team lead, with an annual report on progress and learning to the Board in March 2025.

Navigating uncertainty and risk

We regularly review the risks facing Local Trust and Big Local, with all operational risks considered at least once a quarter and shared with relevant trustee committees and our Board.

One strategic risk in 2024-25 was that of reduced policy impact after the July 2024 UK general election. We have taken particular action to establish relationships with the new government.

- In the run-up to the general election, we published our own neighbourhoods ‘manifesto’ calling on the next government to commit to improving the prospects of ‘doubly disadvantaged’ neighbourhoods (those with both the highest levels of deprivation and weakest social infrastructure).
- Immediately after the election, we produced a series of papers exploring how learning from the Big Local programme might inform Labour’s five ‘missions’, and the importance of the neighbourhood level in having the greatest impact here.
- On 22 July, the Community Wealth Fund (CWF) campaign was re-launched with a parliamentary event for new MPs. As a founding member of the Community Wealth Fund Alliance, we asked the new government to commit to an immediate review and expansion of the proposed CWF, alongside a broader realignment towards the campaign’s original principles. In December, a further £87.5m was committed.

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- We have met with over two dozen new MPs across the three main parties, arranging for some to visit their or other Big Locals. We have met with relevant ministers and key advisors. Other ministerial engagement has come through work with ICON and the NHS Confederation, including with the Secretary of State for Health and his senior officials.
- Organisationally, we identified the risk that mishandling closure could result in low staff morale and loss of efficiency. We have mitigated this by increasing staff capacity focused on effective closure and updating the budget to take account of closure costs.
- Another significant risk approaching closure is the loss of key staff and challenges recruiting talented staff. In this context, we implemented a new remuneration policy and have been putting increased emphasis on secondments. So far, we have seen relatively few unplanned exits; where this happens, we review how this interacts with our longer-term planning for closure.

Governance and organisation

We have adapted our governance arrangements to reflect changing needs and demands as we run down our operational capacity whilst maintaining proper oversight of the delivery of the last stages of Big Local and our key legacy projects. The recommendations from the Governance review carried out in 2023-24 – including a streamlined Board Committee structure – are now well embedded. We accept we may need to adapt further as we move towards closure.

- As part of planned downsizing, Matt Leach exited the post of Chief Executive Officer at the end of 2024-25. He was succeeded by Rachel Rowney, who has been part of the team at Local Trust responsible for delivering Big Local since 2012, most recently as chief operating officer.
- Staff surveys carried out during 2024-25 showed that:
 - People feel positive about working for Local Trust.
 - People feel passionately about the mission and vision of the organisation.
 - People feel that they are treated fairly and well.
 - Colleagues respect and enjoy working together, believing Local Trust to be a competent and strong organisation.

Motivation levels continue to be high across the organisation.

Plans for the future

2025-26 is the final operational year of the Big Local programme, with 2027 marking the last year of the Big Local Trust Deed and the planned closure of Local Trust. These deadlines form the context for the ambitions and focus of our 2025-26 Business Plan. We have set realistic priorities to maximise impact.

With limited time remaining, we view our Business Plan as ‘live’. We must be able to respond to a dynamic operating environment within a reducing budget envelope. We will regularly monitor our progress, including review with trustees every quarter.

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Our overall priorities for 2025-26 are:

- Supporting the remaining Big Local areas to achieve their ambitions and secure a legacy through their final plans.
- Influencing those with power to change policy and practice, through the sharing of evidence, resources and insight on neighbourhood and community renewal.
- Managing the dissolution of Big Local Trust and closure of Local Trust effectively, ensuring we meet our legal and fiduciary duties.
- Maintaining and supporting a high performing and engaged team that can deliver on our mission and ambitions through to the end.

These priorities remain underpinned by our four strategies and plans on performance delivery, legacy, closure, and equality, diversity and inclusion, published in 2023. For each priority, we have set ourselves goals, pinned to measurable targets.

Delivering the Big Local programme

Local Trust will continue to prioritise support for around 60 active Big Local areas due to close out across 2025-26. This means helping all remaining areas to successfully deliver their final plans and make best use of their full funding. We will also assist partnerships to plan for their own legacy. Our goals are to:

- Support all Big Local areas to achieve their ambitions, through direct intervention informed by a risk-based approach. We are keeping our close-out thresholds and processes under review. We will work closely with those facing the biggest challenges and look to resolve issues quickly and proactively. We will also celebrate endings, both locally and nationally. Our targets are: to have all areas in their close-out phase by December 2025, with £8m of grant cash spent by March 2026.
- Provide the best platform for Big Locals to secure their legacy, by facilitating access to relevant support, connection and learning opportunities. We will continue to offer bespoke support, enhancing our network of local and national providers. We will be more active in building local connections between Big Locals and potential partners, including sub-regional and regional action plans focused on brokering relationships with broader voluntary, community and funding organisations and networks. Our targets are: for 85% of those receiving support to feel more confident about achieving their legacy; and, to see at least 10 Big Locals access support around equalities and inclusion.
- Complete all our funding fully and accurately. We will close grant agreements and complete administration of those grants still open. This includes closing relevant contracts for supporting organisations and individuals, ensuring no outstanding liabilities. Our target is to close 125 grants by December 2025.

Our legacy

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We will develop an outward-facing campaign highlighting the principles of both the Big Local programme and Local Trust, aiming to secure broad-based understanding of their success. We will ensure we have both in-house capacity and management information to respond to any negative media and develop a detailed crisis response plan, ensuring we have the resources to respond appropriately to potential issues. Throughout, we will continue to build on our strong record of providing a platform for those who are most marginalised. Our goals are to:

- Demonstrate a clear, relevant and accessible evidence base that shows the importance of long-term, flexible and supported funding for resident- and community-led decision-making. We are focused on consolidating our learning. Our targets are to: launch the Learning from Big Local website to positive feedback and gain increased engagement with key audiences.
- Establish wider understanding within the funding system that locally led institutions and infrastructure form the foundation of successful neighbourhoods. We will champion the importance of funding that values resident-led initiatives in achieving lasting change. We will lead a new programme of learning for funders in London and run a series of dissemination events with partners. We will seek to embed Big Local learning within networks around community-led renewal. A new strand of activity, 'building local connections', will assist Big Locals in forging relationships that will outlive the programme. Our targets are to see: 90% of areas engaged in our new strand saying they have developed local connections which will help them sustain impact; 15 London funders participating in our new programme.
- Embed our insights with public and civil society organisations and those working directly with communities. Local Trust's policy team will continue to provide briefings on policy or delivery. As a lead institution behind C4, Local Trust will ensure it builds on our evidence base to bring value to current and future policy makers, civil society organisations, academics, and practitioners of community development. With TCPA and Sovereign Network Group, we will publish a playbook for private developers on creating strong communities in new housing developments. Our targets are to see: 5 key funding programmes (or equivalent) align with Local Trust's learning and principles; and for Local Trust's influence to be evident in the 'what works', methods and community engagement strands of delivery.

Closure

During 2025-26 we will continue to prepare and plan for successful organisational closure. This will include:

- Progressing discussions with organisations that might hold the residuary functions of Local Trust after closure.
- Establishing agreements with organisations that will 'carry the Local Trust flame' through our legacy projects and activities.
- Reviewing any and all legal requirements to ensure they are understood and planned for.
- Ensuring that our staffing profile reflects what's needed to achieve our objectives.

We are not planning significant changes to core business systems. However, we are considering when systems might no longer be required, any GDPR implications, and the process for phasing out their use. Our goal is to manage the closure of Local Trust and dissolution of Big Local Trust, in line with our legal and fiduciary duties. Our targets are: to have team closure plans by October 2025; to have completed a 'systems stocktake' by December 2025, with an exit plan for each system by

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March 2026; by September 2025, to have concluded current discussions with one organisation over holding residuary functions and, if necessary, to have carried out an appraisal of alternatives by November 2025; to have agreed a financial exit/closure plan by March 2026.

Our people, culture and performance

Maintaining a high performing and engaged team, and an inclusive and positive culture that can deliver on our ambitions through to closure of the Big Local programme and organisation, is crucial. Our approach to budget management will become more dynamic to ensure funds are fully and appropriately allocated. Our expected expenditure during 2025-26 is:

- £400k new grant commitments (99% of all grant funding available to areas).
- £8.8m spent on grants.
- £9.7m spent on support and delivery.

Our goals are to:

- Ensure Local Trust is governed, led and managed effectively. Our targets are to meet our legal and fiduciary duties, and to achieve a clean audit.
- Maintain a confident, resilient, and motivated staff team. Our targets are to: achieve 80% of quarterly development objectives; see staff satisfaction maintained or improved in the 2025 staff survey; offer 200 instances of training.
- Deploy our skills, resources and capacity in line with organisational priorities and risks. Our overall target is to meet 90% of detailed Business Plan targets.

Response to the Charity Governance Code

The Local Trust board chose to adopt and apply the Charity Governance Code published in December 2020.

Over the last year, Local Trust has continued to address the seven key areas of governance outlined in the Charity Governance Code.

Action undertaken includes:

1. Organisational purpose

The board is clear about the charity's aims and ensures that these are being delivered effectively and sustainably.

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Local Trust delivers the Big Local programme in accordance with the provisions of the Big Local Trust deed, of which it is sole corporate trustee, and which was last updated in July 2018 and September 2021. The Big Local Trust deed was reviewed in 2022 and no immediate need for further amendment was identified.

In March 2020, following a year-long review, trustees approved a Strategy Framework for the period leading up to the conclusion of the Big Local Trust deed in 2026–27. The three years since the Strategy Framework was developed were very different from what was expected when it was originally created. In 2023, a planning process led by Trustees helped create three new strategic documents that now replace the 2020-26 framework. These are: the Legacy Strategy, defining our ambitions for achieving long-term impact; the Closure Strategy, outlining our plans to wind up Local Trust by the current scheduled end date of February 2027 (with a more detailed Closure Plan, published in 2023); and the Equality, Diversity and Inclusion Strategy (and Action Plan), intended to underpin all our work.

The three Strategies, alongside the latest update of our Programme Delivery Framework, reflect changing priorities and increased focus on preparing for both organisational and programme close-down, as Local Trust moves into the last four years of Big Local. They will feed directly into our annual business planning process over the period 2023-27, and form the basis of our annual reports on progress.

Trustees receive regular briefings and information on the charity's work and on progress towards annual business plan targets and are able to demonstrate that the charity is effective in delivering its plans.

2. Leadership

Every charity is headed by an effective board that provides strategic leadership in line with the charity's aims and values.

The Local Trust board had an experienced chair in 2024-25 who provided leadership to the board. Board and committee meetings are well attended, and trustees participate actively.

During 2023-24, a governance review took place to ensure the Board is able to effectively fulfil its role. This included an audit of what skills and experience trustees might need as Local Trust approaches closure. This review led to the recruitment of three new trustees in 2023-24.

There are appropriate arrangements in place for the appointment, supervision, support and appraisal of the chief executive by the board (through the People and Culture Committee) and of staff, through the chief executive and senior management team.

3. Integrity

The board acts with integrity. It adopts values, applies ethical principles to decisions and creates a welcoming and supportive culture which helps achieve the charity's purposes. The board is aware of the significance of the public's confidence and trust in charities. It reflects the charity's ethics and values in everything it does. Trustees undertake their duties with this in mind.

Local Trust's trustees agree to abide by a code of conduct when they join the board.

Local Trust has a conflict-of-interest policy to ensure that potential conflicts of interest are declared and managed appropriately. Trustees declare any potential conflicts of interest at the start of each board and committee meeting, and these are recorded in the minutes.

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Local Trust has a gift and hospitality policy that explains what is acceptable and unacceptable, and there is a register where trustees and staff must declare any hospitality or gifts received. Trustees and the senior management team also complete related party declarations on an annual basis to declare any potential conflict of interest.

The board takes legal, financial and investment advice from suitably qualified professionals as appropriate.

4. Decision-making, risk and control

The board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored.

There is a clear scheme of delegation for board decision-making which was reviewed and updated during 2022-23 to ensure it continued to be fit for purpose. Decisions and actions are appropriately recorded and followed up at subsequent meetings. All board-level decisions are shared on the Local Trust website.

Following a review of governance in 2023-24, a new board committee structure was introduced from April 2024 which ensures trustees are able to continue to effectively exercise oversight of both Local Trust as an organisation and the programmes it delivers. The two new committees are: Finance and Audit, and People and Culture. New terms of reference explaining the responsibilities of each committee were approved and will be periodically reviewed and updated to ensure continued effective oversight and decision making across all aspects of Local Trust's business.

Risks are regularly reviewed and updated by the executive and reported on to the board, with scrutiny and oversight of risk reports taking place on a quarterly basis by the board. Further details of the committees' roles and responsibilities are outlined under the governance section of this report on page 28.

5. Board effectiveness

The board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions.

The chair plans the board's work and meetings, with trustees and staff, making sure trustees have the information, time and space they need to explore key issues and reach well-considered decisions. The board regularly discusses the effectiveness of its meetings and makes changes where it believes improvements can be made.

New trustees are given comprehensive inductions into Local Trust, to enable them to be effective as possible. Trustees take advantage of a range of opportunities for training and development, including attendance at relevant conferences and networking events, and visits to Big Local areas. In January of each year, trustees attend an annual away-day to enable them to work together on issues that are of strategic importance to the charity.

Once a year, in addition to her contribution to the annual report, the Protector is invited to provide direct feedback to the board on her perceptions of its strengths and weaknesses, as a prompt to a collective discussion on improving its performance.

Regular assessment of Chair and trustee performance is carried out by the People and Culture committee to ensure the board continues to be fit for purpose. In 2023-24, an audit of trustee skills was carried out to assess whether further recruitment would be of benefit. This has led to the recruitment of three new trustees.

6. Equality, diversity and inclusion

The board has a clear, agreed and effective approach to supporting equality, diversity and inclusion throughout the organisation and in its own practice. This approach supports good governance and the delivery of the organisation's charitable purposes.

Local Trust is committed to ensuring that its work does not discriminate and offers equality of opportunity to all. It seeks through its approach to recruitment to ensure a diversity of skills, background and experience amongst trustees to enable the board to fulfil its role effectively.

Local Trust is committed to providing equal opportunities in employment and to avoiding unlawful discrimination. In 2022-23, Local Trust developed a new Equality, Diversity and Inclusion Strategy to inform future revisions of its strategic approach to these issues. The Strategy is underpinned by an Equality, Diversity and Inclusion Action Plan. Progress in implementing the strategy and action plan will be tracked across the year, with an annual report to Trustees. Equality, diversity and inclusion are defined in the business plan in the context of the EDI Strategy, delivery of the programme and aims of the charity. Local Trust's staff handbook includes our policy on equality and diversity in employment. Induction for new staff includes covering the EDI Strategy.

7. Openness and accountability

The board leads the organisation in being transparent and accountable. The charity is open in its work, unless there is good reason for it not to be.

Local Trust aims to be transparent and accountable in its work. There is regular communication with stakeholders through the Local Trust newsletter, website and events. Key policies and procedures are published on the charity's website.

The Big Local Trust deed provides for the appointment of 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 National Lottery Community Fund as the Founder or to the Charity Commission. Our current Protector was appointed in September 2018.

There is a clear, published process for making and handling complaints, to ensure that any complaints are handled constructively, impartially and effectively. Where necessary, Local Trust engages the services of mediators to help with the resolution of complaints that result from disputes within Big Local areas and partnerships. Where appropriate, the advice of Rosie Chapman, Protector of Big Local Trust, is sought to provide advice on the organisation's handling of issues to ensure that appropriate learning is gathered and, where appropriate, systems and processes improved.

Financial review

Local Trust's primary responsibility during the year to 31 March 2025 was to deliver Big Local using funds from the Big Local Trust.

Overview of income and expenditure

During the year, Local Trust continued to manage the activities of Big Local Trust, which is funded through an expendable endowment from the National Lottery Community Fund. Income on the investment was £1.9m for the year (2024: £2.9m). There were net losses on the investment of £1,322k (2024: net gains of £413k).

The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Consolidated expenditure for the year was £8.6m (2024: £17.5m). The decrease in expenditure reflects a 103% decrease in direct grant funding to -£0.3m (2024: £8.8m). All direct funding was to Big Local areas. The cost of delivery to areas decreased by 22% to £4.0m (2024: £5.1m) and the cost of learning activities increased by 37% to £4.8m (2024: £3.5m). A full list of the funding to Big Local areas is included in note 5.

In Local Trust's consolidated accounts, the net decrease in funds for the year was £8.0m (2024: £14.2m). The total funds held at the year-end were £16.2m (2024: £24.2m).

Big Local Trust's investments

Investment strategy

Big Local Trust's original investment strategy objectives were:

- 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 for each area.

Making use of the scale and duration of Big Local, the original investment strategy aimed to provide a reasonable medium-term return while ensuring that at all times sufficient short-term funds were available to support spending.

In November 2019, the trustees agreed to change the implementation of the Big Local Trust investment strategy, from a focus on investment returns to focusing on controlling risks. This reflected the fact that the fund had achieved good investment returns in the years since it was established, enabling Big Local Trust to fulfil its original investment strategic objectives. The key driver for this decision was the need for financial certainty to allow Local Trust and Big Local areas to plan; and related to this was the ever-reducing amount of time for the fund to recover from the downsides of market volatility as Big Local moves towards the latter stages of the programme. However, the summer of 2020 and the consequent uncertainties and potential for further volatility led the Trustees to revisit the strategy in the summer, with the aim of ensuring as much certainty and stability as possible. This led to a shift from controlling to minimising risk, and the investment strategy became:

The trustees' wish to minimise risk as much as possible and to preserve the value of the investment (above generating returns), in order to have as much certainty as possible as Big Local spends out.

The trustees reviewed the investment strategy again in November 2023 and agreed to transition from direct cash investments in the money market to investing realised cash into a CCLA managed

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COIF deposit fund. This will enable better liquidity of funds to closure in 2026. The transition out of money market investments will mark the end of Big Local Trust's custodian relationship with HSBC. It is anticipated that this relationship will end by March 2025. The investment strategy has been revised to:

As of 1 April 2024 there will be no further direct cash investments. Cash realised on the maturity of investments in the portfolio will be invested in a CCLA managed Deposit Fund account.

The portfolio reference currency will be British Pounds (GBP).

During the year, the revised investment strategy was implemented and direct cash investments in the money market were transitioned over to the COIF charities deposit fund upon maturity. The Big Local Trust discretionary investment management agreement with CCLA was terminated in November 2024, the segregated fund closed. Remaining funds continue to be held in a COIF charities deposit fund, managed directly by Big Local Trust.

Investment management

CCLA is the investment manager for Big Local Trust and over the life of the charity, has worked with the Local Trust's finance and audit committee to manage investments in line with the investment strategy, as agreed by the board.

November 2024 marked the closure of the discretionary investment management agreement between Big Local Trust and CCLA. Remaining funds from the portfolio are held in CCLA's COIF charities deposit fund and continue to receive support from our investment managers, albeit on a smaller scale.

Investment performance

Big Local Trust commenced the year with an investment portfolio of cash and near-cash assets. There were no fixed asset investments held as at 31 March 2025 (2024: £46.0m), as the segregated investment portfolio was closed in November 2024 and remaining funds transferred to the charity's COIF deposit fund as short-term investments. Funds held in the COIF deposit fund at 31 March 2025 were £22.9m (2024: £206k).

The performance benchmark of the fund was Sterling Overnight Index Average (UK SONIA) from 1 January 2021 onward. The benchmark for the period ended 31 Dec 2024 when the portfolio closed was +5.23% (Dec 2023: +4.69%), and the overall returns for the period were +5.64% (Dec 2023: +4.58%). During the three months to 31 March 2025 when the remaining investment funds were transferred to the COIF charities deposit fund, the average yield for the fund was 4.56% (4.66% AEY). This compares with the benchmark of +4.46% (UK SONIA).

Ethical and responsible investment

Trustees reviewed Big Local Trust's ethical and responsible investment policy in March 2025. Local Trust, acting as the corporate trustee of Big Local Trust, agreed to use CCLA's ethical investment policy in the management of its investments. This policy has been developed in accordance with Charity Commission guidance (CC14), and trustees believe it represents an appropriate balance between aligning Big Local Trust's investments with its purposes and the delivery of good investment returns.

As all our assets are now invested in CCLA's COIF charities deposit fund, Big Local Trust has agreed to follow the responsible investment policy adopted by CCLA. This assesses the banks on a broad range of subjects including climate change, corporate governance and how they treat their workforce.

CCLA also leads engagement with the banks to push for more responsible business practices where needed.

The finance and investment committee meet regularly to assess their approach to managing the charity's money responsibly and review this policy annually.

Despite our holding of only cash investment assets, Big Local Trust's Finance and Audit committee will still consider participation in appropriate CCLA ethical engagement programmes. As a responsible investor, Big Local Trust supports CCLA's wider stewardship work. Big Local Trust is keen to invest in accordance with the Principles for Responsible Investment and expects its investment manager to be a signatory to these principles.

Distribution of returns on the investment

Under Big Local, 150 Big Local areas were each allocated £1m to spend over a 10-year period, based on each area's Big Local plan. The fund that provides these allocations and supports the delivery of the programme is managed centrally, with areas accessing funds over time as plans are delivered locally. Beyond providing £1m plan funding to each area, Local Trust has committed to ensure that each area will also receive a proportion of the net investment returns earned by the fund.

In September 2017, with several Big Local areas approaching full spend of their £1m, trustees made the decision to bring forward the distribution of that proportion of the returns that could be guaranteed at that date. Having considered the performance of the investment, trustees decided each Big Local area would receive an additional £105k from the returns generated from the original investment of £150m. This was added to the balance of each area's £1m. A further distribution of investment returns, of £50k per area, was agreed by the board in March 2020.

Grant-making policy

As part of the accounts, the trustees' annual report must explain any policy for grant making. The policy reads as follows:

Each Big Local area draws down funding by presenting plans to Local Trust for endorsement, setting out how they intend to address priorities identified by people in the area. Big Local areas appoint a locally trusted organisation to hold and be responsible for the funding. When plan funding is drawn down, locally trusted organisations receive an administration contribution of 5% of the grant.

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

Each area will receive:

- £1 million plus a contribution towards partnership running costs or grant administration (5% of the total spend) available once their Big Local plan is endorsed
- a fair proportion of net investment returns earned by the fund (an additional £105k per area was agreed by trustees in September 2017 and £50k in March 2020)
- any underspent or unused grant funding from the funds we offered to areas in the early years of Big Local (called Getting People Involved/Getting Started, Creating your Big Local plan and Marketplace), now available through the plan funding process
- travel and carer costs for residents to attend networking and learning events.

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By exception, and in line with policy framework agreed by trustees, Local Trust may agree to vary arrangements for the distribution of funds in Big Local areas where the local partnership (as the vehicle through which Local Trust seeks assurance of local residents' priorities) is unable to meet the [minimum criteria required of partnerships](#) over a sustained period. Local Trust will seek to ensure distribution of such funds reflects priorities identified by people in the area.

Local Trust as a locally trusted organisation

Local Trust acted as the LTO for one Big Local area that had been unable to identify a suitable organisation to fulfil this role during (or part of) the year to March 2025: Worle Big Local.

Big Local Trust retains the administration contribution of 5% for Local Trust acting as the LTO, and in 2024-25 this totalled £0.1k (2024: £5.3k).

Social investments

Big Local areas have been encouraged to be innovative in the ways they create positive social change and economic growth within their local areas through the use of social investment. Big Local partnerships team up with credit unions and other social investors within their local areas, opening up access to new funding for individuals and small organisations. These initiatives are presented as part of the Big Local partnership plans, and funding made available for delivery.

During 2024-25, Big Local Trust made £163k (2024: £184k) available for social investment. These programme-related investments are listed under note [12](#) and disclosed as a separate line on the face of the balance sheet. We have reviewed all social investments held during 2024-25 and have found none of the active social investments to be impaired. Irrecoverable impairments of £19k have been written off in previous years, and no further active social investments have since been deemed impaired. After repayments in the period of £40k, the value of the social investments at 31 March 2025 is therefore £123k.

Big Local Trust's social investments and impairment policy is reviewed on an annual basis. An assessment is undertaken at the end of each financial year to determine the extent, if any, to which Big Local Trust's social investments have been impaired (reduced in value), to ensure that their value has not been overstated.

Constructive obligations

A constructive obligation between Big Local Trust and a locally trusted organisation (LTO) is triggered when a grant (or other funding) offer letter is sent to an LTO to notify them that a specific amount of funding has been endorsed for a stated period of time.

We record these constructive obligations, or grant commitments as creditors in the balance sheet of these accounts.

Big Local Trust's constructive obligations decreased from £24.4m as at 31 March 2024 to £7.8m as at 31 March 2025. This reflects a significant decrease in new commitments and an increase in grant cash payments made during the year as Big Local areas deliver their plans locally and more areas close successfully.

Financial planning

Financial planning for Local Trust incorporates planning for Big Local Trust as well as other Local Trust projects.

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We undertake annual reviews of the budget and cashflow forecast to inform Big Local delivery, how funding is allocated and spent, and how areas are supported. The budget and cashflow forecast to 2027 is updated each year with actual spend and income and re-forecasted annually. We revisit the budget and cashflow forecast on a quarterly basis tracking spend against plan and re-forecasting where required.

Whilst planning for the 2024-27 budget period, we carried out a thorough review of our budget and cashflow forecast to ensure they are sufficiently robust to support delivery of the Big Local programme over the remaining years, which a specific focus on closure planning to February 2027. This includes considerations for the remuneration of staff upon redundancy as well as any costs associated with winding down the charity.

The updated 15-year budget informs the investment strategy and a rolling two-year cash flow forecast is provided to CCLA to enable them to manage cashflow requirements of the programme. The cashflow proved to be accurate for 2024-25 as it has been every year since it was first prepared in 2012.

Reserves policies

Local Trust was established as the corporate trustee for Big Local Trust and, in practice, undertakes limited activities apart from delivering Big Local. Staff are jointly employed by Local Trust and Big Local Trust. Big Local Trust pays all staff and overhead costs, and charges Local Trust for all costs associated with its activities. There were no separate activities other than Big Local during the reporting year.

Local Trust (the company) had net funds of £196k at 31 March 2024 (2024: £188k), of which £196k was unrestricted (2024: £188k). Local Trust maintains a reserve of £32,300 to cover any unexpected costs. Trustees judge that this is appropriate, given that Local Trust has no direct staff or overhead liabilities, no direct beneficiaries, and is able to tailor its expenditure to fit its circumstances.

Big Local Trust has an expendable endowment, received from the National Lottery Community Fund in 2012 and 2013, to be spent by 13 February 2027. All of Big Local Trust's funds are unrestricted. During the year, trustees designated £1,072k of funds to be spent on the development and delivery of an Independent Commission on Neighbourhoods (ICON) as part of Big Local Trust's legacy work. No funds had been otherwise designated or committed as at 31 March 2025 other than those identified elsewhere in the accounts.

Trustees consider that it is not necessary for Big Local Trust to specify a level of reserves beyond the significant level of funds held. The trust has processes in place to manage its funding over the period of the endowment, to ensure that the support costs, delivery costs and funding allocated to the 150 areas are spent in line with the requirements of the programme and the trust deed. This includes planning and managing closure in 2027.

It is in the nature of an expendable endowment that funds are spent out over time. In the final years of Big Local, it may require a reserves policy to ensure sufficient funds are held to manage the close down of the programme in a managed and prudent way; however, this is not currently the case. As at 31 March 2025, Big Local Trust held total funds of £16.0m (2024: £24.0m). It has sufficient contingencies within this to cover any unforeseen costs; therefore, it is not currently appropriate for the trust to specify a reserves level.

Trustees review the reserves policies annually.

Structure, governance and management

Staffing

Staff remuneration

Trustees consider remuneration, including the remuneration of the senior management team, annually. During 2024-25 trustees carried out a review of staff salaries, including the salaries of key management personnel, taking into consideration the organisation's financial health, what peer organisations are generally choosing to pay, and other factors in the pay policy. The pay policy was initially agreed in May 2019, and most recently reviewed in February 2025.

Trustees consider a cost-of-living increase for existing salaries, on an annual basis, after reviewing the consumer price index (CPI). A cost-of-living increase of 3.4% was agreed for 2024-25.

Trustees are responsible for setting overall remuneration levels for staff, with recommendations being made to Board as part of the budget approval process.

Trustees recognise the importance of valuing staff that need to effectively and appropriately manage the endowment, the programme, grants and social investment into 150 areas and the contracts/grants of those delivering national support, research and evaluation.

Staff are jointly employed by Big Local Trust and Local Trust. The average number of employees during the year was 62 (FTE) (2024: 63).

Pensions and auto enrolment

Big Local Trust operates a group pension scheme with Scottish Widows and contributes the equivalent of 10% of salary for each member of staff into scheme. This is more than the minimum legal requirement under auto-enrolment. Staff are encouraged to make a voluntary personal contribution.

During 2024-25, all Big Local Trust staff were enrolled in the group personal pension scheme.

Volunteers

Big Local relies on people getting involved in making their areas better places to live. Around 400 people directly participate as partnership members across the 44 Big Local areas, the other 106 Big Local areas either already closed or on the closure path. Partnership members include representatives from local organisations, councils and businesses however, a vast majority are volunteer residents (69%) who give of their own time to help lead the Big Local programme in their local areas.

Principal risks

Big Local Trust has a detailed risk register, which is reviewed and update regularly by the Executive and on a quarterly basis by the board and the Finance and Audit committee. Significant new strategic and operational risks are brought to the attention of the Finance Audit and Risk committee and the board as necessary.

The business planning process carried out during the year to March 2025 identified the following major risks that would need to be monitored and managed over the year ahead:

The key risks

- **Failure of low spend areas to meet spend forecast:** This would result in these areas falling further behind targets and in capacity challenges (both intensity and overall timeline) and could challenge our ability to complete delivery of Big Local by March 2026. Over the course of the year, we revised our approach to risk assessment, to take better account of available data and intelligence, and ensured work to support and intervene where necessary in these areas was a team priority. A programme of visits to all higher risk areas towards the end of the year, and involving all relevant stakeholders resulted in agreed milestones and forward review points, with additional support or changes to delivery arrangements where considered necessary.
- **Risk of Lower spend by a majority of Big Local areas remaining in the programme than expected.** This would also result in capacity challenges, including our ability to focus on lower spending areas. In response we regularly review programme data to assess level of risks; including ensuring monitoring of progress and challenges in areas with more moderate balances, and visits and touch points between Local Trust staff and areas, including a greater proportion of areas with a named Area Co-ordinator. The revised approach to area close-out significantly reduced this risk, freeing up resources to deploy in lower spend areas; whilst moving to alternative delivery approach in some areas also reduces the risk.
- **Risk that areas close to spend out (holding less than £150k) exit the programme slowly than expected:** This would divert resources away from areas with high needs and put a strain on capacity. Embedding the revised approach introduced in 2023 reduced this risk significantly, and ensured clear responsibility within the team for moving areas through the close out pathway in a timely manner, and some additional flexibility applied to standard thresholds for close out (e.g. where balance is above £75k but there is high confidence in the trajectory of local spend).
- **Local Trust support fails to effectively address needs and requirements of areas at greatest risk:** This could result in areas not spending out by 2026 in a timely and effective manner; require changes in how Local Trust supports Big Local areas and manages the closure of the programme, additional funding and staff changes. We continue to track the impact of support by area with regular reviews, including a review of expert support contracts which focuses on the support that will most likely assist in moving local plans towards completion, with the Delivery Review Visits offering the opportunity to take stock of potential additional support requirements. More flexibility to deploy a range of support providers – including local organisations – is being introduced.

- **Significant number of individually small negative media stories around low spend/challenging BL area leads to questioning of Local Trust competency and the Big Local model:** This could lead to reputational damage, and impact on our credibility and influence. A dedicated press risk register is regularly reviewed, with leadership from the Head of Policy and Communications and reviewed monthly by the Senior Management Team and quarterly by the trustees. We are improving management information on areas: whilst increased in-house provision of support to areas enables problems to be surfaced/exposed, and responsive action implemented, more quickly.
- **Delays in implementing legacy projects:** This could lead to a lack of impact, with Local Trust failing to achieve optimal outcomes from remaining time and resources. Trustee decisions have resulted in clear positive action to initiate work on key projects, and allocation of resources in the business plan.
- **Loss of key staff, and challenges in recruiting talented staff, as we get closer to the proposed end date of the organisation:** A resultant lack of capacity and skills in the organisation to deliver strategy and business. Local Trust has reviewed remuneration in this context, implementing a new policy, and is putting increased emphasis on secondments. Our resourcing priorities are reviewed every 6 months as part of the closure plan.
- **Failure to adequately plan organisational closure:** This could result in poor administration of Local Trust and Big Local during final years, low staff morale, loss of efficiency, and challenges in resourcing closure effectively. Critical in addressing this risk is the published Closure Strategy, and associated Closure Plan. The forward budget has been updated to take account of closure costs, and Trustees receive regular reports on progress.

Governance and committees

Local Trust acts as the corporate trustee of Big Local Trust, in line with the Big Local Trust deed.

Local Trust was registered as a charity in England and Wales on 30 May 2012 (charity number 1147511). Local Trust is also registered as private limited company by guarantee (company number 07833396).

Local Trust's work is overseen by a board of trustees who meet on a quarterly basis. Our approach to governance is led by the chair of the Local Trust 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.

Trustees receive regular, timely reports which provide updates on Local Trust programmes of work and inform decision-making.

Trustees delegate responsibility for the day-to-day running of the charity to the chief executive.

Committees

Following a review of governance in 2022-23, a new board committee structure was introduced in April 2024, which saw the closure of the Legacy and Learning and Programme Delivery committees. This ensures trustees are able to continue to effectively exercise oversight of Big Local Trust both as an organisation and the programmes it delivers.

The two remaining committees are: Finance and Audit (formerly Finance, Audit and Risk); and People and Culture (formerly Governance and Remuneration). New terms of reference explaining the responsibilities of each committee were approved and will be periodically reviewed and updated to ensure continued effective oversight and decision making across all aspects of Big Local Trust's business.

- The purpose of the **Finance and Audit Committee** is to support the Board in the overall management and monitoring of finance, investment, and audit matters at Local Trust and Big Local Trust. It does this by providing an appropriate level of scrutiny of finances, investment policies and procedures of Local Trust and Big Local Trust, as well as the audit process and outcome, and by supporting the Board and management in managing its finances effectively, prior to making recommendations on these matters to the trustees for their decision.
- The purpose of **People and Culture Committee** is to: ensure the effective governance of Local Trust and Big Local Trust; make recommendations as to the organisation's overall staff remuneration policy; and support the successful closure of Local Trust and Big Local Trust.

The Protector

The Big Local Trust deed provides for the appointment of 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 National Lottery Community Fund as the Founder or to the Charity Commission. Rosie Chapman has been the Protector since September 2018.

Trustees delegate responsibility for the day-to-day running of the charity to the chief executive.

Statement of trustees' responsibilities

In respect of the trustees' annual report and the financial statements

The trustees (who are also directors of Local Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

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

Auditors

A resolution to appoint Moore Kingston Smith was proposed at the last annual general meeting.

Approved by the board on 27 November 2025 and signed on their behalf by:

Signed  Date 05 December 2025

David Warner
Chair

Independent auditor's report to the trustees of Local Trust

Opinion

We have audited the financial statements of Local Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Local Trust annual report and financial statements 1 April 2024 - 31 March 2025

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the

financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the [strategic report and the] trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 31, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence

Local Trust annual report and financial statements 1 April 2024 - 31 March 2025

regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are [the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council]
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP
.....

Date: 8 December 2025.....

Samir Chandoo (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor, 9 Appold Street

London EC2A 2AP

Local Trust annual report and financial statements 1 April 2024 - 31 March 2025

Consolidated statement of financial activities

(incorporating an income and expenditure account) for the year ended

31 March 2025

		Group Restricted 2025 £000	Group Designated 2025 £000	Group Unrestricted 2025 £000	Group 2025 £000	Group 2024 £000
	<u>Notes</u>					
Income from:						
Investments	2	1,863	-	9	1,872	2,898
Other sources	3	1	-	-	1	3
Total income		1,864	-	9	1,873	2,901
Expenditure on:						
Raising funds:						
investment management charges		15	-	-	15	85
Charitable activities:						
grants payable	5	(269)	-	-	(269)	8,758
delivery to areas		3,962	-	-	3,962	5,107
learning to support the programme		4,551	291	1	4,843	3,530
Total expenditure	4	8,259	291	1	8,551	17,480
Net operating expenditure	7	(6,395)	(291)	8	(6,678)	(14,579)
Net gains/(losses) on investments		(1,322)	-	-	(1,322)	413
Net income/ (expenditure)		(7,717)	(291)	8	(8,000)	(14,166)
Loss on disposal		-		-	-	(2)
Transfers between funds		(1,072)	1,072	-	-	1,072
Net movements between funds		(8,789)	781	8	(8,000)	(14,168)
Reconciliation of funds:						
Total funds brought forward at 1 April 2024		23,989	-	188	24,177	38,345
Total funds carried forward at 31 March 2025	17	15,200	781	196	16,177	24,177

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

During the year, trustees designated £1,072k from restricted funds to be spent on delivering the Independent Commission on Neighbourhoods. Designated funds remaining at the end of the year were £781k

The accompanying notes, on pages 37 to 56, form part of these financial statements.

Local Trust annual report and financial statements 1 April 2024 - 31 March 2025

Consolidated and company balance sheets

as at 31 March 2025

Company number: 07833396

		2025	2025	2024	2024
		Group	Local	Group	Local
		£000	Trust	£000	Trust
	Notes		£000		£000
Fixed assets					
Tangible assets	8	24	-	30	-
Intangible assets	9	69	-	132	-
Investments	10 & 11	-	-	46,018	-
Social investments	12	123	-	163	-
		<u>216</u>	<u>-</u>	<u>46,343</u>	<u>-</u>
Current assets					
Debtors	13	437	1	1,545	2
Investments		23,136	191	388	182
Cash at bank and in hand		<u>1,145</u>	<u>4</u>	<u>1,322</u>	<u>7</u>
Total current assets		<u>24,718</u>	<u>196</u>	<u>3,255</u>	<u>191</u>
Liabilities					
Creditors: amounts falling due within one year	14	(8,757)	-	(22,322)	(3)
Net current (liabilities)/ assets		<u>15,961</u>	<u>196</u>	<u>(19,066)</u>	<u>188</u>
Creditors: amounts falling due after one year	15	-	-	(3,099)	-
Net assets	17	<u>16,177</u>	<u>196</u>	<u>24,177</u>	<u>188</u>
Funds					
Restricted funds		15,200	-	23,989	-
Designated funds		781	-	-	-
Unrestricted funds		<u>196</u>	<u>196</u>	<u>188</u>	<u>188</u>
Total funds		<u>16,177</u>	<u>196</u>	<u>24,177</u>	<u>188</u>

The accompanying notes, on pages 37 to 56, form part of these financial statements.

Local Trust generated a surplus of £8k (2024: -£88k) before consolidation within the group financial statements.

Approved by the trustees, authorised for issue on 27 November 2025 and signed on behalf of the board of trustees:

Signed  Date 05 December 2025

David Warner
Chair

Local Trust annual report and financial statements 1 April 2024 - 31 March 2025

Consolidated statement of cashflows

for the year ended 31 March 2025

		2025	2024
Cash (outflow)/inflow from operating activities:	Notes	£000	£000
Net operating expenditure		(6,678)	(14,577)
Investment and other income received		(3,195)	(2,488)
Depreciation/amortisation of fixed assets		120	172
Decrease/(Increase) in debtors		1,108	(399)
Increase in creditors		(16,664)	(8,045)
Investment management fees		(15)	(85)
Increase in investment management fee accrual		(17)	(9)
Net cash (used in) operating activities		(25,341)	(25,431)
Cash flows from investing activities:			
Investment and other income received		3,195	2,488
Investment management fees		15	85
Payments to acquire tangible fixed assets		(20)	(17)
Payments to acquire intangible fixed assets		(31)	(24)
Payments to acquire social investments		-	(2)
Repayments of social investments		-	(120)
Payments to acquire fixed asset investments		39	22
Net payments to acquire fixed asset investments		9,000	(45,000)
Movements in investment cash balances		714	(356)
Receipts from the sale of fixed asset investments		35,000	69,000
		47,912	26,076
Change in cash and cash equivalents in the year		22,571	645
Change in cash and cash equivalents in the year		22,571	645
Cash and cash equivalents at 1 April 2024		1,710	1,065
Cash and cash equivalents at 31 March 2025	19	24,281	1,710
Analysis of cash and cash equivalents:		£000	£000
Cash in hand		1,145	1,322
Notice deposits		23,136	388
		24,281	1,710

Notes to the accounts

for the year ended 31 March 2025

1. Accounting policies

a) Administrative information

Local Trust is a public benefit entity and the corporate trustee of Big Local Trust, registered charity number 1145916.

Local Trust is a charitable company limited by guarantee. It is operated under the rules of its memorandum and articles of association dated 3 November 2011 and amended by written resolution dated 27 March 2012 and 9 October 2014. It has no share capital and the liability of each member in the event of winding-up is limited to £1. Local Trust was registered with the Charity Commission on 30 May 2012.

Local Trust: registered company number 07833396

registered charity number 1147511

The registered office is: Canopi, Arc House, 82 Tanner Street, London SE1 3GN.

b) Basis of preparation

The financial statements are prepared on a going concern basis which assumes the charity will continue in operational existence for the foreseeable future. The trustees have considered the impact of the prevailing external environment on the financial position of the charity and are aware that the charity is able to draw down on its expendable endowment to provide an appropriate response to the additional needs resulting from the pandemic where necessary.

After reviewing the charity's forecast and projections, the trustees have a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

The financial statements have been prepared under the historical cost convention, except that fixed asset investments are stated at market value, and in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2019.

The functional currency is Pound Sterling.

c) Group accounts

These financial statements consolidate the results of Local Trust (company limited by guarantee and charity), and Big Local Trust (charity) on a line-by-line basis. They are prepared on the basis that Local Trust will remain as sole corporate trustee of Big Local Trust in perpetuity. Should this change, the basis on which these financial statements are prepared will be reconsidered.

d) Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historic experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

e) Statement of financial activities

Local Trust has taken exemption from presenting its unconsolidated statement of financial activities under section 408 of the Companies Act 2006.

f) Income

Income is recognised in the period in which the charity is entitled to receipt, the amount can be measured reliably and receipt is probable. 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.

g) Fund accounting

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.

h) Expenditure

Expenditure is included on an accruals basis for charitable activities and expenditure on raising funds.

Expenditure is 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 locally trusted organisations and Big Local areas, because Big Local areas would have a valid expectation that they would receive the grant as offered and accepted.

i) Allocation of support costs

Support costs are those costs which enable the raising of funds and which enable charitable activities to be carried out. These costs include finance, human resources and information technology.

Support costs are allocated across grant expenditure directly to areas, delivery to areas, learning to support the programme and governance, on the basis of staff time spent undertaking an activity.

Direct governance costs are allocated on the basis of staff time spent undertaking an activity. The direct staff cost allocation for the period to 31 March 2025 was across delivery to areas and learning to support the programme.

j) Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term to the Statement of Financial Activities, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight line basis over the lease term.

k) Expenditure on raising funds

Expenditure on raising funds include investment management fees which are charged at 0.15% of the market value of the portfolio, and are charged as they fall due to the statement of financial activities. The fee reduced from 0.20% to 0.15% from 1 July 2020.

l) Tangible fixed assets depreciation and intangible fixed assets amortisation

All assets costing more than £1,000 are capitalised. Depreciation on tangible fixed assets (IT equipment and office furniture), and amortisation on intangible fixed assets (website and grant management system development), is provided to write off assets on a straight-line basis over their estimated useful economic life (three years).

Local Trust annual report and financial statements 1 April 2024 - 31 March 2025

m) Investments

Investments are included at their bid-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.

n) Social investments

Big Local Trust makes programme-related social investments on behalf of Big Local areas. Big Local Trust receives annual dividends from the credit unions on behalf of the Big Local areas, at the same rate as the annual dividend paid to other corporate members.

Social investments are initially recognised at cost and are assessed for impairment on an annual basis.

o) Pension

Local Trust 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.

p) Grants payable

A 'constructive obligation' between Big Local Trust and a locally trusted organisation is triggered when a grant (or funding) offer letter is sent to a locally trusted organisation to notify them that a specified amount of funding has been endorsed for a stated period of time. Big Local Trust records these constructive obligations, or grants payable, as creditors in these accounts.

q) Financial instruments

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. Additionally, all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities are initially measured at transaction price (including transaction cost) and are subsequently re-measured where applicable at amortised cost except for investments which are subsequently measured at fair value with gains and losses recognised in the Statement of Financial Activities. Assets and liabilities held in a foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

r) Cash

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of 90 days or less, and bank overdrafts. Deposits with maturity greater than 90 days from the year end are classified within investments.

2. Investment income

	2025	2024
	£000	£000
Income on investments	655	2,360
Bank interest	1,217	529
Tax refunds	-	9
Total	<u>1,872</u>	<u>2,898</u>

Local Trust annual report and financial statements 1 April 2024 - 31 March 2025

3. Other income

	2025 £000	2024 £000
Contribution to event costs	1	3
Total	1	3

There was no grant income in the year ended 31 March 2025 (2024: £nil)

Local Trust annual report and financial statements 1 April 2024 - 31 March 2025

4. Expenditure

Description	Charitable activities				Expenditure on raising funds £000	Governance £000	Support £000	2025 Group Total £000	2024 Group Total £000
	Grant expenditure directly to areas £000	Delivery to areas £000	Learning to support the programme £000						
Staff (note 21)	-	1,754	1,614		-	-	1,058	4,426	4,204
Grants to Big Local areas	-	-	-		-	-	-	-	-
Big Local plan funding	(680)	-	-		-	-	-	(680)	7,841
Community travel and childcare	44	-	-		-	-	-	44	112
Area admin contribution	(28)	-	-		-	-	-	(28)	394
Creative Civic Change	-	-	-		-	-	-	-	-
Social investment returns to areas	72	-	-		-	-	-	72	37
Area delivery costs	-	1,541	-		-	-	-	1,541	2,284
Programme development	-	-	2,191		-	-	-	2,191	1,460
Finance charges	-	-	-		15	-	-	15	85
Governance costs	-	-	-		-	51	-	51	85
Audit and financial advice	-	-	-		-	37	-	37	40
Professional fees	-	-	-		-	(8)	-	(8)	9
Communications and marketing	-	-	-		-	-	142	142	195
IT and Consultancy	-	-	-		-	-	298	298	195
Rent and office costs	-	-	-		-	-	329	329	367
Grant bad debts/Impairment loss	1	-	-		-	-	-	1	-
Depreciation	-	-	-		-	-	120	120	172
Total costs	(591)	3,295	3,805		15	80	1,947	8,551	17,480
Allocated to charitable activities									
Support Costs	288	598	929		-	132	(1,947)	-	-
Governance costs (note 6)	34	69	109		-	(212)	-	-	-
Total expenditure 2025	(269)	3,962	4,843		15	-	-	8,551	17,480
Total expenditure 2024	8,758	5,107	3,530		85	-	-	17,480	21,088

Local Trust annual report and financial statements 1 April 2024 - 31 March 2025

4. Expenditure (continued)

Description	Charitable activities				Expenditure on raising funds	Governance	Support	2024 Group Total	2023 Group Total
	Grant expenditure directly to areas	Delivery to areas	Learning to support the programme	£000					
Staff (note 21)	-	2,022	1,100	£000	-	-	1,082	£000	£000
Grants to Big Local areas									
Big Local plan funding	7,841	-	-	£000	-	-	-	7,841	12,030
Community travel and childcare	112	-	-	£000	-	-	-	112	74
Area admin contribution	394	-	-	£000	-	-	-	394	597
Creative Civic Change	-	-	-	£000	-	-	-	-	371
Social investment returns to areas	37	-	-	£000	-	-	-	37	80
Area delivery costs	-	2,284	-	£000	-	-	-	2,284	2,241
Programme development	-	-	1,460	£000	-	-	-	1,460	1,097
Finance charges	-	-	-	£000	85	-	-	85	124
Governance costs	-	-	-	£000	-	85	-	85	26
Audit and financial advice	-	-	-	£000	-	40	-	40	46
Professional fees	-	-	-	£000	-	9	-	9	105
Communications and marketing	-	-	-	£000	-	-	195	195	187
IT and Consultancy	-	-	-	£000	-	-	195	195	263
Rent and office costs	-	-	-	£000	-	-	367	367	388
Grant bad debts/Impairment loss	-	-	-	£000	-	-	-	-	32
Depreciation	-	-	-	£000	-	-	172	172	137
Total costs	8,384	4,306	2,560	£000	85	134	2,011	17,480	21,088
Allocated to charitable activities									
Support Costs	330	707	857	£000	-	117	(2,011)	-	-
Governance costs (note 6)	44	94	113	£000	-	(251)	-	-	-
Total expenditure 2024	8,758	5,107	3,530	£000	85	-	-	17,480	21,088
Total expenditure 2023	13,566	4,430	2,968	£000	124	-	-	21,088	26,201

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5. Grants payable

Big Local area	Locally trusted organisation	New grants £000	Repayment of unspent grants £000	Closed grants £000	2025 Total £000	2024 Total £000
3 Together	Groundwork North East	-	-	-	-	(201)
Aberfeldy	Bromley by Bow Centre	315	-	-	315	-
Aberfeldy	Quaker Social Action	-	-	(309)	(309)	(269)
Arches Local (Central Chatham, Luton Arches)	Starlings Support CIC	9	-	-	9	(23)
Barnfield	Quaker Social Action	-	-	(12)	(12)	(28)
Barrowcliff	Community First Credit Union Ltd	-	-	(14)	(14)	-
Beechwood, Ballantyne And Bidston Village	Community Foundations for Lancashire and Merseyside	-	-	-	-	(104)
Big Local Broad Green	Community Alliance Broxbourne and East Herts (formerly CVSBEH)	-	-	(2)	(2)	473
Birchfield	Birmingham Voluntary Service Council	-	-	(115)	(115)	-
Birchwood	Lincolnshire Community Foundation	439	-	-	439	-
Birchwood	Lincolnshire Cooperative Limited	-	-	(440)	(440)	-
Blackpool Revoe	Blackpool Coastal Housing	-	-	(1)	(1)	239
Bountagu (Bounces-Montagu)	Community Alliance Broxbourne and East Herts (formerly CVSBEH)	-	-	-	-	(242)
Bountagu (Bounces-montagu)	Enfield Voluntary Action	5	-	-	5	330
Bourne Estate	Bournemouth Churches Housing Association (BCHA)	-	(51)	(5)	(56)	110
Bradley	Pendle Borough Council	157	(39)	(64)	54	-
Brereton	Brereton Big Local CIO	-	-	-	-	(30)
Brinnington	Groundwork Greater Manchester	11	-	-	11	-
Brookside	Brookside Central CIO	4	-	(126)	(122)	359
Brookside	Stirchley and Brookside Parish Council	-	-	-	-	(263)
Canvey Island Big Local	Canvey Island Town Council (CITC)	13	(13)	(30)	(30)	-
Canvey Island Big Local	Canvey Island Youth Project	-	-	-	-	(72)
Canvey Island Big Local	Canvey Island Youth Project (Yellow Door)	2	-	-	2	-
Canvey Island Big Local	Trust Links	-	-	-	-	592
Cars Estate	Colebridge Trust	-	-	(15)	(15)	208
Catton Grove	Oak Grove Community Church	35	-	-	35	-
Central Boston	Age UK Lincoln & South Lincolnshire	-	-	-	-	(66)
Chinbrook Estate	Community Alliance Broxbourne and East Herts (formerly CVSBEH)	-	-	-	-	207
Clapham Junction, West Battersea (Big Local SW11)	Providence House	5	-	-	5	-
Clubmoor	Liverpool CVS Charity and Voluntary Services	-	-	(26)	(26)	-
Collyhurst	Manchester Communication Academy	-	-	-	-	3
Conniburrow	Great Linford Parish Council	-	-	-	-	283
Conniburrow	SJ Mellish Accountancy Services Ltd	-	(6)	(135)	(141)	(223)
Dartford	Community Links Bromley	-	(2)	(5)	(7)	-

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Dartford	Dartford Borough Council	379	-	-	379	-
Dartford	Red Zebra Community Solutions (previously East Kent Voluntary Action Support)	-	-	-	-	(243)
Devonshire West	3VA	-	-	-	-	15
Dewsbury Moor	Local Trust	-	-	(12)	(12)	-
Dewsbury Moor	One Community	-	-	-	-	355
Distington	Birmingham Voluntary Service Council (BVSC)	-	-	-	-	(10)
Distington	Distington Big Local Ltd	-	-	(234)	(234)	-
Distington	Groundwork North East	-	-	-	-	81
Distington	Local Trust	-	-	(10)	(10)	-
Dyke House	The Wharton Trust	25	-	-	25	-
East Cleveland Good Neighbours	Tees Valley Rural Action (TVRA)	213	-	(48)	165	-
East Coseley	Dudley CVS	-	-	-	-	(157)
Eastern Sheppey	Swale Community and Voluntary Services	-	-	(25)	(25)	(199)
Elthorne Estates	Caxton House Community Centre	25	-	-	25	-
Ewanrigg	Cumbria CVS	-	-	-	-	(291)
Ewanrigg	The Centre, West Cumbria Ltd	17	-	-	17	178
Farley Hill	Age Concern Luton	8	-	-	8	95
Firs and Bromford	Birmingham Voluntary Service Council (BVSC)	-	-	(181)	(181)	(321)
Firs and Bromford	Firs and Bromford Community Development Trust CIC	193	-	-	193	-
Firs and Bromford	Worth Unlimited	-	-	-	-	340
Fratton	Action Hampshire	-	-	-	-	(43)
Gannow	Burnley, Pendle & Rossendale CVS	-	-	-	-	17
Gateshead	Groundwork North East	-	-	-	-	447
Gateshead	Local Trust	-	-	(28)	(28)	75
Gaunless Gateway	H.C. Horizons CIC	-	-	-	-	303
Gaunless Gateway	South Durham Enterprise Agency	251	-	(263)	(12)	(291)
Goldthorpe with Bolton-on- Dearne	The Snap Tin CIC	1	-	-	1	(45)
Grace Mary to Lion Farm	Sandwell Council of Voluntary Organisations (SCVO)	-	-	(116)	(116)	255
Grange Estate	CommUNITY Barnet	-	-	-	-	-
Grange Estate	Inclusion Barnet	-	-	(2)	(2)	203
Grassland Hasmoor	Grassland Hasmoor Futures Ltd	-	-	-	-	9
Greatfield	Probe (Hull) Ltd	-	-	(21)	(21)	-
Hackney Wick	CREST Waltham Forest	-	-	-	-	(27)
Hackney Wick	Rural Community Council of Essex	151	-	-	151	-
Harefield, Midanbury and Townhill Park (Big Local SO18)	TWCS (Training for Work in Communities)	-	-	-	-	127
Hateley Cross (Hateley Heath and Stone Cross)	Sandwell Community Info & Participation Service (SCIPS)	24	-	-	24	(35)
Hawksworth Wood Estate, the Abbeydales and the Vespers	Kirkstall Valley Development Trust	4	-	-	4	366
Heart of Pitsea	Basildon, Billericay and Wickford Council for Voluntary Service	1	-	-	1	-
Heart of Sidley	Basildon, Billericay and Wickford Council for Voluntary Service	-	-	(4)	(4)	-
Heart of Sidley	Optivo (form. AmicusHorizon)	-	-	-	-	(10)
Heart of Sidley	Rother Voluntary Action	-	8	(17)	(8)	54
Heart of Sidley	Southern Housing	-	-	-	-	95

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Heath Big Local	Parochial Church Council of Uttoxeter	-	-	(6)	(6)	58
Heston West	Berkeley Academy	-	-	-	-	(46)
Heston West	C-Change West London	83	-	-	83	(160)
Hill Top and Caldwell	Warwickshire Community and Voluntary Action (WCAVA)	23	-	-	23	-
Horsefair, Broadwaters and Greenhill (Big Local DY10)	Parish of Kidderminster East	-	-	-	-	(8)
Inner East Preston	University of Central Lancashire (UCLan)	8	-	-	8	-
Keighley Valley	Airedale Enterprise Services	-	-	-	-	(21)
Kingsbrook and Cauldwell	Bedfordshire and Luton Community Foundation	193	-	-	193	-
Kingsbrook and Cauldwell	Community Voluntary Service Bedfordshire	-	-	(186)	(186)	-
Kingswood and Hazel Leys	Groundwork Northamptonshire	-	-	-	-	(41)
Kirk Hallam	Mansfield CVS	-	-	(7)	(7)	-
Langold, Costhorpe and Carlton	Hodsock Parish Council	-	-	-	-	(28)
Latch Ford	Groundwork Cheshire, Lancashire & Merseyside	1	-	-	1	-
Lawrence Weston	Ambition Lawrence Weston	-	-	-	-	70
Leedcliffe (Leeming and Aycliffe)	Clarion Futures	-	-	(288)	(288)	439
Leigh West	Leigh Neighbours Project CIO	-	-	(18)	(18)	-
Little Hulton	CommUNITY Little Hulton	(75)	-	-	(75)	177
Little Hulton	Salford CVS	-	-	-	-	-
Littlemoor	Dorset Community Action	-	-	(131)	(131)	385
Mablethorpe, Trusthorpe and Sutton on Sea (Coastal Communities Challenge)	Lincolnshire Community Foundation	-	-	(20)	(20)	-
Marsh and Micklefield	Chiltern Rangers CIC	263	(55)	(203)	5	-
Mossley	One Walsall	35	(35)	-	-	7
Mottingham	Community Links Bromley	-	(1)	(153)	(154)	344
Newington, Ramsgate	Starlings Support CIC	3	-	-	3	(25)
Noel Park Estate	Community Alliance Broxbourne and East Herts (formerly CVSBEH)	-	-	(14)	(14)	-
Noel Park Estate	CREST Waltham Forest	-	-	-	-	(147)
North Brixton	Angell Town RMO Resident Management Organisation Limited	299	-	-	299	-
North Brixton	Big Local Impact	-	-	-	-	(3)
North Brixton	Local Trust	-	-	-	-	(1)
North Brixton	The Integrate Agency CIC	-	-	-	-	456
North Cleethorpes	Voluntary Action North East Lincolnshire (VANEL)	(51)	-	-	(51)	51
North East Hastings	Hastings Voluntary Action	7	-	-	7	-
North meets South	CREST Waltham Forest	1	-	-	1	150
North Ormesby	North Ormesby Neighbourhood Development Trust	22	-	-	22	-
North West Ipswich	Castle Hill Community Centre Trust	-	-	-	-	(139)
North West Ipswich	Local Trust	-	-	(4)	(4)	20
North West Ipswich	Rural Community Council of Essex	177	-	-	177	91
Northfleet North	North West Kent Council for Voluntary Service	-	-	-	-	4
Northwood	Community Foundation for Merseyside	(61)	-	-	(61)	61

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Northwood	Community Foundations for Lancashire and Merseyside	-	-	-	-	10
Palfrey	One Walsall	-	-	-	-	(240)
Palfrey	Palfrey Community Association	-	(3)	-	(3)	-
Palfrey	Walsall Council	-	-	-	-	458
Par Bay	Par Bay Community Trust	-	-	-	-	(10)
Peabody Avenue and Churchill Gardens Estate (Big Local SW1)	Quaker Social Action	-	-	(6)	(6)	348
Plaistow South	Quaker Social Action	8	-	-	8	302
Podsmead	Blackbridge Charitable Community Benefit Society	-	(11)	(5)	(16)	228
Prospect Estate	Rushmoor Borough Council	18	-	-	18	(80)
Radstock and Westfield	Radstock and Westfield Big Local CIC	37	-	-	37	222
Radstock and Westfield	The Carers Centre	-	-	-	-	(210)
Rastrick	Community Foundation for Calderdale	1	(1)	(240)	(240)	335
Ridge Hill	Jigsaw Homes (formerly New Charter Housing Trust Group)	25	-	-	25	-
Riverside Community	Thurrock Lifestyle Solutions	270	-	(262)	8	-
Roseworth Ward	Catalyst Stockton on Tees	10	-	-	10	(28)
Rudheath and Witton	Groundwork CLM	-	-	-	-	1
Sale West	Irwell Valley Housing Association	86	-	-	86	-
Scotlands and Bushbury Hill	Bushbury Hill Estate Management Board	97	-	-	97	-
Selby Town	Up For Yorkshire (previously Selby District AVS)	-	-	(21)	(21)	115
Shadsworth with Whitebirk	Blackburn with Darwen Healthy Living	-	-	-	-	(81)
Shadsworth with Whitebirk	The Big Local Community Shop Ltd	-	-	-	-	84
Slade Green	Bexley Voluntary Service Council	-	-	-	-	15
Somers Town	CREST Waltham Forest	10	-	-	10	-
Sompting	Community Works	27	-	-	27	(174)
St James Street Area	Camden Giving	207	-	-	207	-
St James Street Area	CREST Waltham Forest	-	-	(4)	(4)	-
St Oswald and Netherton (L30 Million Project)	Knowsley Mutual Credit Union	-	(8)	-	(8)	-
St Oswald and Netherton L30 Million Proj	Groundwork Cheshire, Lancashire & Merseyside	-	-	-	-	153
St Peter's and the Moors	Cheltenham Borough Council	-	(8)	(13)	(22)	411
Stoke North	YMCA North Staffordshire	-	-	(13)	(13)	-
Thurnscoe	Station House Community Association Ltd	-	-	-	-	11
Tonge with the Haulgh	Bolton at Home	-	-	(11)	(11)	270
Toothill	Swindon Borough Council	-	-	(1)	(1)	-
W12 Together	CommUNITY Barnet	-	(8)	(118)	(126)	(54)
W12 Together	Sobus	126	-	-	126	-
Wargrave	Groundwork Cheshire, Lancashire & Merseyside	308	-	-	308	95
Wargrave	Torus Foundation	-	(17)	(468)	(485)	488
Warwick Ahead	Nova Wakefield District	4	-	-	4	-
Wecock Farm	Citizens Advice Havant	-	-	-	-	13
Welsh House Farm	Birmingham Voluntary Service Council	12	-	-	12	-
Wembley Central	CommUNITY Barnet	5	-	-	5	-
Wembley Central	Local Trust	-	-	(40)	(40)	-
West End, Morecambe	Lancaster District CVS	-	-	(7)	(7)	-

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Westfield Estate	Beighton Village Development Trust	1	-	(180)	(179)	-
Whitleigh	Whitleigh Primary and Sir John Hunt Community Sports College (CSC) Federation	-	-	-	-	37
Whitley	Whitley Community Development Association	-	-	-	-	172
Whitley Bay	Whitley Bay Big Local	-	-	-	-	(1)
Windmill Hill	Groundwork Cheshire, Lancashire & Merseyside	28	-	-	28	-
Windmill Hill	Groundwork Cheshire, Lancashire & Merseyside	-	-	(50)	(50)	248
Winterton	Voluntary Action North Lincolnshire (VANL)	-	-	(136)	(136)	-
Withernsea	Shores Centre (Southern Holderness Resource Centre)	-	-	(62)	(62)	65
Woolavington Puriton	SHAL Housing Ltd	4	-	-	4	376
Worle	Local Trust	-	-	-	-	12
Worle	Local Trust	-	-	(2)	(2)	-
Worle	NSAH (Alliance Homes) Limited	-	-	-	-	(209)
Worle	Rother Voluntary Action	-	-	-	-	(89)
Worle	Weston-super-Mare Town Council	-	-	-	-	236
Subtotal of Big Local grants		4,499	(250)	(4,929)	(680)	7,841

5. Grants payable (continued)

Subtotal of Big Local grants (carried forward)	(680)	7,841
Community travel and childcare	44	112
Area admin contribution	(28)	394
Social Investment returns to areas	72	37
Grant bad debts/ SI impairments	1	-
Support and governance costs	322	374
Total grants payable	(269)	8,758

In April 2019, Palfrey Community Association, the locally trusted organisation for Palfrey Big Local, went into administration while holding up to an estimated £75k cash of Big Local funds. In November 2019 this estimate was reduced to £38k upon receiving further spend information from Palfrey Community Association. In October 2024 Big Local Trust received £2.6k from the liquidators, which has been allocated to Palfrey Big Local.

6. Governance Costs

Total governance costs of £212k (2024: £251k) consist of direct governance costs of £80k (2024: £134k) and indirect costs of £132k (2024: £117k). Indirect governance costs are an apportionment of staffing and other support costs, calculated on the basis of staff time spent. This is in accordance with our accounting policies as outlined in note 1(i) to the accounts.

*Local Trust annual report and financial statements 1 April 2024 - 31 March 2025***7. Net income/expenditure for the year**

This is stated after charging:

	2025	2024
	£000	£000
Depreciation and amortisation	120	172
Grant bad debts	1	-
Auditor's remuneration (including VAT):		
- <i>in respect of current year audit</i>	32	31
- <i>in respect of current year non-audit</i>	1	1
- <i>in respect of prior year audit</i>	-	4
Financial advice	4	4
Investment manager's fees	15	85
Legal and professional fees	(8)	9
Licence fees	147	156

8. Group and company tangible fixed assets

	2025		
	Office refurbishment	IT equipment	Total
	£000	£000	£000
Cost			
Balance brought forward	85	184	269
Additions	4	16	20
Disposals	-	(8)	(8)
Balance carried forward	89	192	281
Depreciation			
Balance brought forward	72	167	239
Disposals	-	(8)	(8)
Charge for year	12	14	26
Balance carried forward	84	173	257
Net book value			
Brought forward	13	17	30
Carried forward	5	19	24

*Local Trust annual report and financial statements 1 April 2024 - 31 March 2025***9. Group and company intangible fixed assets**

	2025
	Total
Cost	£000
Balance brought forward	541
Additions	31
Disposal	-
Balance carried forward	<u>572</u>
Amortisation	
Balance brought forward	409
Disposal	-
Charge for year	94
Balance carried forward	<u>503</u>
Net book value	
Brought forward	<u>132</u>
Carried forward	<u>69</u>

Intangible fixed assets include the development of Big Local Trust's grant management system, website and area assessment tool; recent additions were from development of the *Learning from Big Local* legacy website.

10. Group and company investments

	2025	2024
	£000	£000
At 1 April 2024	45,305	68,883
Purchases at cost	-	42,000
Disposal proceeds	(35,000)	(69,000)
Movements in investment creditors	(9,000)	3,000
Accrued management charges	17	9
Net investment gains/(loss)	(1,322)	413
At 31 March 2025	<u>-</u>	<u>45,305</u>
Capital and revenue cash balance	<u>-</u>	<u>713</u>
Total	<u>-</u>	<u>46,018</u>

The Big Local Trust discretionary investment fund with CCLA was terminated in November 2024, and funds of £31.4m transferred to a COIF Charity Deposit Fund, which is being managed in-house.

11. Investments by type and location of fund

	2025	2025	2025	2024	2024	2024
	UK	Overseas	Total	UK	Overseas	Total
	£000	£000	£000	£000	£000	£000
Cash	-	-	-	46,018	-	46,018
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,018</u>	<u>-</u>	<u>46,018</u>

The total book cost of investments held at 31 March 2025 was £nil (2024: £44,696k).

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12. Social investment assets

Big Local area	Credit union	Type of investment	Funds at 31 March 2024 £000	Additions £000	Repayments/ Discharges £000	Impairment £000	Funds at 31 March 2025 £000
2015–16							
East Coseley	Castle and Crystal Credit Union	Corporate deposit	-	-	-	-	-
North West Ipswich	Eastern Savings and Loans Credit Union	Subordinated Loan	20	-	(20)	-	-
Subtotal			20	-	(20)	-	-
2016–17							
St Oswald and Netherton	Knowsley Mutual Credit Union	Corporate deposit	13	-	(13)	-	-
Subtotal			13	-	(13)	-	-
2023-23							
Bourne Estate	Key Fund loan	Loan	10	-	(7)	-	3
Subtotal			10	-	(7)	-	3
2024-25							
Radstock and Westfield	Key Fund loan	Loan	120				120
Subtotal			120				120
Cumulative totals			163	-	(39)	-	123
Total Key Fund loan balance			130	-	(7)	-	123

13. Debtors

	2025 Group £000	2025 Local Trust £000	2024 Group £000	2024 Local Trust £000
Trade debtors	188	1	19	1
Other debtors	45	-	36	-
Prepayments	204	-	168	1
Accrued income	-	-	1,322	-
Total	437	1	1,545	2

*Local Trust annual report and financial statements 1 April 2024 - 31 March 2025***14. Creditors: amounts falling due within one year**

	2025	2025	2024	2024
	Group	Local Trust	Group	Local Trust
	£000	£000	£000	£000
Trade creditors	848	-	875	-
Amounts due to Big Local Trust	-	-	-	3
Grant commitments	7,761	-	21,259	-
Social security and other taxation	80	-	83	-
Accruals	68	-	68	-
Pension payments due	-	-	37	-
Total	8,757	-	22,322	3

15. Creditors: amounts falling due after one year

	2025	2025	2024	2024
	Group	Local Trust	Group	Local Trust
	£000	£000	£000	£000
Grant commitments	-	-	3,099	-
Total	-	-	3,099	-

16. Grant commitments

	2025	2024
	£000	£000
Grant commitments b/fwd	24,358	32,777
New commitments in the year	4,499	15,078
Area admin contribution	(28)	394
Commitments settled in the year	(15,889)	(16,654)
Commitments reversed in the year	(5,179)	(7,237)
Grant commitments c/fwd	7,761	24,358

Note: Grant commitments include a £25k programme delivery grant commitment payable to Community Alliance for Broxbourne and East Herts , and a £46k capacity support grant payable to Amazing Communities Together (ACT) (2024 non-BL plan grant commitments: £67k)

*Local Trust annual report and financial statements 1 April 2024 - 31 March 2025***17. Movement in funds**

Local Trust Group	Balance at 31 March 2024	Incoming resources	Outgoing resources	Transfers	Gains/ losses	Balance at 31 March 2025
Restricted funds	£000	£000	£000	£000	£000	£000
National Lottery Community Fund (including investment income)	23,959	1,863	(8,259)	(1,072)	(1,322)	15,169
Big Local other income	32	1	-	-	-	33
Total restricted funds	23,991	1,864	(8,259)	(1,072)	(1,322)	15,202
Designated restricted funds						
Independent Commission on Neighborhoods (ICON)	-	-	(291)	1,072	-	781
Total designated restricted funds	-	-	(291)	1,072	-	781
Designated unrestricted funds						
Community Wealth Fund	4	-	(1)	(3)	-	-
Total designated funds	4	-	(1)	(3)	-	-
Unrestricted funds						
Local Trust CDF legacy fund	144	-	-	3	-	147
Local Trust investment income	38	9	-	-	-	47
Total unrestricted funds	182	9	-	3	-	194
Total funds	24,177	1,873	(8,551)	-	(1,322)	16,177

Restricted funds

In Local Trust's consolidated accounts, the net decrease in funds for the year was £8.0m (2024: £14.2m). Total funds held at the year-end were £16.2m (2024: £24.2m).

National Lottery Community Fund established Big Local Trust with a National Lottery grant of £196,873,499 in 2012. This is an expendable endowment to be to be spent by 13 February 2027. Funding of £8.3m (2024: £17.4m) was expended during the year, and £1.1m designated. Funds were used for delivery of Big Local Trust's charitable activities.

As mentioned above, during the year, trustees designated £1,072k from Big Local funds to be spent on delivery of the Independent Commission on Neighbourhoods (ICON). Designated funds remaining at the end of the year were £781k.

Big Local investment income is made up of returns on the Big Local Trust endowment, which until November 2024 was managed on behalf of Big Local Trust by charity fund managers, CCLA. In November 2024, the discretionary investment fund held with CCLA was terminated and funds of £31.4m transferred to a COIF Charity Deposit Fund, which is being managed in-house.

There were no projects delivered by Local Trust company during the year to 31 March 2025

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18. Analysis of net assets between funds

Local Trust	Restricted funds	Designated funds	Unrestricted funds	Restricted funds	Unrestricted funds
	Mar-25	Mar-25	Mar-25	Mar-24	Mar-24
	£000	£000	£000	£000	£000
Fund balances as at 31 March 2025 are represented by:					
Tangible assets	24	-	-	30	-
Intangible assets	69	-	-	132	-
Investments	-	-	-	46,018	-
Social investments	123	-	-	163	-
Current assets	23,741	781	196	3,067	188
Current liabilities	(8,757)	-	-	(22,322)	-
Long-term liabilities	-	-	-	(3,099)	-
Net assets	15,200	781	196	23,989	188

19. Analysis of changes in net debt

	At 31 March 2024 £000	Cash flows £000	At 31 March 2025 £000
Cash	1,322	(177)	1,145
Cash equivalents	388	22,748	23,136
Overdraft facility repayable on demand	-	-	-
Total	1,710	22,571	24,281

20. Operating leases

	2025 £000	2024 £000
Land and buildings, due in less than 1 year	99	78
Land and buildings, due in 2 to 5 years	-	-
Land and buildings, due after 5 years	-	-

Local Trust has a licence to occupy office space at Canopi (formerly CAN Mezzanine), Tanner Street, London SE1. Future commitments in relation to this lease are noted above.

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21. Staff costs and numbers

	2025	2024
	£000	£000
Wages and salaries	3,145	3,032
Social security and other taxes	315	315
Pension	554	454
Other staff costs	412	402
Total	4,426	4,204

Trustees are responsible for setting overall remuneration levels for staff, with recommendations being made to Board as part of the budget approval process.

Trustees recognise the importance of valuing staff that need to effectively and appropriately manage the endowment, the programme, grants and social investment into 150 areas and the contracts/grants of those delivering national support, research and evaluation.

Staff are jointly employed by Big Local Trust and Local Trust. The average number of employees during the year was 62 (FTE) (2023: 63).

During the year, 11 roles (2024: four) were made redundant. Redundancy payments of £198k (2024: £78k) were made to the members of staff who left during the year.

There were 19 employees who were remunerated over £60k in the year (2024: 9 employees) and comprised the Chief Executive, senior managers and middle managers. The total remuneration and benefits, including salary and employer's national insurance and employer's pension contributions, of the key management personnel was £1,151k (2024: £972k).

Senior salaries

	Number of employees	
	2025	2024
£60,000 - £69,999	7	2
£70,000 - £79,999	2	2
£80,000 - £89,999	3	2
£90,000 - £99,999	2	2
£130,000 - £139,999	3	1
£140,000 - £149,999	1	0
£170,000 - £179,999	1	0

As at 31 March 2025, the median full time gross salary was £44k (2024: £41k) (ratio 3.2 to 1 between highest and median) and the lowest full-time salary was £26k (2024: £25k) (ratio 5.4 to 1 between highest and lowest).

Big Local Trust is a London Living Wage accredited employer, and all our staff and contractors are paid at least the London Living Wage.

22. Volunteers

Big Local relies on people getting involved in making their areas better places to live. Around 400 people directly participate as partnership members across the 44 Big Local areas, the other 106 Big Local areas either already closed or on the closure path. Partnership members include representatives from local organisations, councils and businesses however, a vast majority are volunteer residents (69%) who give of their own time to help lead the Big Local programme in their local areas.

23. Pension

Staff are offered the opportunity to join a defined contribution Group Personal Pension Plan ('the scheme') and monthly contributions to the scheme are invested in the Scottish Widows personal pension plans. 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. There is no minimum contribution for staff although they are encouraged to contribute.

Pension contributions made by Big Local Trust to the scheme during the year were £523k (2024: £324k) for 82 employees (2024: 72). Employee contributions, made through our salary exchange scheme, were £194k (2024: £124k). As at 31 March 2025, Big Local Trust owed £nil (2024: £37k) to the scheme relating to March pension payments.

24. Trustees' remuneration, benefits and expenses

Trustees received no remuneration Trustees are reimbursed for their incidental expenses in attending board, executive and other meetings. During the year Trustees received £11k in reimbursements for travel costs (or provision of travel) (2024: £10k). Trustee training expenses during the year were £25k (2024: £9k). Trustee recruitment costs during the year were £nil (2024: £32k).

25. Big Local Trust protector

Protector fees and expenses of £15k were payable during the period (2024: £16k).

26. Related party transactions

There were no transactions between Local Trust and Big Local during the year to 31 March 2025,

Chris Catterall is a trustee of Local Trust and Chief Executive of This is Capacity CIC (Capacity). During the year, Capacity was commissioned by Big Local Trust to support the incubation and development of 3ni: the National Network for Neighbourhood improvement. Big Local Trust entered into an £800k grant agreement with Capacity, £200k of which was paid during the final year. The remaining grant award will be payable in instalments over the next 18 months to December 2026, subject to satisfactorily meeting agreed milestones.

Jessica Studdert is a trustee of Local Trust and Chief Executive of New Local Ltd. During the year ended 31 March 2025, New Local has been a delivery partner with Big Local Trust. This involved a contract to deliver a workshop at the annual conference Stronger Things June 2025; a fringe at LGA Conference; an action learning set for members of 3ni and an annual membership of New Local's membership network. The partnership involves 3ni branding but the contractual relationship is with Big Local Trust. Big Local Trust paid New Local £55k during the year; this included £12k for annual membership.

27. Financial instruments

Carrying values of financial assets and liabilities at 31 March:

	2025	2024
	£000	£000
Financial assets measured at amortised cost (a)	24,515	3,087
Financial assets measured at fair value (b)	123	46,180
Financial liabilities measured at amortised cost (c)	8,678	25,338

- (a) Financial assets measured at amortised cost include all debtors (excluding prepayments), cash in hand, and notice deposits.
- (b) Financial assets measured at fair value include all fixed asset investments (including social investments).
- (c) Financial liabilities measured at amortised cost include all liabilities excluding amounts due for tax and social security.
- (d) Interest recognised in the statement of financial activities on assets held at amortised cost during 2024 was £791k (2024: £504k). Dividends and interest recognised in the statement of financial activities on assets held at fair value was £1,955k (2024: £1,956k).

Local Trust annual report and financial statements 1 April 2024 - 31 March 2025

Charity details

Local Trust registered company number

07833396

Local Trust registered charity number

1147511

Principal address

Canopi, 7-14 Great Dover Street, London SE1 4YR

Local Trust is the corporate trustee of Big Local Trust, registered charity number 1145916.

Trustees

All trustees of Local Trust are independent and non-executive. The trustees are:

Stephen Aldridge

Matt Bell

Chris Catterall

Kate Hainsworth

Sahil Khan (until 28 November 2024)

Caroline Macfarland

Patrick Melia

Nicola Pollock (vice chair)

Jessica Studdert

David Warner (chair)

Rich Wilson

Finance and audit committee (formerly Finance, audit and risk committee)

Matt Bell (until 24 March 2024)

Matthew Brumsen (co-optee with investment expertise)

Chris Catterall (chair)

Patrick Melia

Jess Studdert (from 1 April 2024)

David Warner (Ex officio as board chair)

People and Culture committee (formerly Governance and remuneration committee)

Matt Bell (from April 2024)

Chris Catterall (until 19 October 2023)

Kate Hainsworth (from 1 April 2024)

Caroline Macfarland (Chair from 1 April 2024)

David Warner (Ex officio as board chair)

Chief executive of Local Trust

Matt Leach (until April 2025)

Rachel Rowney (from April 2025)

Protector of Big Local Trust

Rosie Chapman

Local Trust annual report and financial statements 1 April 2024 - 31 March 2025

Advisors

Auditor

Moore Kingston Smith LLP
6th Floor
9 Appold Street
London
EC2A 2AP

Solicitor

Withers LLP
16 Old Bailey
London EC4M 7EG

Bankers

National Westminster Bank plc
250 Regent Street
London W1B 3BN

Investment manager

CCLA
One Angel Lane
London EC4R 3AB

Custodian (until 27 November 2024)

SEI Investments (Europe) Limited
1st Floor
Alphabeta
14-18 Finsbury Square
London EC2A 1BR

Local Trust

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W: www.localtrust.org.uk

Twitter: @LocalTrust #biglocal

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 National Lottery Community Fund with a National Lottery grant of £196,873,499.

Registered in England and Wales | Big Local Trust registered charity number 1145916

Local Trust registered company number 07833396, registered charity number 1147511

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