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Annual Report 2014

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## Building Change Trust

### Annual Report 2014

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## Foreword

The capricious nature of life is a journey with moments of exhilaration and joy combined with others that are frightening, heart breaking and unfair. At the outset of this Report I would on behalf of the Board express our sadness on the untimely death of Ann McGeeney. Anne as a friend and valued member of the Board of Directors was greatly appreciated for her wisdom and practical approach to the issues facing the Trust. More importantly she was a mother and partner to Seamus and to them we extend our deepest sympathy.

In the past year through an open recruitment process we appointed four new Directors and Mary, Margaret, Karen and John have brought new perspectives and experiences to the Board and the work of the Trust. Their insights and contribution will be immensely important as the Trust enter the final 4 years of its endowment.

The annual report provides comprehensive details on the progress of our work and the delivery of our activities would not have been possible without the dedication of the small staff team from CFNI, On behalf of all the Board members I would like to express our gratitude and thanks to Nigel, Paul and Cathy for their support and enthusiasm.

The Trust is on target to have spent the initial endowment by 2018 on the key themes identified. As we look to the future we begin to consider a role for the Trust beyond 2018. In looking to a post 2018 future we do so from a context where the sector is under enormous pressure from the current round of financial cuts every part of the voluntary and community sector in early 2015 experienced significant reductions in funding from their respective government departments. NICVA who are undertaking a cuts monitoring role are predicting the loss of 450 jobs within the sector and indicate that organisations at community and regional level will close. Meanwhile those that do continue to survive do so mostly on short term, usually delayed, funding arrangements. The sector's external environment of reduced or removal of government funding (core and project), transfer to contracts rather than grants is one which is increasing level of stress on the governance of organisations and is compounded by pressures on voluntary boards to comply with new charitable legislation. It is difficult to foresee what the sector may look like beyond 2018 but it is predicted that the sector will continue to experience financial reductions and realignment of funding for the next 3 to 5 years. Other evidence of financial decline is the reduction in UK charitable donations CAF projection suggests that there was a 4 per cent drop in donations in 2014. Additionally in Northern Ireland the loss of Atlantic Philanthropies funding will have a major effect financially and indeed on independence of action.

The Trust has demonstrated with our work thus far that, despite significant challenges facing the sector, an independently funded body with a remit to engage on a broader front with a vision to look to the future creates space for the sector to engage in the process of change and realignment. The original objective of the Trust *"to build capacity for a new paradigm for the voluntary and community sector that will be characterised by a high level*

*of active civic engagement, more effective services, and greater community well-being*” is increasingly relevant as the sector engages with the challenges and turbulence that lie ahead.

In concluding I commend the annual report to you and hope you find it informative and of interest; as always we are keen to have feedback and welcome any comments you may have on this report and indeed on the work of the Trust.

## **Background and history of the Building Change Trust**

The Building Change Trust was established in 2008 by the Big Lottery Fund (BIG) following the submission and acceptance of a proposal developed by the Community Foundation for Northern Ireland, Community Evaluation Northern Ireland, Business in the Community, Rural Community Network and the then Volunteer Development Agency (now Volunteer Now).

The Trust is resourced through a National Lottery grant of £10 million as an investment for community capacity building and promotion of the voluntary and community sector in Northern Ireland.

The Trust is accepted as a charity by HM Revenue and Customs (XT11390) and is managed by a corporate trustee; Building Change Trust Limited.

The corporate Trustee, Building Change Trust Limited is registered as a company limited by guarantee in Northern Ireland (NI071182).

The corporate Trustee currently has 11 Directors drawn from across the community, voluntary and private sectors and a Protector, Michael Wilson appointed by the Big Lottery Fund. Each of the original bid partners along with the Big Lottery Fund has the right to nominate one Director to the Board of the corporate trustee. Other Directors, including the Chairperson, have been recruited following an open recruitment process.

<b>Director</b>	<b>Nominated by</b>
Bill Osborne – Chairperson	Open recruitment
Martin McCarthy	Business in the Community
Maurice Meehan	Community Evaluation NI
Joe McVey	Volunteer Now
Libby Keys	Rural Community Network
Catherine Cooke	Community Foundation NI
Julie Harrison	Big Lottery Fund
Maeve Monaghan	Open recruitment
Mary McKee	Open recruitment
Margaret Henry	Open recruitment
Karen Smyth	Open recruitment
John Peto	Open recruitment

The Trust will by the 31 December 2018 have invested and expended the £10 million original grant along with any interest generated.

The Trust plans to support the community and voluntary sector (including social enterprises) through the development, delivery of and learning from a range of programmes including commissioned work, awards programmes and other interventions.

The specific objects of the Trust as detailed within the Trust Deed are as follows:

“To make awards for charitable purposes for:

- The development, for the public benefit, of the capacity and skills of the members of socially and economically disadvantaged communities in Northern Ireland in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society;
- The promotion, for the public benefit, of the Voluntary Sector, the efficiency and effectiveness of Charities and the effective use of charitable resources in Northern Ireland;
- The advancement, for the public benefit, of citizenship and community development in Northern Ireland and thereby increase opportunities for volunteering, enhance the identification and support of best practice and good governance in the Voluntary Sector and the development of the skills of persons working in the Voluntary Sector and enable organisations in the Voluntary Sector to work effectively together for the benefit of the community.”

The development of criteria for distribution of resources and decisions on the distribution of resources are the responsibility of the board of directors of the corporate trustee.

In 2009 the Trust was initially focused on establishment and governance arrangements and on enabling delivery of the actions outlined in the business plan - ***Building Capacity for a New Paradigm*** – developed and submitted by the 5 original bidding organisations and accepted by BIG.

Consultation with the sector was also undertaken with a view to informing strategy development and future investment by the Trust.

In 2010 following on from the original business plan the Trust developed a strategy and programmes for the 2010 - 2013 period, *Investing in Social Change, Strategy 2010 – 2013* and significant investment was made in Charity Bank, plans for Collaboration NI advanced and the Trust’s award programmes – Exploring and Deliver Change made a reality.

In 2011 the focus was on implementation of actions previously agreed,

- CollaborationNI was commissioned from NICVA and partners CO3 and Stellar Leadership
- Charity Bank were provided with grant aid to support deposit taking, loan making and investment readiness activities in Northern Ireland
- In addition to the implementation of individual projects through Exploring Change and Deliver Change Awards the Trust’s own Building Change Added value programme worked with award recipients and others to share their learning and critically consider the other ways in which the NI community and voluntary sector could change for development in the future.

From mid-2011 onwards the Trust began to consider its strategy and actions for the period 2012 onwards. A number of initiatives were focused on during 2012 with progress made with the establishment of the Collaboration Enabling Fund linked to CollaborationNI and the Trust becoming a partner in the UK wide Inspiring Impact Programme, as well as making arrangements for the development and delivery of a Northern Ireland Inspiring Impact programme plan.

We also began in 2012 to consider our future social finance support actions in addition to our £1million grant to Charity bank.

In 2013 the Trust continued to implement actions previously agreed and also began to more clearly refine its future strategy and actions across 6 strategic themes:

- **Collaboration,**
- **Social Finance,**
- **Inspiring Impact,**
- **Social Innovation,**
- **Creative Space for Civic Thinking**
- **Leadership.**

Additionally the Trust clarified the outcomes it wished to achieve from its work as **Collaboration, Sustainability, Learning and Influence** as set out below.

### **Collaboration:**

#### **More and better collaboration between organisations**

- By collaboration we mean organisations and individuals working together in pursuit of objectives. There are many ways for organisations to work together which vary in both structure and purpose and which have varying degrees of commitment and levels of formality.
- We believe that whilst community and voluntary and social enterprise organisations in Northern Ireland have a long history and experience of various types of collaborative activity that it is now timely for organisations to explore collaboration and work more collaboratively with others ultimately for the benefit of communities.

### **Sustainability**

#### **Increased Sustainability**

- By this we mean the resilience of an organisation and its ability to deliver its mission and meet the needs of present beneficiaries without compromising the ability of itself and others to identify and meet the needs of future beneficiaries. This resilience and ability might be measured both in a financial and non-financial way.
- Our definition of sustainability is not about supporting or taking actions to ensure that particular individual organisations endure but a statement of the need for action to be

taken to ensure that Northern Ireland benefits from a dynamic and developing community and voluntary and social enterprise sector into the future where the diverse and changing needs of individuals and communities are to the fore.

**Learning and influence**

A learning sector which identifies, shares and acts on the lessons of its own and others' work and influences others' actions

- By learning, we mean the formal (i.e. training) and informal (e.g. networking and other) ways that individuals and organisations acquire skills and knowledge to develop and grow, ultimately to meet the diverse and changing needs of individuals and communities. Learning should be followed by application of the lessons.
- By influencing others we mean sharing the lessons of actions with others and having a positive impact on their decision making in respect of supporting the sector and the individuals and communities it serves.

Having conceived 6 strategic themes, more recently the aim is to focus on the first 5 as the key strategic themes with leadership as a cross-cutting action.

In 2013 the actions to be taken within the first 3 strategic areas were clearly mapped out and implementation commenced as set out below.

In 2013/2014 we spent considerable time and resource in engaging with a wide range of stakeholders to shape our strategy and plans in respect of the themes of Social Innovation and Creative Space for Civic Thinking and also to progress implementing the actions within these areas. We also started to think about our legacy beyond the expenditure of the £10 million endowment by 31 December 2018.

**Our specific areas of action**

In achieving our outcomes all our future actions will be taken under 5 key themes as set out below. The potential for collaborative and synergistic actions across the 5 themes will be sought

<b>Theme</b>	<b>Headline Actions</b>
<b>Social Finance</b>	<p>Maintain and develop our relationship with Charity Bank and other social finance providers for the benefit of the sector here</p> <p>Commission a community shares pilot for NI and following implementation consider next steps</p>

	<p>Develop through collaboration with others a plan for a 3 - 5 year investment readiness (IR) programme in NI with associated new social finance product development</p> <p>Leverage other resources for implementation of IR and new social finance products in NI</p>
<p><b>Collaboration</b></p>	<p>Provide effective management of the existing contract with CollaborationNI until conclusion of the programme in 2016</p> <p>Work with a range of stakeholders to determine the future collaboration support needs of the community and voluntary sector in NI</p> <p>Resource and lever other resources towards implementation of a developed and expanded collaboration support programme during the 2014 – 2018 period</p> <p>Ongoing consideration of and decisions on applications to the Trust's CollaborationNI linked Collaboration Enabling Fund</p>
<p><b>Inspiring Impact in NI</b></p>	<p>Develop and resource an NI development plan for Inspiring Impact in the period 2013 – 2018 which takes account of the UK programme and any particular NI circumstances and opportunities</p> <p>Develop and implement effective governance and management arrangements for Inspiring Impact in NI that are fit for purpose and which in themselves can make a contribution towards the Trust outcomes sought</p> <p>Maintain membership of the UK wide Inspiring Impact partnership and seek to make an effective contribution to its work</p>

<p><b>Social Innovation</b></p>	<p>To progressively implement the range of actions contained within our Social Innovation action plan in partnership with others where appropriate for the long term benefit of the sector.</p> <p>Specifically to focus on actions within the 3 areas of</p> <ul style="list-style-type: none"> <li>• Ecosystem</li> <li>• Financing</li> <li>• Practice</li> </ul> <p>With an emphasis on making progress across all 3 areas</p>
<p><b>Creative space for civic thinking (CSCT)</b></p>	<p>To progressively implement the range of actions contained within our CSCT action plan in partnership with others where appropriate for the long term benefit of the sector</p> <p>Specifically to focus on actions within the 3 areas of</p> <ul style="list-style-type: none"> <li>• Support creativity and build capacity</li> <li>• More open and accountable government</li> <li>• Sector independence</li> </ul> <p>With an emphasis on making progress across all 3 areas</p>

In respect of the latter 2 themes the focus of our activity within 2014 has been progressive and iterative implementation of the actions within the agreed plans and a continual refinement of the plans in the context of resource availability and opportunity.

Key issues	Objectives	Targets for 2014
Board and Board sub group meetings	The Directors are facilitated to run the Trust in line with the requirements of the Trust Deed & the Memorandum and Articles of Association	To publish an Annual Report & Accounts for both entities by 30 June 2014.
Protector		To recruit at least 2 additional Directors and resolve the position of the Trust Chairperson
Insurance	To manage the contract with CFNI to ensure high quality management and administration support is delivered	To hold 6 meetings of the Board of the corporate Trustee
Risk Register		To hold 6 meetings of the Trust's Finance and General Purposes Committee
Audit and Annual Report	To comply with BIG requirements in respect of the £10 million grant	To hold at least 4 meetings of the Trust's Marketing and Communications Subcommittee
Companies House requirements		To hold 3 meetings of the newly constituted Inspiring Impact NI Advisory Subcommittee and the linked strategic management group
Reporting to BIG	To work with the Directors to ensure the Trust can meet its strategic objectives	To consider and establish effective engagement processes and structures to support new areas of work around Social Innovation and Creative Space for Civic Thinking.
		To prepare and submit 3 quarterly reports to BIG
		To comply in a timely fashion with all legal and other regulatory requirements governing the operation of the charitable Trust and the Trustee company

### Trust Governance

#### Achievements for 2014

The 2013 Annual report and Annual Accounts for the Trust and the corporate Trustee were signed off by the Board and presented to BIG by 4 August 2014.

The corporate Trustee agreed to extend the tenure of the Chairperson, Bill Osborne until 31 December 2016 after which time a new

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Chairperson will be recruited. The Trust carried out an open recruitment process for new Directors of the corporate Trustee which resulted in the appointment of 4 new Directors by September 2014; John Peto, Mary McKee, Margaret Henry, Karen Smyth. New and old directors were involved in a Trust strategy review and development process in October 2014.

The Trust Board met 6 times during 2014; February, March, May, July, October and December with two of the Board meetings in February and October taking the form of a strategy review and development session.

The Trust's Finance and General Purposes subcommittee comprising Martin McCarthy (Chairperson), and Bill Osborne met once in 2014. Business of the committee and in particular consideration of budgets and performance of investments was carried out at main Trust board meetings due to the absence of a key staff member within CFNI and the limited availability of committee members.

The newly formed Marketing and Communications subcommittee comprising Maeve Monaghan, Julie Harrison and external member Mairaid McMahon met 4 times in 2014 in March, July, October and December respectively and has been providing support with the development and implementation of the Trust's marketing, communications and public affairs strategy.

The Inspiring Impact Advisory group involves key stakeholders from across the sector and its funders and met twice in 2014. The development and delivery of the programme by CENI was overseen by a subgroup comprising 2 Trust Directors – Maurice Meehan and Julie Harrison and supported by the Trust Director of Operations and CENI staff.

Quarterly reports covering Jan-Mar 14, Apr – June 14, Jul – Sept 14 were prepared by the Trust Director of Operations and submitted to BIG with 3 follow up meetings held with BIG staff.

The Trust has agreed that appropriate support mechanisms need to be put in place to support development and delivery of actions within the Social Innovation and Creative Space for Civic Thinking action plans. It is anticipated such mechanisms will include the establishment of formal Trust subgroups having delegated authority for decision making within budgets and terms agreed by the Trust Board. The Trust and corporate Trustee complied with all regulatory requirements relating to the operation of both entities vis a vis the submission of accountancy and other information to Companies House.

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## **Impact**

A well-managed organisation  
Good governance

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A high level of input and attendance by Directors  
Complying with BIG requirements and other legal requirements  
Well placed to deliver on strategic objectives

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### **Commentary**

2014 was the 5<sup>th</sup> year in the 10 year life of the Trust and marked a critical point in the governance and development of the Trust.

2 strategy development sessions were held; the first in February 2014 considered the detailed strategic and action plans developed for the themes of Social Innovation and Creative Space for Civic Thinking. The second considered the entire strategy and actions of the Trust for the 2014 – 2018 period and crucially involved 4 newly appointed Directors in the deliberations.

The Trust is no longer defined by the relationship with its founding partners and with actions set out across 5 themes is well placed to make a transformative impact in the sector in its remaining term.

Future governance development will include the development of subgroups with authority to make progress within key thematic areas.

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### **Targets for 2015**

To publish an Annual Report & Accounts for both entities by 30 June 2014.

To hold 6 meetings of the Board of the corporate Trustee

To hold 4 meetings of the Trust's Finance and General Purposes Committee

To hold at least 4 meetings of the Trust's Marketing and Communications Subcommittee

To hold 2 meetings of the newly constituted Inspiring Impact NI Advisory Subcommittee and the linked strategic management group

To agree terms of reference for and establish Trust sub groups for the thematic areas of Social Innovation and Creative Space for Civic

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Thinking.

To prepare and submit 3 quarterly reports to BIG

To comply with all legal and other regulatory requirements governing the operation of the charitable Trust and the Trustee company and in particular to achieve registration of the charitable Trust with the Charity Commission for Northern Ireland.

Key issues	Objectives	Targets for 2014
<p>Manual of Regulations and systems and procedures.</p> <p>Budgets and finance reports to Board and subgroups</p> <p>Appointment of investment advisors</p> <p>Ongoing monitoring and review of investments , investment strategy and performance of investment managers</p> <p>Decisions in respect of future investments</p>	<p>To develop, update and implement a comprehensive Manual of Regulations that meets the needs of the Trust.</p> <p>To work with investment advisors and bankers to ensure the return on investments is sufficient to allow the Trust to meet its governance requirements and programme objectives</p> <p>To facilitate decision making by the Board through the provision of accurate investment, financial reports and budgets to Board meetings.</p> <p>To effectively manage the finance function of the Trust ensuring all organisation systems and procedures and best practice is adhered to.</p>	<p>Annual review of investment performance, Investment Policy Statement and investment manager performance by 30 September 2014</p> <p>Active involvement in financial management and investment decision making by the Trust's Finance and General Purposes Committee based on operational cash flow requirements and advice of investment managers</p> <p>Agreement on an anti-bribery policy by 30 June 2014</p> <p>Consideration and adoption of best practice in respect of procurement, contracting and payment by December 2014</p>

## Finance and Investment

### Achievements for 2014

The review of investments performance, the Trust Investment Policy Statement and the performance of the investment managers was carried out at the October 2014 Board meeting. The Trust reconfirmed Quilter Cheviot as the investment managers for the coming period

Given the challenge of reaching the 5% return on investment the Board discussed the need to introduce some flexibility into the Investment Policy Statement (IPS) in respect of asset allocation and agreed to change from the current allocation to a new allocation with some more flexibility in respect of equities and which might allow income to be maximised within the current low risk strategy.

Asset class	Current allocation	New allocation	Current allocation October 2014
Fixed interest	85-100	80-100	80.4
Equities	0-15	0-20	19.1
Cash	0-5	0-5	0.5

The Board noted the returns to date as follows

Value on 3 October 2014: £4,436,464

3 July 2014 to 3 October 2014: Total return of 0.2%

3 October 2013 to 3 October 2014: Total return of 1.8%

From inception ( 16 June 2009 until 3 October 2014); Total return of 19.3%; 3.6% per annum

A draft anti-bribery policy was prepared and circulated to the Trust Finance and General Purposes Subcommittee in late 2013, whilst the provisions of this are being followed it has yet to be formally adopted.

Due to the absence of a key CFNI staff member and the limited availability of finance committee members, only one meeting of the Trust finance committee took place during 2014. Relevant business was carried out by the main Trust board.

With an increasing amount of Trust business being delivered by contracts, the Trust has taken account of tendering and procurement guidance produced by the Central Procurement Directorate within government and by others when issuing and evaluating tenders. The Trust Solicitors have provided contract templates and advice and guidance on specific contractual issues.

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An internal review of financial administration and payment procedures has been carried out between the Trust and CFNI, new arrangements have been established from winter 2014 to lessen the operational dependence on Trust Directors to process online banking payments whilst still adhering to requirements around segregation of duties and ultimate responsibility by the Trust board for decision making on expenditure.

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### **Impact**

Comprehensive systems and procedures in place operating effectively.  
Investments managed effectively and produce adequate income.  
Decisions made on basis of comprehensive and timely financial information.

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### **Commentary**

The Trust's original investment plan anticipated a total fund of £12 million with the original BIG grant of £10 million used to further the charitable objects of the Trust.

At 31 December 2014, the Trust fund balance was £11.5 million , made up of expenditure incurred to date during each of the years 2009 – 2014 and the balance of funds held in cash and investments. Taking into account anticipated future investment returns and grant aid of £188,783 from DSD for the Inspiring Impact NI Programme, the Trust anticipates the target of £12 million overall with £10 million expenditure on charitable objects to be met.

Operational financial management was challenging in 2014 due to the absence of a key staff member within CFNI, the challenges of recruiting a replacement and the limited availability of key Trust finance committee members. That ultimately resulted in a review of operational payment arrangements and the institution of new arrangements to ensure smooth and prompt payment processing whilst adhering to the requirements of corporate governance and segregation of duties. New procedures were agreed in late 2014 and will be operational from 2015.

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### **Targets for 2015**

Annual review of investment performance, Investment Policy Statement and investment manager performance by 30 June 2015

Reinvigoration of Trust Finance and General Purposes Sub-committee and their active involvement in financial management and investment decision making based on operational cash flow requirements and advice of investment managers

Completion of annual audit and publication of annual accounts for 2014 by 30 June 2015.

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Key issues	Objectives	Targets for 2014
<p>Trust Strategic and Action Plan</p> <p>Trust evaluation</p> <p>Relationship with original bid partners and their work</p> <p>Involvement of and engagement with other key stakeholders</p> <p>Charity Bank</p> <p>CollaborationNI</p> <p>Inspiring Impact NI</p>	<p>To develop, deliver and use information from a process of stakeholder engagement.</p> <p>To develop, agree, communicate, implement and review an effective strategic and action plan.</p> <p>To consider actions which will ensure a legacy of the Trust work beyond the 31 December 2018</p>	<p><b><u>Collaboration</u></b></p> <p>To consider the outcome of the IVAR development planning process and make a decision in respect of the Trust's future support for collaboration in the NI VCSE and in particular the future contractual arrangements if any with CollaborationNI</p> <p>To consider what if any future arrangements need made to provide grant aid to collaborating organisations via continuation of the existing or development of an alternative Collaboration Enabling Fund</p> <p>To make arrangements for the effective monitoring and evaluation of any future collaboration support service financed by the Trust</p> <p><b><u>Social Finance</u></b></p> <p>To continue to monitor performance of Charity Bank in Northern Ireland in the context of the Trust's £1 million capital grant</p> <p>To consider the results and recommendations emerging from the Charity Bank development planning exercise looking at investment readiness and new social finance products in NI</p> <p>To continue to monitor the performance of the Community Shares Ready project and in particular to carefully consider the recommendations within the accompanying external independent evaluation.</p> <p><b><u>Inspiring Impact</u></b></p> <p>To commence implementation of all actions within the Inspiring Impact Northern Ireland plan</p> <p>To secure additional funds for Inspiring Impact Northern Ireland from government</p>

		<p>To continue the relationship with Inspiring Impact UK for mutual benefit</p> <p>To establish effective and efficient good governance and contract management arrangements for the Inspiring Impact Northern Ireland Programme</p> <p><b><u>Social Innovation</u></b></p> <p>To develop, agree and implement a social innovation strategy and action plan for the period 2013 to 2018</p> <p>Within that to continue to provide effective monitoring of the grants provided to Fermanagh Trust and Holywell Trust</p> <p>To reconsider the plans for Social Innovation SI Camp in Northern Ireland in the context of the Trust's overall social innovation action plan</p> <p><b><u>Creative Space for Civic Thinking</u></b></p> <p>To develop, agree and implement a CSCT strategy and action plan for the period 2013 to 2018</p> <p><b><u>Evaluation</u></b></p> <p>To finalise a monitoring and evaluation framework for the work of the Trust across all themes and implement appropriate arrangements for internal and external evaluation.</p>
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### Achievements for 2014

#### Collaboration

The Trust commissioned a development planning process carried out by the Institute for Voluntary Action Research which concluded in Spring 2014. The full report was published on the Trust website <http://www.buildingchangetrust.org/download/files/IVARCollabNIRreport042014.pdf>

As a result of the process, the Trust developed a commissioning document with the CollaborationNI partners (NICVA, CO3, Stellar Leadership) invited to make a proposal for the delivery of Phase 2 of the CollaborationNI support service from July 2014 onwards. Whilst a 3 year proposal was invited and submitted, ultimately the Trust Board agreed to finance a refocused Phase 2 for a 2 year period ending 30 June 2016 and for a total contract sum of £427,947. This was subsequently amended to allow for contingency and increased to £440,000

During the 6 month period of Phase 2 of CollaborationNI in 2014 there were the following key outputs:

83 activities/sessions delivered with 400 participants and 28 collaborations actively supported.

Phase 2 comprises a range of actions including practical support to collaborating/intending collaborating organisations via a vis in house training sessions, expert facilitation and/or legal support and advice alongside more strategic actions aimed at influencing policy and practice including conferences and seminars and other events with a focus on the role of the new local authorities in the post RPA environment.

More information on Collaboration is available on the dedicated CollaborationNI website maintained by NICVA

<http://collaborationni.nicva.org/>

In addition to commissioning Phase 2, the Trust also publicly tendered for an evaluation of the Phase 1 Collaboration Enabling Fund and the provision of learning and evaluation arrangements for Phase 2. The tender was awarded to IVAR who commenced work in the autumn. This formative process will engage with the Trust and other key stakeholders with the aim of facilitating learning and change within the initiative as it progresses.

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## **Social Finance**

The Trust has 3 headline actions in respect of social finance as set out below with a report on progress with each

Maintain and develop our relationship with Charity Bank and other social finance providers for the benefit of the sector here

Whilst there was evidence in 2014 that Charity Bank were making an impact locally, it is still the case that the targets for deposit taking are being met and surpassed much more than the loan making targets. Whilst a pipeline of applicants is now emerging, meeting the lending targets of over £4 million loaned over 9 years will be a challenge. At the end of 2014 the targets were as follows

Deposits until end of October 2014: £4,008,726.34

Lending until end of October 2014: £743,713.64

The Trust has also commenced engagement with Ulster Community Investment Trust to consider the potential of a relationship with it with the aim of broadening the range of provision of social finance in NI.

Commission a community shares pilot for NI and following implementation consider next steps

The Community Shares Ready Northern Ireland programme was commissioned from the Cooperative Alternative Development Society in March 2013 and commenced in April 2013.

<http://www.coopalternatives.coop/>

In Spring 2014 and following the recommendations of the external independent evaluation of Year 1, it was extended until April 2016 and the contract sum increased to £235,000. The initiative has a target of supporting the development of 5 community benefit societies making share offers over a 3 year period. This is a challenge as the model of social enterprises raising finance through such share offers and having such an Industrial and Provident Society structure is unknown in Northern Ireland. At the end of 2014 the project had engaged with 2 promising initiatives – Down to Earth which is proposing the development of a woodland burial site for NI and Northern Ireland Community Energy which aims to install photovoltaic solar panels on community buildings locally.

Develop through collaboration with others a plan for a 3 - 5 year investment readiness (IR) programme in NI with associated new social finance product development

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The Trust Board considered in June the results of the research project carried out by Charity Bank looking at structures and models of investment readiness activity and making recommendations for Northern Ireland. The full report is available here

<http://www.buildingchangetrust.org/download/files/TheSocialInvestmentHubReportfinal.pdf>

Having considered the content the Trust agreed in October 2014 to tender for the provision of a 2 year pilot investment readiness programme in Northern Ireland. It is anticipated that a contract will be awarded in Spring 2015.

The development of new and appropriate social finance products for Northern Ireland is a challenge given the nature of the VCSE sector locally and the fact that appropriate products; which may be a combination of unsecured lending mixed with grant aid are a challenge to develop and deliver given the need for extensive subsidy to cover costs and risks. No significant progress has been made but the Trust has been engaging with UCIT during 2014 to consider how both organisations could work together to develop the social finance offer.

### **Impact Measurement and practice**

To commence implementation of all actions within the Inspiring Impact Northern Ireland plan

The Trust appointed CENI as its strategic partner for the roll out of Inspiring Impact NI late in 2013 with implementation beginning in 2014. A Programme Leader was appointed responsible for the delivery of the 3 programme strands

#### 1. Support to the sector

A project looking at shared measurement amongst organisations working on the employability of young people was developed with the local NEETS Forum and NPC. This involved updating a foundational piece of research on the Journey to Employment to take account of the NI context and then supporting a number of local organisations to test a shared measurement approach.

<https://inspiringimpactni.files.wordpress.com/2014/02/jet-framework-for-ni-final.pdf>

A progress report on the work can be found here

<https://inspiringimpactni.files.wordpress.com/2014/02/jet-ni-pilot-process-report.pdf>

Further support to the sector was commenced in 2014 through the development of a Building Change Awards programme which would award grants of up to £15,000 to 14 organisations across the sector. This is in order that they support a wider range of sector organisations with

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impact practice through dissemination of and support in using the Inspiring Impact UK resources including the Guide to Good Impact Practice, Measuring Up Diagnostic and Impact Hub of key resources

Ultimately 13 grants were awarded to key infrastructure and membership organisations for projects to take place over an 18 month period

<http://inspiringimpactni.org/2014/08/06/planning-for-impact-practice-grant-recipients-announced/>

## 2. Support to funders

The support to funders strand has 2 elements; support to statutory funders and support to independent funders. The Trust's resourcing of Inspiring Impact of £500,000 over a 2 year period ending 31 December 2015 was augmented by grant aid from DSD of £188,783 from February 2014 until March 2015 and specifically for the employment of the key programme staff member and the delivery of work looking at outcomes based grant funding in the context of the work of the Concordat Action Team on Outcomes and a DSD report on tackling bureaucracy in government funding to the voluntary and community sector

<http://www.dsdni.gov.uk/addressing-bureaucracy-report.pdf>

Work commenced in 2014 with 5 statutory grant makers looking at the relevance of the Inspiring Impact Funders Principles and the challenges of supporting moves towards outcomes based funding. Further detail on the progress of that work can be found in the scoping study published here

<https://inspiringimpactni.files.wordpress.com/2014/02/scoping-study-final-version.pdf>

Work has also been taking place to identify and work with an independent funder willing to test an impact practice approach within a grants programme. The Community Foundation for Northern Ireland has volunteered to work with the programme to consider the application of impact practice approaches within one of its grant making programmes. That work is due to commence in 2015

## 3. Impact Exchange

The Impact Exchange is the 3<sup>rd</sup> strand of work taking place under the 2 year programme. The purpose of the exchange is to ensure that the implementation of the programme will be understood and supported by key stakeholders across all sectors. This is to be accomplished by the provision of insight into best practice and learning and sharing through workshops seminars and study visits, sharing research and other relevant information and delivery of a public affairs strategy.

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In 2014 the first such event was held in the form of a major conference focusing on the need to plan for impact and how this would be achieved.

To secure additional funds for Inspiring Impact Northern Ireland from government

To continue the relationship with Inspiring Impact UK for mutual benefit

To establish effective and efficient good governance and contract management arrangements for the Inspiring Impact Northern Ireland Programme

The Trust secured grant aid of £188,783 from DSD towards the overall programme for the period February 2014 until March 2015.

The Trust retains membership of the Board of Inspiring Impact UK as a partner. In practice that membership has in 2014 been fulfilled by the Programme Leader, Aongus O'Keefe employed by CENI who reports back to the Trust.

Internally the Trust has established a strategic management group with delegated authority for decision making within the agreed programme budget. This comprises 2 Trust board members supported by the Trust Director of Operations with additional input by the Programme Leader and CENI Director.

This strategic management group is augmented by an Inspiring Impact NI Programme Advisory group comprising key stakeholders from within the sector and its funders ; statutory and other. This met once during 2014, at the start of the year to be briefed on plans and progress.

### Social Innovation

To develop, agree and implement a social innovation strategy and action plan for the period 2013 to 2018

Within that to continue to provide effective monitoring of the grants provided to Fermanagh Trust and Holywell Trust

To reconsider the plans for SI Camp in Northern Ireland in the context of the Trust's overall social innovation action plan

During the period September 2013 – February 2014, the Trust invested in a participative process to engage with key stakeholders and develop

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a social innovation plan. That plan was approved by the Trust Board in February 2014 and has the aim *“To enable the NI voluntary, community and social enterprise sector to widely adopt social innovation practice and to participate as an active stakeholder in the creation and maintenance of a cross-sectoral social innovation ecosystem in Northern Ireland”* and 3 key outcome elements

- **Ecosystem**
- **Financing**
- **Practice**

During the year the Trust has worked to progressively implement actions across all 3 outcome areas

#### Ecosystem

The Trust engaged with the development of the innovation strategy by DETI and successfully secured a recognition of social innovation therein. The Trust also invested in the Young Foundation Socially Sustainable Northern Ireland Programme which proposed working in Belfast, L/Derry and Enniskillen to carry out a programme of ethnographic research and identify and escalate the development of new initiatives

#### Financing

Whilst no actual additional finance has yet been secured to support social innovation in the sector, the Trust has worked with others to put the need to support social innovation on the agenda of the sector and its funders. A social innovation working group is being established within government, led by DSD with Trust participation requested.

#### Practice

More progress has been made across the practice strand, this is an area where the Trust has been able to use its own resources to stimulate and support innovative activity.

The social innovation projects by Fermanagh Trust and Holywell Trust looking at Community Energy and the development of social enterprise respectively continued to receive support

The Trust commissioned research from The Young Foundation looking at the potential for Digital Social Innovation in Northern Ireland, this recommended looking at a “techies in residence” programme and the Trust has subsequently tendered for a managing partner to help deliver such a programme from 2015 onwards.

The Social Innovation Camp project which had previously been suspended was recommenced, this culminated in a large event in November 2014 where challenge owners from within the voluntary, community and social enterprise sector were matched with students from third level education institutions and solutions to the challenges developed.

### Creative Space for Civic Thinking

To develop, agree and implement a CSCT strategy and action plan for the period 2013 to 2018

Our plans for 2014 were limited to the development and implementation of a strategy and action plan. This was developed through a participative process from September 2013 until February 2014.

The aim of the Trust's CSCT action plan is *“To enable the Northern Ireland Voluntary, Community and Social Enterprise sector to better facilitate meaningful participation of individuals and communities in decision-making processes that impact upon their lives (i.e. civic thinking)”*.

This is to be achieved by a focus on 3 outcomes

- **Support creativity and build capacity**
- **More open and accountable government**
- **Sector independence**

Significant progress has been made across all 3 areas in 2014

Plans for a new Civic Activism Fund are well advanced. The Trust anticipates launching this new fund in 2015 and will be supported by a structured learning initiative both to identify some of the best examples of civic activism internationally and to support their testing in a local context.

Investment by the Trust in a process of research and development resulted in the launch of the Open Government Network for Northern Ireland in autumn 2014. This informal network of organisations and individuals will be supported by the Trust with the development and implementation of an initial 2 year action plan commencing in 2015. The Open Government Network is an international initiative with both the UK and Irish governments as signatories. This provides an ideal opportunity for Northern Ireland as a devolved region to develop its governance arrangements by way of a partnership between civil society and government.

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In respect of sector independence the Trust has commissioned Ulster University to carry out a 2 year action research project to both understand the independence of the sector in NI in terms of purpose, voice and action and to assist organisations with the provision of a framework to consider challenges and threats to their independence.

### Strategic planning and development

From February 2013 until February 2014 the Trust worked to detail action plans around the two additional themes of Social Innovation and Creative Space for Civic Thinking. These themes were identified following operation of the Trust since 2009 and the focus until 2013 on the more instrumental themes of Social Finance, Collaboration and Inspiring Impact. Having agreed the detailed action plans for the 2 additional themes in February 2014, the Trust Board meet again in strategic planning mode in October 2014 to consider and affirm themes, actions and budgets across all areas of work. This was necessary as 4 new Board members had been recruited.

### Evaluation

Whilst there are comprehensive and evolving monitoring and evaluation arrangements in place for key themes and programmes of work, less progress was made than expected in 2014 in bringing all of this together in respect of an overall coherent theory of change for the entire Trust programme. This will now be accomplished early in 2015.

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### **Impact**

An optimal strategy and action plan developed and implemented following appropriate engagement and consultation.  
Ongoing learning and change from implementation.  
Synergies across different themes and programmes of work identified and exploited.

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### **Commentary**

In 2014 the Trust identified its key strategic themes, programme actions, budgets and structures for the period to the end of the Trust in 2018. Contractual relationships with CFNI were confirmed with respect to the staffing support arrangements required to deliver the agreed action plan. The Trust Board also started to put in place the necessary structures at Board level to support strategy implementation.

2014 also marked a point where it was clearer than before that the Trust resources for the period until 2018 were limited and that decisions would need to be taken in respect of strategic priorities.

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The Trust has always recognised that its resources are limited given the scale of sector annual income and expenditure and therefore that careful consideration is needed in terms of making strategic expenditure decisions which have potential to benefit the sector in the longer term. The decreasing availability of resource in 2014 has also led to an increased focus on the public affairs actions by the Trust and the need to share the lessons and recommendations of the work with other key stakeholders and in particular policy makers and decision makers.

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## **Targets for 2015**

### **Collaboration**

To continue with effective management of the contract with NICVA and partners CO3 and Stellar Leadership for the delivery of Phase 2 of CollaborationNI

To participate fully in the evaluation and learning arrangements for Phase 2 commissioned from the Institute for Voluntary Action research including consideration of actions needed to enable continued support for collaboration after the end of Phase 2 in mid 2016.

To share the lessons from and recommendations of the evaluation of the Phase 1 linked Collaboration Enabling Fund and consider what further action may be needed in respect of collaboration support.

### **Inspiring Impact**

To complete implementation of all actions within the Inspiring Impact Northern Ireland plan for 2014-2015

To continue the relationship with Inspiring Impact UK for mutual benefit

To maintain effective and efficient good governance and contract management arrangements for the Inspiring Impact Northern Ireland Programme

To commence and conclude a process looking at the need and potential for a second phase of the initiative including what actions would be needed and the resourcing and other implications

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## **Social Finance**

To continue to monitor performance of Charity Bank in Northern Ireland in the context of the Trust's £1 million capital grant

To tender for and award a contract for a 2 year pilot investment readiness programme following the results of the development planning exercise.

To continue to monitor the performance of the Community Shares Ready project and engage with Cooperative Alternatives to explore the sustainability of community shares support after the contract ends in March 2016.

To engage with social finance providers and explore potential joint actions to develop social finance products for the sector in NI.

To develop a programme of research and events to explore and advance the potential of social finance in Northern Ireland

## **Social Innovation**

To implement the "Techies in Residence" programme and take appropriate action to consider future development of the initiative.

To provide effective monitoring of the grants provided to Fermanagh Trust ,Holywell Trust, the Young Foundation and others and to consider future opportunities emerging from these funded projects

To participate fully in the DSD co-ordinated Social Innovation Working group

To reconsider and reprioritise actions within the social innovation action plan in the context of available budget , external context and strategic opportunities

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## **Creative Space for Civic Thinking**

To proceed with the planned Civic Activism Awards programme and to make a range of awards, arrange a learning support programme and to provide effective monitoring of projects funded.

To support further development of the OGP network for Northern Ireland through supporting the development of an action plan and through appropriate resourcing arrangements to enable implementation of the plan

To work with Ulster University as appropriate to ensure effective implementation of the project looking at the independence of the sector.

In the context of the remaining theme budget to look at other potential actions within the CSCT theme up to 2018 and beyond.

### **Strategic planning and development**

To engage the Trust Board fully in reviewing and amending the Trust strategy for the period until 2018 and to engage with the Board, BIG and others to consider any issues around legacy of the Trust's work beyond 2018.

### **Evaluation**

To finalise a comprehensive yet concise monitoring and evaluation framework for the work of the Trust across all themes and implement appropriate arrangements for internal and external evaluation during the remaining period.

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Key issues	Objectives	Targets for 2014
<p>Communications Plan</p> <p>Corporate branding and logos</p> <p>Corporate communication material</p> <p>Website</p> <p>Publications</p> <p>Stakeholder engagement</p>	<p>To develop high quality and effective communication material and mechanisms for the Trust.</p> <p>To work to ensure that knowledge and information on the Trust is communicated effectively to a range of target audiences</p> <p>.</p> <p>To ensure that there is ongoing communication with stakeholders to facilitate strategic consultation.</p> <p>To work with BIG as necessary in respect of communications</p> <p>To engage effectively with key policy and decision makers</p>	<p>Tender and procure freelance journalism support to develop quantity and quality of content for the redeveloped website</p> <p>Develop a strategy and action plan to take our communications activity to a further level involving more interaction with our audiences</p> <p>Continue to support the Trust Marketing and Communication subgroup to operate effectively and efficiently including through the appointment of new member Directors</p> <p>Reconsider and if necessary further refine the key messages linked to our strategic priorities</p> <p>Develop and implement a realistic and achievable public affairs action plan</p> <p>.</p>

### Achievements for 2014

The Trust Marketing and Communications Subgroup comprising 2 Directors; Maeve Monaghan and Julie Harrison and an external member Mairaid McMahon met 4 times during 2014. They were joined by newly appointed Director Margaret Henry. The subgroup considered reports on operational activity from the CFNI Trust support staff and also oversaw the production of revised and updated marketing and communications strategy and action plans.

During 2014 White Rabbit Words', Rebecca Kincaid was contracted by the Trust for content production one day per week. Her work encompassed production of content across the various communication platforms with an emphasis on the Trust website and twitter account.

The metrics in respect of communications output and activity at the end of 2014 as compared to 2013 are as follows

Robbie to insert simple comparison

In addition to its own communications activity, the increasing delivery of Trust Programmes by way of contract with partners necessitates the development and implementation of appropriate protocols with them. Such protocols have now been developed and are in place with NICVA for CollaborationNI, CENI for Inspiring Impact NI and are also anticipated for the delivery organisations to be appointed to work with the Trust in respect of the "Techies in Residence, Open Government and Civic Activism Programmes.

In 2014 the Trust moved away from regular general e-bulletins given the increased use of Twitter and focused on using e-bulletins for specific events and activities. There was also an increased use of event management software such as eventbrite linked to promotion of events.

The Trust website was redeveloped and launched in October 2013 and refocused around the 5 strategic themes of Collaboration, Social Finance, Inspiring Impact, Social Innovation, Creative Space for Civic Thinking. The site was developed with additional functionality and also optimised for use by mobile devices. The changes made to date have been beneficial in terms of traffic with an increase in users, page views, length of time spent by users on the site, an increase in page views on the site and a significant (20%) decrease in bounce rate.

In comparison to 2013, public affairs activity in 2014 was more planned and strategic. A briefing paper on the work of the Trust and the outcomes sought was prepared and meetings with key elected representatives sought. This had variable success. Later in the year the Trust partnered with Stratagem and others to participate in the coffee club events at the main party conferences in the autumn /winter 2014 and spring 2015. At time of writing the view is that attendance at the initial conferences was useful for contacts and social media promotion rather than affording the ability to promote key messages to policy makers on the day.

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**Impact**

Awareness and knowledge of Trust and Trust Programme across community and voluntary sector.

Good engagement between Trust and key stakeholders.

A functional and effective website used by sector and others.

A visible and active presence across social media and an organisation viewed as connected and influential in its areas of work

Heightened awareness by policy makers of the role of the Trust and its work in key areas of change related to the sector

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**Commentary**

In 2014 we focused on content related marketing and communications activity having relaunched the website late in 2013.

Having a clear focus across 5 themes has enabled us to develop all marketing and communications content around those themes.

Recruiting a freelance content writer for a year we were in the position of being able to update the website and social media accounts with fresh and relevant content on a weekly basis. We purposely sought to use social media to direct traffic to specific stories on the website and that is reflected in a change in the metrics setting out how the website is accessed and used.

Late in 2014 we commenced discussions with CFNI about further action to enhance our marketing and communications activity and output, we anticipate having a full time Communications Officer in place from mid 2015 onwards to further develop our platforms and messages.

In 2014 we sought more effective engagement with elected representatives. Some initial positive engagements were held with key officials within the Ulster Unionist Party and SDLP. Other parties have been less receptive to engagement but further direct targeting will be attempted.

Late on in 2014 the Trust signed up as a partner with Stratagem to participate in the series of coffee club events being delivered at the main party conferences. These appeared to offer a new and imaginative way to engage with key elected representatives and will be reviewed once the series of events is over in early 2015.

Whilst we are clearer in our themes and programmes of work , the fact that our resources are now becoming limited due to the stage in our lifespan means that more than ever before , the achievement of our long term outcomes of a more collaborative, sustainable and learning and

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influential sector does to a significant degree depend on influencing others to learn from our actions and consider adoption of some of our proposed themes and actions to support change and development in the sector in the longer term.

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**Targets for 2015**

Secure the resource of a full time Communications Officer to work with the Trust in its final period up until 2018

Identify and take appropriate action to improve and develop the Trust publications to make them more engaging and accessible

Develop and implement social media strategies and protocols to assist the Trust in making more effective use of social media

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**THE BUILDING CHANGE TRUST**  
**PROTECTOR'S REPORT 2014**  
**(Sixth Annual Report)**

**Introduction**

The Building Change Trust ('the Trust') was established by BIG in 2008 with a National Lottery grant of £10m as an investment for community capacity building and the promotion of the voluntary and community sector in Northern Ireland. This grant was to be wholly utilized by the Trust over a ten year period. This is my sixth report as the Protector of the Trust and reflects on the operation of the Trust during 2014 at a time when the Trust has passed the mid point in its life cycle

**Protector**

I was invited to become the Protector of the Trust by the Big Lottery Fund ('BIG') on 12 November 2008. The legal basis for my appointment is found within a Trust Deed entered into between BIG and the Building Change Trust Limited. I was initially appointed on 12 December 2008 and my current term as Protector extends until December 2017.

**Ann McGeeney**

At the outset of this Report I note, with sadness, the passing of Ann McGeeney who was a dedicated and thoughtful member of the Board of Directors for several years. Although Ann had retired from the Board in 2012, the respect in which the Trust is held today is testament to Ann's commitment, enthusiasm and contribution to the ideals and workings of the Trust.

**Remuneration of Protector**

The Protector receives remuneration from the Trust and details of this are set out in the Trust's Annual Report.

**Role of Protector**

The award of £10m by BIG was in the form of a wholly expendable endowment which is to be spent over the 10 year life of the Trust in accordance with the provisions of the Trust Deed.<sup>1</sup> Building Change Trust Limited acts as a Corporate Trustee of the Trust. In this Report the term 'Corporate Trustee' refers to Building Change Trust Limited. The Trust Deed is a legal document governing how the funding must be distributed. This document,

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<sup>1</sup> The Trust anticipated a total fund of £12.1 million, depending on investment returns, with approximately £10.5 million available to support the sector and to be spent, in full, by 31 December 2018.

as well as setting out the objects of the Trust, also provides for the appointment of a Protector and details the powers and duties of the Protector.

### **Duties of the Protector**

The Protector is required to oversee the work of the Corporate Trustee to ensure that it administers the Trust in accordance with the terms of the Trust Deed and to protect the Trust's property. The day to day business of the Corporate Trustee is managed by its Board of Directors.

The Trust Deed together with the Memorandum and Articles of Association of the Corporate Trustee set out the formal legal position and role of the Protector.

### **Review**

In the year under report I continued my practice of meeting regularly with the Board of the Corporate Trustee and with BIG to review the work and direction of the Trust. I have also attended a number of events throughout the year reflecting the Trust's key strategic themes and funded programmes.

I was pleased to note that the Board of Directors has been strengthened in the past year by the addition of four new directors, John Peto, Margaret Henry, Karen Smyth and Mary McKee each of whom brings separate but complimentary skills and experience to the work of the Trust. The benefit that society obtains from the selfless commitment of each and every one of the directors, in their voluntary and unpaid roles, is easy to overlook but should not go unnoticed.

I acknowledge the invaluable help that I have received from the Directors and their administrative and support staff. I am especially grateful to Bill Osborne (Chairman) and Nigel McKinney (Director of Operations) of the Trust and to Joanne McDowell the NI Director of BIG. In addition the Trust has been very well served by the work of Paul Braithwaite (Development and Implementation Officer), Cathy Summerville (Finance and Administration Officer) and Robbie Best (Communications Officer).

In the course of the past year it is fair to say that the Trust has established itself as a 'go to' body in the community and voluntary sector. There is abundant evidence of this in the manner in which the Trust engages within other participants in the sector, as well as in its relationship with Government. This is an important recognition of the work that the Trust has done over the past six years in developing its key themes through which the Trust continues to encourage the community and voluntary sector in addressing issues of social need and economic hardship in financially challenging circumstances. For the remainder of its ten year endowment the Trust's resources will be used to support the community and voluntary sector through five principal thematic areas:

- Collaboration,
- Social Finance,
- Social Innovation,

- Inspiring Impact,
- Creating Space for Civic Thinking

with Leadership as a sixth and cross cutting theme.

A visit to the Trust's website (<http://www.buildingchangetrust.org/>) will reward the reader with a wealth of detail of the work and programmes of the Trust in these areas. The quality of the website is also a reflection of the Trust's awareness of the benefits that flow from what is now a very well developed marketing and communications strategy. The commitment of additional resources to ensuring that the Trust's message has the widest reach in the sector has been a very positive development.

## **BIG**

The Building Change Trust is one of several such trusts established by BIG across the UK. A further meeting of the Protectors of these trusts was hosted by BIG in February 2015 and once again provided a very useful forum for the exchange of experiences and the sharing of knowledge. The consensus of the Protectors (with varying lengths of experience) was that the Protector model offers valuable support to the trustees as well as being an important means of reassurance to BIG in addressing a variety of social and community needs.

### **Protector Issues**

In the course of the year I have met and discussed with the Corporate Trustee a number of routine issues including:

- Action taken in relation to issues raised in the my 2013 Report
- The ongoing programmes for the Trust
- The learning from the Trust's award programmes to date
- Governance and Administration
- Evaluations of the work and functioning of the Corporate Trustee
- Finance and Investment

I am satisfied that the Directors have given their full attention to these and all the matters that I have discussed with them during the year.

### **Directors and Governance**

The Board continues to be capably led by Bill Osborne and it is appropriate to include in this Report my thanks and appreciation to his employers, the VSB Foundation, who have for several years afforded to Bill the very considerable amount of time he has required to discharge his functions as Chair.

The new appointments to the Board during the past year have enhanced its capabilities and the work of its sub committees and groups and I wish to thank all of the directors for their work. The Board has recently reappointed Bill Osborne as Chair until the end of 2016 and he has confirmed that he will not seek reappointment at that time. The Board's decision

followed on from a conversation which I initiated with the Directors to encourage them to consider how best to manage a succession process. Bill Osborne's replacement will be appointed in accordance with the Articles of the Corporate Trustee. In addition and to ensure the most efficient discharge of the duties of the Chair the Board has appointed a Deputy Chair (Maeve Monaghan).

### **Operational and Financial Matters**

I remain satisfied that the Trust has robust financial and administrative arrangements, and that it has continued to prudently manage its investments and is on course to meet its commitments within its ten year plan. The Finance sub-committee has efficiently overseen this aspect of the Trust's activity and ensured that its funds continue to be effectively invested and managed on a basis has consistently delivered very good investment returns. The internal and external audit processes also provide adequate reassurance of the workings of the Trust.

### **Charity Bank**

The Trust's involvement with Charity Bank has been the subject of adverse comment in several previous Protector Reports. It remains to be seen whether this investment with Charity Bank will produce tangible and lasting benefits for the community and voluntary sector in Northern Ireland but I am satisfied that a considerable effort has been made by both the Trust and Charity Bank to address the difficulties that have already been identified. The matter will remain under review and will be reported on again in 2015.

### **Quo Vadis?**

As I noted in my 2013 report I encouraged the Corporate Trustee and BIG to consider if there might be a life for the Trust beyond the ten year period of BIG's endowment. Whilst the outworking of this would not be a matter for the Protector it remains my view that the Trust has much to offer the community and voluntary sector beyond 2018. I am pleased to note that this conversation has started. The arrangements approved by the Board in relation to succession planning for the appointment of a Chair (and noted earlier in this report) are also an important factor in any consideration of this issue.

### **Conclusion**

In conclusion I am satisfied that the directors have appropriately discharged their duties within the terms of the Trust Deed throughout 2014 and have also further strengthened the work and learning of the Trust during this period.

**28 May 2015**

**Michael Wilson**

**Protector**

The Building Change Trust and Building Change Trust Limited Accounts 2014

The pages that follow provide a summary of the accounts for the Trust and its corporate Trustee for the 2014 calendar year.

Full audited accounts for both entities are available on the Trust website.

## **Building Change Trust Limited**

### **Directors**

W B Osborne  
Joseph McVey  
Maurice Meehan  
Martin J McCarthy  
Maeve Monaghan  
Dr Julie Harrison  
Catherine Cooke  
Elizabeth Keys  
Margaret Henry  
Mary McKee  
John Peto  
Karen Smyth

### **Secretary**

Maeve Monaghan

### **Auditors**

KPMG  
Chartered Accountants  
Stokes House  
17-25 College Square  
East  
Belfast  
BT1 6DH

### **Solicitors**

Cleaver Fulton Rankin  
50 Bedford Street  
Belfast  
BT2 7FW

### **Registered office**

Community House  
City Link Business  
Park  
Albert Street  
Belfast  
BT12 4HQ

### **Company registration number**

NI 071182

## **Building Change Trust Limited**

Profit and loss account for the year ended 31 December 2014

During the financial year and the preceding financial period the company did not trade and received no income and incurred no expenditure. Consequently during these periods the company made neither a profit nor a loss. The opening and closing balances on the cumulative profit and loss account accordingly remain at £nil. Additionally, the company had no other gains or losses, nor any cash flows, during these periods and accordingly no statement of total recognised gains and losses, reconciliation of movement in shareholders' funds or cash flow statement is presented.

## Building Change Trust Limited

Balance sheet  
At 31 December 2014

	<b>2014</b>	2013
	<b>£</b>	£
<b>Net assets</b>	-	-
	<u>          </u>	<u>          </u>
<b>Capital and reserves</b>		
Called up and issued share capital	-	-
	<u>          </u>	<u>          </u>
<b>Shareholders' funds</b>	-	-
	<u>          </u>	<u>          </u>

## **The Building Change Trust**

Reference and administrative information

**Trustee** Building Change Trust Limited

**Trustee Directors**

W B Osborne  
Joseph McVey  
Maurice Meehan  
Martin J McCarthy  
Maeve Monaghan  
Dr Julie Harrison  
Catherine Cooke  
Elizabeth Keys  
Margaret Henry  
Mary McKee  
John Peto  
Karen Smyth

**Protector** Michael Wilson

**Address** Community House  
City Link Business Park  
Belfast  
BT12 4HQ

**Bankers** First Trust Bank  
31 – 35 High Street  
Belfast  
BT1 2AL

**Investment Managers** Quilter & Company Limited  
29 – 33 Montgomery Street  
Belfast  
BT1 4NX

**Solicitors** Cleaver Fulton Rankin  
50 Bedford Street  
Belfast  
BT2 7FW

**Auditors** KPMG  
Stokes House  
17 - 25 College Square East  
Belfast  
BT1 6DH

**HM Revenue & Customs Charity Number** XT11390

## The Building Change Trust

Statement of financial activities  
Year ended 31 December 2014

	Unrestricted funds 2014 £	Unrestricted Funds 2013 £
<b>Incoming resources</b>		
<i>Incoming resources from generated funds</i>		
Investment income	207,428	232,834
Voluntary income		2693
	<hr/>	<hr/>
<b>Total incoming resources</b>	<b>219,858</b>	<b>235,527</b>
	<hr/>	<hr/>
<b>Resources expended</b>		
<i>Costs of generating funds</i>		
Investment management costs	(18,980)	(14,013)
Charitable activities	(1,408,371)	(1,188,399)
Other resources expended	(24,679)	(4,573)
	<hr/>	<hr/>
	<b>(1,452,030)</b>	<b>(1,206,895)</b>
Governance costs	(22,056)	(23,890)
	<hr/>	<hr/>
<b>Total resources expended</b>	<b>(1,474,086)</b>	<b>(1,230,875)</b>
	<hr/>	<hr/>
<b>Net outgoing resources before other recognised gains and losses</b>	<b>(1,254,228)</b>	<b>(995,348)</b>
<i>Other recognised gains and losses</i>		
Realised and unrealised losses on investment assets	(95,123)	(46,058)
	<hr/>	<hr/>
<b>Net movement in funds</b>	<b>(1,349,351)</b>	<b>(1,041,406)</b>
Total funds brought forward	5,461,147	6,502,553
	<hr/>	<hr/>
<b>Total funds carried forward</b>	<b>4,111,796</b>	<b>5,461,147</b>

## The Building Change Trust

Balance sheet  
As at 31 December 2014

	<b>Unrestricted funds 2014 £</b>	<b>Unrestricted funds 2013 £</b>
<b>Fixed assets</b>		
Investments	54,504,984	55,170,817
<b>Current assets</b>		
Debtors	2,343	3,22
Cash at bank and in hand	662,869	1,078,240
	<hr/>	<hr/>
<b>Total current assets</b>	<b>665,212</b>	<b>1,078,562</b>
<b>Liabilities</b>		
Creditors: amounts falling due within one year	(555,849)	(404,542)
Grants payable within one year	(502,551)	(246,427)
	<hr/>	<hr/>
<b>Total current liabilities</b>	<b>(1,058,400)</b>	<b>(650,969)</b>
	<hr/>	<hr/>
<b>Net current assets</b>	<b>393,187</b>	<b>427,593</b>
<b>Total assets less current liabilities</b>	<b>4,111,796</b>	<b>5,598,410</b>
Grants payable after more than one year	( )	(137,263)
	<hr/>	<hr/>
<b>Net assets</b>	<b>4,111,796</b>	<b>5,461,147</b>
	<hr/>	<hr/>
<b>Trust funds</b>		
Unrestricted funds	4,111,796	5,461,147
	<hr/>	<hr/>
<b>Total funds</b>	<b>4,111,796</b>	<b>5,461,147</b>
	<hr/>	<hr/>



The Building Change Trust is managed by a corporate Trustee, the Building Change Trust Limited.

The Building Change Trust is accepted as a charity by HM Revenue and Customs (XT11390).

The corporate Trustee, the Building Change Trust Limited is registered as a company limited by guarantee in Northern Ireland (NI071182).

For further information please contact us as follows:

The Building Change Trust  
Community House  
Citylink Business Park  
Albert Street  
Belfast  
BT12 4HQ

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