Annual Review 2015

The Carnegie UK Trust works to improve the lives of people throughout the UK and Ireland, by changing minds through influencing policy, and by changing lives through innovative practice and partnership work.

WELLBEING:
Where every one can realise their potential, enjoy their environment, work meaningfully and contribute to their community.
Introduction from the Chair and Chief Executive

2015 has been another productive and exciting year at the Carnegie UK Trust. This was the final year of our five-year strategic plan, which we embarked upon back in 2011. The Board and staff team spent considerable time in 2015 reflecting upon and reviewing our activities over the past five years and setting out a new strategic vision to take us to 2020.

Our new strategy aims to build on the success of the 2011-2015 plan. It sharpens our focus on promoting wellbeing and supporting disadvantaged communities. It hones our activities on digital futures and flourishing towns and broadens our interest in enterprise to take a wider view of fulfilling work. We’re looking forward to getting started!

Alongside the strategic development process we continued and completed a significant programme of policy and practice activity throughout 2015. In this the final year of the strategy, many projects came to fruition, delivering significant outputs and impacts during the year.

Our Enabling State project, which began in 2013, moved ‘from rhetoric to reality’ this year as we launched the Enabling State challenge to celebrate the best examples from around the UK of the Enabling State being put into action in the public, private and charitable sectors. Our open call for participants attracted more than 100 video submissions and our expert advisory panel had the tough task of narrowing down this list to six deserving finalists. Projects from Yorkshire to the Welsh Valleys, from the North East to the West Midlands emerged as winners, tackling a range of complex public policy issues including the delivery of care services, alcohol reduction, asset transfer and healthy eating. These projects – and the pioneering, inspirational individuals behind them – deserve widespread recognition. They are leading the way in finding new relationships between citizens and the state, delivering significant wellbeing improvements for those who they support. There is much that we can learn from their examples.

Over the past 5 years we have engaged in a wide range of place-based initiatives under our People and Place theme. In 2015 we launched the Understanding Scottish Places data platform – a new online platform for towns across Scotland. The site enables policymakers, practitioners and
citizens in towns – for the first time – to analyse a comprehensive, visually attractive set of data about their town and use this information to make decisions about their future priorities. Commissioned by Scottish Government, we were delighted to lead a multi-organisation consortium to deliver the project, working closely with our partners Scotland’s Towns Partnership, Centre for Local Economic Strategies and the University of Stirling. The platform has enjoyed an excellent level of usage to date and we’re looking forward to continuing work to develop this important new resource in 2016.

Reconnecting with some major initiatives in our Trust’s history has been an underpinning theme during the 2011-15 Strategic Plan. We continued this approach with our Carnegie Playing Fields project, which was a major initiative for the Trust in 2015. Delivered in partnership with Fields in Trust, the national playing fields association, we ran a UK-wide crowdsourcing campaign throughout the year to find up to 900 ‘missing’ playing fields that had initially been created through Trust grants in the 1920s and 1930s. The campaign attracted considerable media coverage, particularly amongst local radio stations – who played a vital role in encouraging people to go out and find their own, local ‘Carnegie Playing Field’. We were thrilled to receive over 150 submissions from members of the public identifying potentially long-lost Carnegie fields. Fields in Trust are now working with many of the landowners of these fields to improve the legal protections associated with them and ensure they are protected as playing fields in perpetuity – fulfilling the intentions of the Trust’s original grants from 90 years ago.

As in 2014, our resources this year have been generously augmented by a grant from our colleagues the Carnegie Corporation of New York, which has added considerably to our capacity across our project portfolio.

We have been fortunate to work with a very wide range of partners throughout 2015. From government to business, from charities to grassroots community organisations, we have enjoyed a fantastic array of enriching, challenging and stimulating relationships throughout the year which have added enormously to our work. We are grateful to all those who we have worked with for their considerable time, thought and hard work.

The Trust’s work is, of course, only possible due to our highly dedicated and talented staff team, working closely with the Board of Trustees. All of them have applied great insight, flexibility, challenge and diligence to our work, this year and throughout this Strategic Plan. We look forward to continuing this outstanding partnership over the next five years.

Martyn Evans, Chief Executive

Angus Hogg, Chair
Communicating our work in 2015

Website page views
234,475

12 new reports
published across our three themes, with more than 4,000 downloads

Report downloads
16,671

Twitter followers
4,000

30 events
organised, reaching over 1,000 people

39 blogs
Published by external organisations about our work
Our partners in 2015

- British Council
- Cardiff City Council
- Cultivate
- Envison
- Fife Council
- Friends of the Earth Scotland
- Irish Community Council
- Joseph Rowntree Foundation
- Knowledge Transfer Network
- Mid and East Antrim Borough Council
- National Council for Voluntary Organisations
- Northern Ireland Executive
- Our Rural Future
- Out of the Blue
- People's Postcode Lottery
- Purple Frog
- The Rural College
- SECO
- South Yorkshire Housing Association
- Stowmarket Town Council
- The Wheel
- University of Glasgow
- University of Stirling
- University of the West of Scotland
- Westminster University
- Welsh Government
- Chairs and Partners
- Zinc 2015
Enterprise and Society

The Trust’s work on Enterprise and Society focused on the economic experience, understanding and connectedness of citizens in the UK and Ireland. In global markets recovering from recession, our Enterprise and Society work asked questions like: How is our wellbeing affected by social and economic progress? How can young people be encouraged to flourish in the new economic environment? How should we help people access affordable credit? And how can we improve fairness at a local level?

Empowerment (Scotland) Act 2015, which was passed this year, to embed in legislation requirements for national outcomes to be set; for meaningful public consultation on the National Outcomes to be undertaken; and for Ministers to report on the National Outcomes to the Scottish Parliament.

AFFORDABLE CREDIT

We established the Carnegie Affordable Credit Working Group in 2015 to examine how to improve access to affordable loans for those most in need. The establishment of the Working Group followed the publication of our discussion paper, Meeting the Need for Affordable Credit, which highlighted the rising need for affordable credit, analysed the non-mainstream credit sector and identified possible policy solutions. The Working Group is chaired by Jeremy Peat, former Royal Bank of Scotland Chief Economist, and Angus Hogg, Chair of the Carnegie UK Trust. It includes over 20 representatives from the public, private and charitable sectors, including Scottish Government, Big Lottery and Virgin Money, and will report in early 2016. The work is supported by the Very Reverend John Chalmers, Principal Clerk to the General Assembly of the Church of Scotland.

UNDERSTANDING WELLBEING

The Trust is a leading advocate for measuring and understanding wellbeing and for promoting wellbeing frameworks to measure social progress. We continued this vital aspect of our work in 2015. We published the final report of the Carnegie Roundtable on Measuring Wellbeing in Northern Ireland which set out a draft wellbeing framework for Northern Ireland, along with seven key steps and ten specific recommendations to advance this agenda. We worked closely throughout the year with Ministers, elected representatives, civil servants and civil society organisations to embed a wellbeing approach in key public policy mechanisms in Northern Ireland. This included a major conference in Belfast, Towards a Wellbeing Framework, attended by 150 people, held in June. Our work has been publicly endorsed by Simon Hamilton, MLA, Minister for Health (previously Minister for Finance) and Daithi McKay MLA, Chair of the Finance Committee. In Scotland, we worked closely with the Scottish Government on the development of the Community Empowerment (Scotland) Act 2015, which was passed this year, to embed in legislation requirements for national outcomes to be set; for meaningful public consultation on the National Outcomes to be undertaken; and for Ministers to report on the National Outcomes to the Scottish Parliament.
TESTTOWN 2015

Our TestTown initiative is the UK’s largest high street business incubator programme. It encourages entrepreneurs to create innovative new businesses and bring energy back to town centres and city districts. TestTown provides participants with bespoke business training, development funding and a low-risk, free trading environment from which to test out a business idea. Through TestTown 2015 we supported ten towns across the UK and Ireland to hold local activities that assisted startups in ways that were appropriate and effective for the regeneration of each distinct place. The finalists from each of these 10 events are coming together to compete in the Grand Final, hosted by Glasgow City Council at Glasgow Saltmarket in early 2016.

FIFE ENTERPRISE GUARANTEE

In 2015 we embarked on a new Fife-based project, working with local and national partners in the public and private sectors to explore new innovations for skills and enterprise that might create opportunities for jobs and business creation.

ENTERPRISING MINDS

Our Enterprising Minds project promotes innovative methods of developing enterprise skills amongst young people across the UK. In 2015 we published the Carnegie Position on Enterprise, which calls for a co-ordinated approach to delivering enterprise education and argues for more opportunities to be provided to young people to test out their entrepreneurship skills. Our work was highlighted this year in both the Scottish and Welsh parliaments.
The Welsh approach to enterprise education and entrepreneurial learning represents international best practice in creating the next generation of entrepreneurs. However, in Wales, as across the UK, most of the support available to entrepreneurs is available separately for those at different stages of their entrepreneurial journey. We embarked on our Enterprise All In project in 2015 to bring entrepreneurs of different ages and stages from across Wales together to encourage peer to peer learning, discuss the support needed to help grow their businesses, and develop networks of informal support. The first Enterprise All In event took place in Capel Curig in September 2015, and the second event will take place in South West Wales during spring 2016.

Community shares are an innovative method for voluntary organisations to engage their local communities and raise sustainable finance to provide new and better services. Individuals invest in the organisations through public share issues, which help voluntary groups do things like invest in community wind farms, set up community pubs or shops, or provide services like child or social care. Organisations pay dividends to the shareholders, but with long-term and sustainable financial plans. Carnegie UK formed a strategic partnership with Big Lottery Scotland in 2014 to deliver a three year accelerator programme for the use of community shares by Scottish communities and organisations and this partnership continued throughout 2015. The service, Community Shares Scotland, is now supporting dozens of groups to issue their own shares, and provides guidance and seedcorn support to ensure share issues are successful and well managed.

FAIRER FIFE COMMISSION

Our Chief Executive Martyn Evans chaired the Fairer Fife Commission in 2015 to understand the nature of poverty in Fife and how it can be tackled. The Commission included representatives from Oxfam, Child Poverty Action Group, NHS Health Scotland, St Andrew’s University, One Parent Families Scotland, Glasgow Centre for Population Health, Scottish Health Council, Working Links and Joseph Rowntree Foundation. The final report made 40 recommendations for action and was presented to the Leader of Fife Council David Ross at an event at The Cottage Family Centre in Kirkcaldy in November 2015.

Images above: © Fife Council
Knowledge and Culture

Throughout its history the Carnegie UK Trust has had a keen interest in supporting access to knowledge and culture. In the early years, one of the most effective ways to support access to knowledge was through the creation of public libraries. We have continued this work, asking what the future holds for public libraries in the twenty-first century. Building on this strong heritage we have explored contemporary public policy dilemmas such as: what is the role of news media in a healthy democracy? What is the role of digital inclusion in fostering access to knowledge and culture? And are we making the best use of the evidence we have on policy and practice to improve people’s lives?

DIGITAL PARTICIPATION

Despite the transformative impact of technology on society many people in the UK remain digitally excluded – and those who are excluded digitally are also far more likely to be disadvantaged according to many other social and economic measures. Our Digital Participation continued in 2015 to analyse the reasons why people are excluded from technology and identify what policy makers can do to reduce the barriers to participation. This year we published new research on digital exclusion and how it might be addressed in Dumfries and Kirkcaldy. We also worked closely with the UK Digital Inclusion Research Working Group, led by Cabinet Office in UK Government to design, create and publish a new Digital Inclusion Outcomes Framework for the UK to improve how we measure and track progress on supporting digital participation. We’re working closely with key partners including Department for Culture Media and Sport, BT and Citizens Online to create an evaluation toolkit to support the new framework and enable local projects to improve how they measure their digital participation activity.

CARNEGIE LIBRARY LAB

Carnegie Library Lab is a three-year programme created by the Trust in 2014 to support innovation and leadership in the public library sector. We continued to deliver the programme throughout 2015, working with public library staff in Dublin, Newcastle, Edinburgh, Kirklees, Ballymena, Swindon and Monmouthshire. Key national library organisations including CILIP, the Society of Chief Librarians, MALD, Libraries Northern Ireland, Arts Council England, Scottish Library Information Council and the Local Government Management Association in Ireland provide support for and oversight of the programme. Library Lab offers early-to-mid career library professionals funding to help develop and implement innovative projects, online learning to support skills development, mentoring and networking opportunities via online platforms and face-to-face meetings. Participants will be onward champions for libraries, leadership and innovation.

Image above:
Carnegie Partners at their second Partner’s meeting in Manchester Central Library © Jenny Peachey
EVIDENCE EXCHANGE

We launched the Evidence Exchange in 2014 in partnership with the Joseph Rowntree Foundation and the Alliance for Useful Evidence to examine how we can better share and use evidence across England, Scotland, Wales and Northern Ireland. We continued to support this initiative throughout 2015, as the project team delivered a range of events across the UK on contemporary public policy issues, hosted webinars and published blogs raising awareness of the benefit of cross-jurisdictional working. The Alliance has become a leading advocate within UK policy circles on the importance of cross-jurisdictional evidence exchange.

INTERACTION

Our InterAction project is exploring the ways in which academics and the third sector can work together to influence policy and practice. Previously, research carried out by the Trust and the Joseph Rowntree Foundation identified academic research as the most trusted but rarely accessed sources of evidence amongst decision-makers, including those in the third sector. Carnegie Fellow Professor Mark Shucksmith, of Newcastle University, led this work for us throughout 2015, meeting with key figures from across academia and the third and public sectors to identify good practice, understand the barriers to collaboration and identify how they may be overcome. Our final report from this project will be published in spring 2016.

FUTURE OF LIBRARIES

Public libraries are a valued and trusted resource at the heart of communities. They foster learning and social, cultural and economic wellbeing. But libraries cannot stand still in a changing world and many are exploring different ways of working – re-imagining the range of functions they can fulfil. The Trust continued its work in 2015 to support the future of public libraries. This year, our Chief Executive Martyn Evans chaired the process to develop the first ever National Strategy for Public Libraries in Scotland, which was endorsed by the Scottish Government and COSLA and has already produced new initiatives to boost library membership for children and extend the availability of free library wifi. We worked closely with the Society of Chief Librarians to support their annual conference and began work on refreshing the evidence base for our library advocacy resource Speaking Volumes. These new evidence databases will be published early in 2016.
INNOVATIONS IN NURTURE EDUCATION

We’ve supported Rowanfield School, a multi-agency referral school in Edinburgh for children with severe and complex needs, to design and build a new kitchen facility to support their innovative nurture group. We’ve been evaluating the impact of this process throughout 2015 and a report and video on the results will be published in early 2016.

#NOTWITHOUTME

Not all young people are ‘digital natives’. Online skills are not inherent; learning requires access, experience, autonomy, motivation and support. Those who are vulnerable, particularly those at points of transition (unemployed, homeless, in care, in secure accommodation or seeking asylum) are most at risk of falling outside of the digital mainstream. Young people who lack basic digital skills are prevented from accessing opportunities or entitlements in employment, education, health care, housing, benefits, and cultural and social experiences. We launched our #notwithoutme project in 2015 to seek partner organisations interested in working with us to develop innovative projects that would test solutions and overcome digital inclusion challenges facing vulnerable young people aged 12-25. Following an open application process, we will begin working with four partners from England, Scotland and Northern Ireland in early 2016.

NEIGHBOURHOOD NEWS

Good quality local news is vital to our individual and societal wellbeing. Reputable, independent sources of local news are important for democratic engagement in our communities, provide a voice for community campaign, and connect people to the places where they live. However, the traditional model for local news is increasingly under threat. Our Neighbourhood News project seeks to highlight the need for new business models and innovative approaches to delivering high quality local journalism. In 2015 we supported the development of a new directory of hyperlocal websites in the UK and Ireland, were active participants in the BBC Local Journalism Working Group, highlighting the contribution of hyperlocal media to local news, and published Click and Connect, case studies of innovative new approaches being adopted by successful hyperlocal media projects across the UK.
People and Place

The Trust has always played a prominent role in helping to build strong communities, and this remains a major element of our work located primarily in our People and Place theme. In this theme we explore questions such as how do we support sustainable rural communities? How can we improve the quality of local environments? What is the role of the state in 21st century society?

ENABLING STATE

Our Enabling State project is an innovative programme on rethinking the relationship between citizens and the state. This change is characterised by a recognition that traditional ‘top down’ approaches can no longer solve the complex social problems that we face as a society and that the state needs to play a more facilitative role, empowering individuals and communities. In 2015 we ran the Enabling State Challenge to showcase and celebrate examples of good enabling approaches in action. From an open competition attracting more than 100 entries, six winners from across the UK were selected, covering a range of public policy interventions from delivery of care services, to alcohol reduction to asset transfers, to healthy eating. The Challenge culminated in an awards ceremony for the winners in London on Andrew Carnegie’s birthday in November. Throughout the year we also continued our work to promote the findings and messages from our previous work on Call to Action for the Common Good, which is seeking to shape a positive narrative about social change around the UK.

THE PEOPLE’S CONVERSATION

We published Citizens Rising, the final report from our People’s Conversation project with The Wheel, in October 2015. The People’s Conversation project, launched in 2014, was designed to develop a new vision for active citizenship and empowered communities in Ireland by creating safe public spaces for people, from across civil society to come together and have engaging and challenging conversations on what it means to be a citizen in Ireland today. The Citizens Rising report is the result of those conversations and sets out a framework for citizen empowerment based on five challenges for both politicians and citizens to address. The work has been publicly endorsed by the President of Ireland, Michael D. Higgins.
QUALITY OF PUBLIC SPACE

We continued our programme of activities highlighting the importance of good quality public space to wellbeing throughout 2015. We worked with Architecture and Design Scotland, NHS Health Scotland and the Scottish Government on the development of the new Place Standard Tool, which allows communities, public service providers and developers to determine the strengths and priorities of a particular place to inform future development. We ran community consultation sessions to ensure that the voices of citizens were properly taken into account in the development of the tool and published case studies of our work.

Image above:
Auchencairn © Blake Stevenson Ltd

CARNEGIE PLAYING FIELDS

We continued our Carnegie Playing Fields project in 2015, launching a national campaign in partnership with Fields in Trust to encourage local communities to help us identify their own Carnegie Playing Field. The Trust had given grants in the 1920s and 1930s to help establish 900 new playing fields across the UK but the exact locations of each of these fields were not centrally recorded. Our crowd-sourcing campaign attracted significant media interest and over 100 potential Carnegie playing field sites were identified by members of the public. A number of these sites have now begun working with Fields in Trust to improve the legal protection of their playing fields and in early 2016 we’ll be awarding two of these sites Improvement Grants of £5,000 each to improve the facilities at their playing field.
We extended our Growing Livelihoods project in 2015, to create, test and promote new opportunities in smaller-scale food growing. Through Growing Livelihoods, we are supporting projects aimed at those new to the sector, young people or those seeking a new direction. The initiative has a particular focus on the use of co-operation and innovation to help create viable livelihoods in this sector.

Phase 1 of the project began in September 2014, supporting five projects in the UK and Ireland. With funding from the Esmée Fairbairn Foundation, we launched a second phase in April 2015, allowing us to offer support to a further five projects. Growing Livelihoods is a partnership between the Trust, Plunkett Foundation and the Land Settlement Association Charitable Trust.

Since 2014, Carnegie UK Trust has been leading the Understanding Scottish Places consortium to create a new data platform for towns practitioners and communities. The work was commissioned by the Scottish Government as part of its Town Centre Action Plan and the first version of USP was launched online in April 2015. The USP data platform enables towns practitioners to: understand their town within a Scottish typology; understand their town’s function, particularly in relation to the interrelationships and flows between towns; and be equipped to explore locally available data to complement the findings displayed on the data platform. The online toolkit provides accessible visual information which will help practitioners, decision makers and stakeholders work together to understand towns, and plan and evaluate strategies to deliver improvements in what are often challenging times for our towns.

The project is a joint venture between Carnegie UK Trust, CLES, Scotland’s Towns Partnership and the University of Stirling.
We were delighted to host two major events at our offices in Dunfermline during the year. In March, in partnership with the John Smith Centre for Public Service, we welcomed former Prime Minister Gordon Brown to Andrew Carnegie House, to lead a seminar on the Future of Public Service, attended by a wide range of senior stakeholders from across the UK. Later in the year in October, we hosted the Moderator of the Church of Scotland in Dunfermline to lead a seminar on Good and Fair Work, which featured contributions from public, private and voluntary sector organisations. The discussions at this seminar played an important role in developing the Fulfilling Work theme in our new Strategic Plan.

In August 2015 the Trust was delighted to bring Harvard Professor Michael J Sandel to Scotland, as part of the Festival of Politics, to address a public audience in the Scottish Parliament chamber on Public Service and the Future of Democracy. The event was attended by 250 people.

Our long-standing support for the Carnegie Medal for Children’s literature, which is administered and judged by the Chartered Institute of Library and Information Professionals (CILIP), continued in 2015. This year’s winner was Tanya Landman for her book Buffalo Soldier.

We also continued our support for Community Land Scotland (CLS) in 2015, through the CLS Chair’s Fund. The work of CLS this year included building international interest in Scotland’s land reform movement through the Global Land Reform Conference in Dakar and the International Land Coalition and building more local support through a successful event at the Scottish Parliament.

Finally, we completed our support for the evaluation of the Church of Scotland’s Chance to Thrive programme. The final evaluation report was produced this year and highlighted the positive impacts and key lessons from the programme.
Trustees, Staff and Advisers

Honorary President
William Thomson CBE

Trustees
Angus Hogg MBE (Chair)
Jane Steele* (Vice Chair and Convenor of Finance and Corporate Services Committee)
Dame Diana Brittan
Richard Davies
James Doorley (until May 2015)
Sir John Elvidge
Dr David M Fraser
Lynne Lamont*
Melanie Leech (until May 2015)
Jane Livingstone
Janet McCaulsin
Aideen McGinley (from May 2015)
Carol Madison Graham
Douglas Scott
Albert Tucker (from May 2015)
David Walker* (Convener of Audit and Risk Committee)
Robin W Watson
Ian Wilson*

*Audit and Risk Committee Members

Chief Executive
Martyn Evans

Staff
Georgina Bowyer – Projects Officer (Maternity Leave from November 2015)
Jenny Brotchie – Policy Officer (Maternity Leave from March 2015)
Jim Metcalfe – Head of Practice and Development
Tara Murphy – Policy Officer
Genna Nelson – Corporate Services Officer
Jenny Peachey – Policy Officer
Lauren Pennycook – Policy Officer
Liz Pullar – Finance Assistant
Lucy Smith – Corporate Services Officer
Kirsty Tait – Projects Officer (Returned from Maternity Leave September 2015)

Steven Thompson – Finance & Corporate Services Manager
Jennifer Wallace – Head of Policy
Douglas White – Head of Advocacy
Gina Wilson – Senior Projects Officer

Interns
Andrew Jones (from July 2015)

Carnegie Fellows
Mark Shucksmith

Carnegie Associates
Niall Alexander
Pippa Coutts
Dr Peter Doran
Tom Forrest
Liz Macdonald
Albert Tucker (until May 2015)
John Woods
Steve Wyler OBE

Advisers
External Auditor
Chiene + Tait LLP

Internal Auditor
Baker Tilly LLP – Now RSM (Until December 2015)

Investment Managers
Cazenove Capital Management Ltd

Legal/Professional Advisers
Lindsays LLP
Anderson Strathern LLP

Public Affairs/Relations
Grayling (UK) Scotland

HR Advisers
VerusHR Ltd
Finance and Corporate Services Report

Accounts Format
Full Financial Statements for 2015 have been prepared in accordance with the Charities and Trustees Investment (Scotland Act) 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 2015). The Trust’s full Annual Report and Accounts are available on request from the Trust office. Key extracts – Statement of Financial Activities and the Balance Sheet are shown on pages 19 and 20.

Income
Total income for 2015 was £1.69 million (£1.80 million – 2014). Unrestricted fund investment income totalled £1.53 million (£1.57 million – 2014). Restricted fund grant income was received from the Scottish Government of £64.9k (£130.3k -2014), Land Settlement Association Charitable Trust/Esmee Fairbairn Foundation of £43k and the William Grant Foundation of £50k.

Expenditure
Expenditure for 2015 was £1.61 million (£1.75 million – 2014). Unrestricted fund grant activity showed a slight decrease in the year and grant payments made were £108k (£123k – 2014). From restricted funds, grant payments decreased in year and were £17k (£28k – 2014). In addition to these grant payments, the Trust expended £1.42 million (£1.44 million – 2014) from unrestricted funds directly on its Charitable Activities, with the main areas of expenditure being Policy activities £880k (£851k – 2014) and Practice and Development activities £420k (£478k – 2014).

Investment Policy and Performance
After a full investment review and competitive procurement process, Cazenove Capital Management Ltd were appointed in January 2013 as the Trust’s Discretionary Fund Manager, with a remit of growing both Capital and Income.

The main risk to the level of income received and market value of the Trust’s Investments is the volatility of financial markets. The Trust mitigates against investment risk through its Statement of Investment Policy and delegates investment decisions to their Discretionary Fund Managers, Cazenove Capital Management Ltd, within agreed investment objectives, asset allocations and performance benchmarks, set by the Trust. The Trust’s Board reviews investment performance against an agreed set of performance benchmarks on a quarterly basis, at their Board meetings.

The Trust adopts a total return approach to investments and in order to provide future funding to achieve certainty, stability and sustainable growth over the period of the next strategic plan 2016-2020, Trustees made the decision at the end of 2014, to de-risk the unapplied total return element of its investment portfolio.

The Trust’s investment portfolio currently retains 58% of its value in M&G Charifund Units, a UK equity based fund, and 42% in a mixed portfolio of UK and non UK equity funds and bonds. The Trust Investments are governed by its Statement of Investment Policy.

The value of the Trust’s investments at 31 December 2015 was £37.6 million (£37.6 million – 2014). Income distributions relating to the Trust’s investments in the year were £1.50 million (£1.55 million – 2014). The Trust continues to monitor the stock market and its impact on the endowment and its related income stream.
**Reserves Policy**

£322k (£179k – 2014) of funds has been allocated to grants and funding for projects, which remain unpaid at the year-end (restricted and designated funds).

The General Reserve (designated funds) increased from £900k to £950k in line with the Trust’s five-year strategic plan. This represents the Trustees’ policy of retaining sufficient operational expenditure in relation to its business continuity and contingency planning. It is subject to future reviews taking into account the continued development of the Trust’s policy of partnerships to support its strategic work as outlined in the new five-year strategic plan.

**Grant Making Policy**

The Trust’s charitable activities now focus on proactive initiatives capable of influencing public policy and social change. Grants awarded are based on competitive selection, where partners are identified to take forward demonstration and/or research commissioned by the Trust to further its strategic work. The Trust no longer accepts unsolicited grant applications.

**Trustees’ Statement on Summary Accounts**

The summary accounts set out on pages 19 and 20 have been extracted from the full financial statements of the Trust which were approved on 18 May 2016 and do not constitute the Trust’s statutory full financial statements. The full financial statements have been audited and the auditor’s opinion was unqualified.

These summary accounts may not contain sufficient information to allow for a full understanding of the financial affairs of the Trust. For further information the full financial statements, the auditor’s report on these statements and the report of the Trustees should be consulted. Copies of the full financial statements can be obtained from the Trust’s office.
## Summary Accounts

### Statement of Financial Activities

**Year to 31 December 2015**

<table>
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<tr>
<th></th>
<th>Unrestricted Funds £</th>
<th>Restricted Funds £</th>
<th>Endowment Fund £</th>
<th>2015 Total £</th>
<th>Restated 2014 Total £</th>
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<td><strong>Income and Endowments from:</strong></td>
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<td>Charitable activities</td>
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<tr>
<td>Other Trading activities</td>
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<td>618</td>
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<tr>
<td><strong>Total Income</strong></td>
<td>1,527,161</td>
<td>157,856</td>
<td></td>
<td>1,685,017</td>
<td>1,798,807</td>
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</tbody>
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| **Expenditure on:**     |                      |                    |                  |              |                       |
| Raising funds           | 28,077               |                    | 28,078           | 56,155       | 49,375                |
| Charitable activities:  |                      |                    |                  |              |                       |
| Practice and Development| 444,917              | 17,141             |                  | 462,058      | 589,207               |
| Policy                  | 952,602              | 6,181              |                  | 958,783      | 955,330               |
| Charitable Initiatives  | 37,986               |                    |                  | 37,986       | 67,244                |
| Other Charitable Activities | 105,820             |                    |                  | 105,820      | 91,912                |
| **Total Expenditure**   | 1,569,402            | 23,322             | 28,078           | 1,620,802    | 1,753,068             |

**Net Income/(Expenditure) before (Losses)/Gains on Investments**

- (42,241) 134,534 (28,078) 64,215 45,739

**Realised**

- (25,975) (25,975) 15,265

**Unrealised**

- (25,166) (25,166) 714,317

**Net income and movement in funds**

- (42,241) 134,534 (79,219) 13,074 775,321

**Reconciliation of funds:**

- Total funds brought forward 3,472,375 891 36,480,819 39,954,085 39,178,764
- Total fund carried forward 3,430,134 135,425 36,401,600 39,967,159 39,954,085
Summary Accounts

Balance Sheet
As at 31 December 2015

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<thead>
<tr>
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<th>2015</th>
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<td>£</td>
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<td>FIXED ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>1,023,213</td>
<td>1,051,539</td>
</tr>
<tr>
<td>Investments</td>
<td>37,513,402</td>
<td>37,620,073</td>
</tr>
<tr>
<td>Total fixed assets</td>
<td>38,536,615</td>
<td>38,671,612</td>
</tr>
<tr>
<td>CURRENT ASSETS</td>
<td></td>
<td></td>
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<tr>
<td>Debtors</td>
<td>161,581</td>
<td>134,063</td>
</tr>
<tr>
<td>Investments</td>
<td>1,203,366</td>
<td>935,034</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>302,568</td>
<td>519,366</td>
</tr>
<tr>
<td>Total current assets</td>
<td>1,667,515</td>
<td>1,588,463</td>
</tr>
<tr>
<td>LIABILITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors: amounts due within one year</td>
<td>(236,971)</td>
<td>(305,990)</td>
</tr>
<tr>
<td>Net current assets</td>
<td>1,430,544</td>
<td>1,282,473</td>
</tr>
<tr>
<td>Total net assets</td>
<td>39,967,159</td>
<td>39,954,085</td>
</tr>
<tr>
<td>THE FUNDS OF THE CHARITY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Endowment fund</td>
<td>36,401,600</td>
<td>36,480,819</td>
</tr>
<tr>
<td>Restricted income funds</td>
<td>135,425</td>
<td>891</td>
</tr>
<tr>
<td>Unrestricted funds:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Designated funds</td>
<td>1,126,290</td>
<td>1,078,040</td>
</tr>
<tr>
<td>Other charitable funds</td>
<td>2,303,844</td>
<td>2,394,335</td>
</tr>
<tr>
<td>Total charity funds</td>
<td>39,967,159</td>
<td>39,954,085</td>
</tr>
</tbody>
</table>

Approved by the Trustees on 18 May 2016 and signed on their behalf by:

ANGUS M HOGG  DAVID WALKER BA CA FCCA
Chair of Trustees  Convener of Audit and Risk Committee
The Carnegie UK Trust works to improve the lives of people throughout the UK and Ireland, by changing minds through influencing policy, and by changing lives through innovative practice and partnership work. The Carnegie UK Trust was established by Scots-American philanthropist Andrew Carnegie in 1913.

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