

St. Luke's Parochial Trust

Annual Report and Accounts

For the year ended 31 December 2009

www.slpt.org.uk

St Luke's Centre
90 Central Street, Islington, London EC1V 8AJ

Charity Registration Number
207497

ABOUT ST LUKE'S TRUST AND OUR AREA

ST LUKE'S AIMS

We aim to improve the lives of people living in our neighbourhood. We aim to strengthen our community through delivering and fostering a range of services to residents in and around the South Islington Ward of Bunhill.

We own and run a large and busy community centre at the heart of the neighbourhood. The centre has many uses: It provides a base from which we run our own wide range of services, a place for local people to meet, and a resource for other organisations to deliver their services to the local community. Additionally, the building is an asset for income generation from room lettings.

What we do is:

- Provide a community centre that is a hub for local people and organisations to work, play and learn in South Islington.
- Provide and enable services that are delivered to a high standard and are open to all.
- Provide a direct voice for and on behalf of residents to ensure that local services that they identify as required are provided to meet their needs.

CHARACTERISTICS OF THE LOCAL AREA

The St Luke's area is a densely populated inner-city neighbourhood in London. The majority of residents live in social housing. The neighbourhood suffers deprivation typical of most inner-cities with child poverty, unemployment, poor education attainment levels, very low mortality, poor health, and isolation of older people.

Many parts of the neighbourhood are experiencing regeneration and change. Over 1000 new homes will be developed within three years, and improvements will continue to be made to local public spaces and on estates. The area has benefitted from being one of the country's 39 New Deal for Communities areas since 2001. The £55m of public funding this has brought to the area will end in 2011, and the challenge will be for local service providers such as St Luke's to maintain this momentum of improvement for years to come.

HISTORY AND AREA OF BENEFIT

St Luke's Parochial Trust was formed many centuries ago from various donations given to the parish by generous benefactors, the earliest of which date back to the sixteenth century. St. Luke's is required to spend its own money helping improve the conditions of life of those resident in the area of benefit, which is the ancient parish of St Luke's, Old Street. This area now comprises the South Islington ward of Bunhill and small pockets of the City of London, Clerkenwell Ward and Hackney.

CHAIRMAN'S MESSAGE

The work of St. Luke's Centre continues to build on previous successes. We are recognised nationally and locally as an exemplar community organisation. In 2009, the Centre received a ministerial visit, and hosted various conferences and the Islington's Older Persons Day amongst many other special events. To crown these achievements, the staff and volunteer team has recently won EC1 Team of the Year award, for their superb work. This accolade is deserved by all.

Do please visit St Luke's, you will be welcomed into a thriving public building which is the hub of neighbourhood activity for all.

The Board of Trustees at St Luke's is dedicated, hard working, independent and responsive to local need; attributes which epitomise St Luke's itself. We are proud to share our achievements with you in this report.

Jean Dolphin

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TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Nature of Governing Document

St Luke's Parochial Trust is constituted as an unincorporated trust and is governed by four schemes issued by the Charity Commissioners dated 17th June 1983, 30th December 1983, 29th November 1994 and 29th April 1998.

The Trustees are seeking permission from the Charity Commission to both incorporate and be governed under a revised and modernised consolidating scheme in 2010 to reflect the changing face of the Charity and reflect the changes in the Charities Act 2006.

Recruitment and Appointment of Trustees

The Trustees and details of their appointment are listed on page 34. The 13 Trustees have been selected for their perspective of the local area and specific skills they can offer the Board. Four of the Trustees live in the area of benefit, whilst most others have decades of knowledge of the neighbourhood through work, political connections, or simply living very close-by. Two Trustees have been co-opted to the Board and bring their years of valuable experience in charity law and property development.

Seven of the Trustees are described as nominative (one is ex-officio) and are external appointments by other bodies. They hold office for four years. Six of the Trustees are described as co-optative and hold office for five years. These co-opted Trustees are selected for their specific skills they can bring to the Board (e.g. property, law, investments) or for a local perspective. Sometimes they are co-opted after their nominative trustee term has expired. New Trustees joining the Board are interviewed by a small panel and undergo an induction process.

The Trustees started the process of reviewing their governance structures in 2009. In early 2010, the Board formally adopted the principles of the NCVO Code of Governance for charities. Furthermore, a revision of the Trustee recruitment process is envisaged to allow local people who may have the requisite skills and perspectives to join the Board through an open and public recruitment method. There is currently one co-optative Trustee vacancy.

Organisation Structure, Committees, and Decision-making

During 2009, the Trust was governed by a Board of Trustees who met on 6 occasions during the year. The role of the Board is to take decisions to govern and guide the charity's future strategy, and keeps the regular activities of St. Luke's under review. Average Trustee attendance at these meetings was 69% in 2009.

The Board has set up 5 sub-Committees to bring forward recommendations for their approval. These are:

- ◆ The Finance Committee which met three times.
- ◆ The Audit and Compliance Committee which met twice.

TRUSTEES' REPORT (continued)

- ◆ The New Centre Committee met six times to oversee the large development project, although the Board decided that the business being dealt with by this Committee was so fundamental to the future of the Trust that the Board temporarily subsumed this Sub Committee from August 2009 to January 2010.
- ◆ The Business and Partnership Development Committee which met 3 times to oversee the new areas of charitable partnership and growth the charity was developing.
- ◆ The Governance Working Group met twice during 2009 to consider the Board governance improvements.

The Board co-opted one of the users of the older persons' services onto the New Centre Committee. In 2009, the Board agreed to increase the use of co-optees onto Committees where external support was felt necessary.

Charitable Purposes

The object of the charity is to improve the conditions of life for the people living in the area of benefit. The governing documents state that St Luke's income must firstly be used in maintaining and insuring the Community Centre building and paying management expenses. The Trustees can apply at their discretion the remainder of income in the payment of pensions, in relief-in-need grants and in the interests of social welfare, providing or assisting in providing facilities for recreation and other leisure time occupation with the object of improving condition of life.

Mission, Vision and Strategic objectives

The outcome that the Trustees of St Luke's envisage for their area is:

'To be a welcoming, living, neighbourly community in South Islington for all people to contribute to working, playing and learning together for their mutual benefit and well-being.'

In pursuit of its vision Trustees of St Luke's will:

- Provide a community centre that is a hub for local people and organisations to work, play and learn in South Islington.
- Provide and enable services that are delivered to a high standard and are open to all.
- Provide a direct voice for and on behalf of residents to ensure that local services that they identify as required are provided to meet their needs.

In 2009 the strategic objectives were:

- To improve the standard of existing services currently provided at the Centre in terms of cost, quality and take up by users.
- To carry out a process of regular consultation with service users and local service providers on the service offer from St Luke's and other service providers to local people.

TRUSTEES' REPORT (continued)

- To provide new St Luke's Trust services to existing and new groups of local people.
- To increase the number of people, groups and service providers using the Centre.
- To improve and extend the physical facilities at St Luke's centre's through refurbishment and their eventual re-provision.
- To define and agree the constitutional framework needed to operate the Centre and deliver services post 2011.
- To ensure that staff and volunteers at the St Luke's Trust are supported to fulfill their potential in carrying out their agreed roles.

Local consultation on needs

The charity carried out a range of local consultation exercises during the year to inform the Trustees and staff on what people thought of the Trust's services and facilities, and what local people felt we should be doing both in the planned new community centre and the wider area.

A major piece of consultation was undertaken by the National Centre for Social Research and the findings have helped determine what the Trust should be doing, how it needs to change, and what should be included in its new building.

Other consultation was carried out to gauge local users opinions of the care team service, the lunch service and room bookings.

The results of the 2009 consultations highlight that St Luke's is a much loved organisation by those who use its services, but there is a strong need to expand our reach and profile in the wider community. The Trustees will use the findings to help direct the future of St Luke's as part of their business planning.

Recognition of our work

Community centres and multi-purpose community organisations like St Luke's Trust are increasingly recognised as essential elements of community life. The numbers of people who now use St Luke's Centre and enjoy the new services is a strong indicator of our relevance. The Trust was particularly pleased to be recognised during the year as a benchmark for other community organisations both nationally and locally. In February the Minister for the Third Sector paid a visit to see a community anchor in action. Over 50 delegates from the Development Trusts Association national conference visited St Luke's as part of their fact finding programme. Finally, we were pleased to host an Islington Community Premises Conference arranged by Islington Council and Voluntary Action Islington to share our knowledge.

TRUSTEES' REPORT (continued)

Partnerships and Relationships

The strategic and operating policies of the Trust are determined and influenced by a wide range of interested parties including, most importantly the existing users. The Trust also carries out its own needs analysis of the area drawing upon information provided by a number of statutory agencies.

The Charity does not operate in a vacuum and the Trustees understand the importance of working alongside other organisations to deliver their overall charitable purposes, whilst not compromising their independence.

Of greatest significance, the charity has continued to build a very strong partnership with local regeneration body EC1 New Deal for Communities to such an extent that St Luke's has become one of their successor bodies post-2011 when their funding ceases. Many of the new services have been initiated by EC1 New Deal and they have also supported the large costs of feasibility work for the new community centre during 2010.

During 2009, St Luke's and EC1 New Deal set up a Neighbourhood Steering Group with the support of Islington Council. This group comprises local residents and service providers with a role to coordinate local services in line with resident wishes and aspirations. St Luke's successfully bid for the contract to manage this 'neighbourhood direction' process and also sits on the Board as a partner service provider. This is an exciting time for local residents to have some real control over shaping local service provision, which will also help St Luke's respond to local needs.

St Luke's is also a member of a number of bodies which provide advice and opportunities for sharing information with similar organisations, and respond and influence the local authority local strategic plan. These bodies are: British Association of Settlements and Social Action Centres (BASSAC), Community Matters, Octopus Community Network, and Voluntary Action Islington. The Trust is represented by staff and Trustees on numerous local committees whose decisions will impact directly upon the Trust or its beneficiaries, e.g. Islington Voluntary Sector Health Network, Islington Health and Well-being Network. Trustees and staff also attend many other local meetings or are Board members of other local organisations which helps inform our work.

Risk

The Trustees continue to examine the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to manage these risks. The Audit and Compliance Committee met twice during the year to consider the major risks in detail, whilst other risks are considered as part of normal day to day management processes.

Public Benefit Reporting

The Trustees carried out a comprehensive review of its activities during the year, analysing each of its operations and activities against the Trust's permitted charitable purposes contained within its schemes of governance, the new charitable objects within the Charities Act 2006, and the public benefit guidance issued by the Charities Commission. Having paid due regard to the guidance, the Trustees can confidently assert that the charity's objectives and activities are in the interest of public benefit and remain charitable.

TRUSTEES' REPORT (continued)

REPORT ON ACTIVITIES FOR 2009

Community Centre

Aims

The charity's building at 90 Central Street is a 15,000sq ft Community Centre for the benefit of those people living in the area. The Centre provides a public benefit to local residents through being a place where communal activities take place which improve the quality of life for local people, whether through reducing isolation and social exclusion, or being a space for public gathering and receiving services which improve lives.

The Centre is also used as a base for other community individuals and groups to engage and meet with each other. For example, local schools may use the Centre as a venue for holding a parents and children's party, or local organisations use meeting rooms for training or board meetings.

The charity actively encourages other organisations and individuals to deliver their own services which have a direct or indirect benefit to the local neighbourhood. The charity also provides the office administration base for a number of local groups supporting local people which need good quality, affordable serviced space. The Trust uses income from space lettings to subsidise its own services, but is mindful of the need to balance free and subsidised space lettings with commercial opportunities.

The charity's measurable objectives for providing, managing and maintaining a community building are that they remain well-used, safe, inviting and accessible to everyone. A number of measures are used including footfall, space usage and lettings income.

Achievements in 2009

St Luke's Centre is a very successful and busy community centre and in 2009 the Community Centre continued to prove to be a valuable asset to local people of all ages and backgrounds. The numbers of people using the centre has increased to over 150 per day, and the opening hours have been extended to late evenings most days of the week, together with weekend openings. Older people remain a significant daytime use, although other ages now use the centre both during the day, and increasingly after 4pm.

St Luke's has attracted a wide range of service providers to use the centre as a delivery base for local people. Services which are now offered include free legal advice provided by Nabarro LLP solicitors, Islington NHS, Key Changes mental health music project, Manor Gardens community kitchens and Heart and Stroke Club, careers advice, and many more.

Service providers are attracted by the quality and standards of the building, the range of rooms, the premises staff who support them whilst they are on site, and also the high footfall.

The Centre is also much used as a space for local people to learn new skills such as adult drama, Kung Fu, Children's ballet and street dancing, and bike maintenance and various arts. A local history project was coordinated by St Luke's and a fascinating history display was put on public display.

Community Centre (continued)

Achievements in 2009 (continued)

The Online Centre is now well used 6 days per week throughout the day by people keeping in touch with friends and family, looking for jobs, or learning new IT skills.

The Centre is an extremely valuable resource for St Luke's to host festivals and events, and is becoming a well-known venue for local people to enjoy cultural events and parties.

Room bookings by outside organisations and local people for meeting room or private functions has increased in 2009 and provides a low cost but high quality local venue for birthdays and wedding receptions, whilst also providing some net income to St Luke's.

St Luke's is now proud to be the permanent home of a long-lost St Luke's area First World War Memorial which had been discovered in Texas, USA. Having purchased and shipped the item back in November 2009, the memorial is on public display for the first time in decades, and has helped local people research their ancestors.

Community Services

1. Older Persons Services

The Trust has provided a range of services to older people living in the local area since the Centre opened in 1982. These particular services are open to anyone over the age of 55 living in the area of benefit who has paid a 'life membership' of £5. The Trustees do not consider this amount to be prohibitive to any prospective beneficiary, and would potentially waive the fee if its payment was likely to cause hardship. 'Members' of St Luke's are able to enjoy free access to the Centre's Day Care and Social Welfare services and facilities and take part in the classes and activities.

i. Day Care and Transport

Aims

St Luke's provides general social welfare services to its older members and a specialist level of day care to those who are more frail. Older people are at risk of isolation, social exclusion, loneliness, dementia, mobility and health problems. The Care Team staff have daily contact with these members and aim to keep a caring and watchful eye over everybody's welfare. The frailer members receive a higher level of care, which includes issuing individual care plans. Some of these members are referred to the Trust from local social services. The Care Team also delivers specialist care to older people with early stages of dementia on a contractual basis with the local authority.

The charity owns and manages its own 15 seat minibus which collects and returns up to 26 people a day from their own home.

Community Services (continued)

i. Day Care and Transport (continued)

Achievements in 2009

St Luke's Centre provides a much cherished service to older people living locally. The Care Team service continues to evolve to meet the changing needs of the increasingly ageing user group.

Individual social care plans are in place for some 40 users, ranging from those who suffer from dementia to coronary heart disease and strokes. The Transport service continues to provide a lifeline to over a dozen people daily who are unable to go outdoors on their own. St Luke's is proud to offer a level of service beyond a simple bus service with staff involved in users daily lives, social workers, and families.

St Luke's staff encourage interaction between groups of older people and help tackle people's isolation as a result. The care team often provide individual advice and informal advocacy on behalf of people who cannot read and need to pay a utility bill or deal with the Council.

ii. Classes and Activities

Aims

St Luke's encourages life-long learning and aims to provide an extensive range of free or heavily subsidised classes and activities to the local older community. St Luke's members value the benefits of the classes and activities since they encourage greater levels of physical activity, self confidence, personal development and social interaction. Activities range from arts, singing and dance classes, to special occasion parties and trips to the seaside.

St Luke's promotes partnership-working and we work both formally and informally with many groups in order to improve the diversity and quality of our services. The objective is to maintain or introduce classes and activities that are popular and accessible to our older members.

Achievements in 2009

The range of classes for older people was broad in 2009 and numbers taking up these classes increased. Traditional skills such as sewing, hat making, and tapestry making were very popular. Dance classes remained very well attended during the year. The singing class evolved into a morning sing-along that now engages a greater number of users.

Trips to the seaside were extremely popular, as were the numerous parties held throughout summer, Christmas and on special events such as St George's and St Patrick's Days.

The number of outside partners delivering services to older people increased during the year. Our users took part in a Heart and Stroke Club organised by Manor Gardens Welfare Trust, Craft skills by Mary Ward Centre, and various exercise classes by Aquaterra/Finsbury Leisure Centre.

Community Services (continued)

iii. Outreach Services

Aims

St Luke's has begun an outreach service in 2009 funded externally through the generosity of the Worshipful Company of Haberdashers. The aims of this service is to reach the most isolated older people living locally who do not access services that might be useful to them, including St Luke's own services, and encourage these people to take them up through sign posting and referral.

Achievements in 2009

The project enabled St Luke's to expand the reach beyond the community centre. Strong relationships have been forged with many local service providers also working with this client group, and outreach services such as coffee mornings and computer classes have been delivered across six local housing estates. Over 100 formal contact were made and 46 older people joined St Luke's membership. IT mentoring classes were held to connect isolated people using computers which St Luke's provided.

The service will hopefully continue in 2010, subject to funding, and place more focus on building relationships with local GP practices and holding information days using St Luke's outreach staff in the surgeries, alongside other local service providers.

iv. Grants and Pensions to individuals

Aims

Before the Community Centre was opened in 1982, the Trust's only activity was to provide relief in need pensions and grants to local residents and groups. Creation of new pensioners stopped many years ago but a number of local older people still continue to receive an annual pension of £281, unless they become ineligible due to a change in circumstances. Some of these pension recipients also receive a grant to cover the cost of a TV licence until they reach 75.

Achievements in 2009

The number of pensions distributed in 2009 was 114. Those in receipt of pensions also receive regular news and updates from St Luke's Centre.

2. Subsidised Meal Service

Aims

The charity provides a nutritious and subsidised lunch daily to people in the area. This core service is particularly valued by older persons with health problems and those living alone. Eating meals together stimulates conversation and helps break down social barriers. The objective is to serve meals which are appealing, nutritious and economic to as many local people as possible.

Community Services (continued)

Achievements in 2009

The numbers of older people using the meal service continued to decline, yet the cost of providing the meals increased in 2009. The Trustees decided that the service in its existing form no longer presented proper use of the charity's funds and sought changes. The general public continued to use the lunch service as a means of sustaining revenues against the capped contract cost and service minimum, but it was understood that these people only used St Luke's because of its heavily subsidised price.

Having consulted the needs of those who gained most value from a nutritious hot meal in a social setting (i.e. older people with social isolation and health problems), the catering service contract was re-tendered in early 2010.

3. Community Projects

St Luke's has evolved in the last two years into a multi-purpose community anchor organisation that delivers a wide range of services itself, hosts services from its own building, and pro-actively engages other organisations to deliver services in the local area.

In 2008, St Luke's employed a Business Development and Partnership Manager to build up the range of activities in the Centre.

As a result of these extra activities, the numbers of users has increased and the amount of unused spaces over a week has reduced dramatically. The range of services now taking place within the Community Centre now exceed 60 per week.

The following headings provide more detail for the more significant projects which St Luke's delivers itself during the year.

i. Timebank

Aims

St Luke's Timebank is a volunteer style project in which individuals build up credits of time earned volunteering for someone in the neighbourhood, which they use to 'spend' on services somebody else is offering to volunteer them. The public benefit achieved and overall strategic aim, is to facilitate social cohesion and reduce poverty and social exclusion. It is measured through the numbers of hours exchanged and recruited volunteers.

Achievements in 2009

The Timebank membership exceeded 200 for the first time and generated over 700 hours of time exchanges during the year. The project has enormous impact on people's lives. It has enabled some highly marginalised individuals to break down barriers by meeting other local people, learning a new language, and gaining confidence. The Timebank managers often work beyond simply fostering the exchange of skills and time, to dealing with individuals' problems. It is a highly successful community development service that has given people the impetus to find employment and improve lives.

Community Services (continued)

ii. Business Link Project

Aims

St Luke's created the post of Business Link officer with funding provided by Lovells LLP solicitors and EC1 New Deal.

The Business Engagement service provides a benefit to local groups through providing a brokerage between the offers of corporate and fundraising support and local business and local charities, groups, schools and residents.

Achievements in 2009

The Business Link Project has already become a real success and large City institutions are beginning to make first contact with St Luke's.

The strong connection with Lovells LLP led to the creation of a local schools debating competition, Debate it involving six local schools.

The project has also involved brokering corporate support for the Whitecross Street Action Group, which has had an added benefit of providing one free market stall for local groups, schools, and charities to promote themselves and raise funds.

St Luke's also engaged with large firms in supporting the local older population with gifts at Christmas. In 2009, over 200 isolated older people were able to enjoy a special present donated by a private business and their employees.

iii. Employment, Education and Training

Aims

The Trust has started to offer a wide range of employment and training opportunities to support local people seeking employment. These opportunities include training in Information Technology and Horticulture, employment advice, work and volunteer opportunities at St Luke's, and simple DIY techniques to make safer homes in the local area.

Education activities not part of the older person's services include an after-school club and family learning support services.

Achievements in 2009

At the start of 2009, St Luke's began a horticulture training project funded by Islington Council. Of the 18 long term unemployed adults who started, 13 people were interviewed for local jobs and have been successfully employed as a result.

St Luke's began offering computer courses for over 40 local people including both the elderly and those looking for work. The project involved informal one-to-one supported learning sessions being held in our On Line Centre.

Environmental and energy efficiency courses for local people were organised through St Luke's Time Bank with 8 people gaining City & Guilds Level 3 qualifications as a result.

Finally, over 100 local people have accessed employment advice through St Luke's and its partners in 2009.

Community Services (continued)

iv. Horticulture

Aims

St Luke's has recently developed a focus on community horticulture and food growing as a means to give local people a new interest, some healthy activity, and a way to bring people in communities together with a common interest. Horticulture employment opportunities are a further advantage, together with the benefits of improving unused and neglected public spaces, and making good temporary use of the land at the rear of the community centre.

Achievements in 2009

St Luke's employed two former members of staff from EC1 New Deal's outside spaces team. The number of temporary food growing spaces at the rear of the community centre expanded and 72 local residents have the opportunity to enjoy growing their own produce whilst the Trust is deliberating its own property decision.

The horticulture team have also worked throughout the area setting up 41 allotment spaces in schools and housing estates during the year.

These achievements have been recognised with the award of a number of certificates, prizes and awards won in competition including first place in the Capital Growth award from London in Bloom. St Luke's was pleased to be a strong element of Islington Council's silver gilt award for Britain In Bloom.

v. Neighbourhood arrangements

Aims

St Luke's successfully bid for the commission to manage the Neighbourhood Arrangements service for the EC1 postcode within Islington borough. This area is very similar to St Luke's own area of benefit. The service involves co-ordinating and managing a Neighbourhood Steering Group of residents and local service providers to ensure local services are working together effectively. St Luke's also sits on the Steering Group as a provider member.

Achievements in 2009

The Neighbourhood Steering Group was only fully formed in the last month of the year and there has been little scope to make progress in 2009. However, St Luke's partnered with EC1 New Deal and local Councillor Ruth Polling to agree the terms of reference with the service partner providers and successfully recruited the resident members to this exciting new aspect of community life. The Trust has been able to capitalise on having the Neighbourhood Director under their roof as it enables the senior management team to direct their services in partnership with other service providers, and aim our work towards those people in the community who will most benefit.

vi. Local Festivals and Events

Aims

St Luke's arranges and manages a number of public festivals and events that serve to bring local people together to learn about support services taking place in the area and provide cultural entertainment, often by local children and young people.

Community Services (continued)

Achievements in 2009

The biggest event during the year was the inaugural Finsbury Arts Festival that was piloted to gauge support and interest in the neighbourhood. Over 1000 people attended over the weekend, enjoying hands on activities, productions, comedy and plays by local people. This was a huge success and was repeated in February 2010.

St Luke's held a Cracking the Credit Crunch event during March to engage with people who were likely to be most affected by the economic downturn. This event was used as a model for similar events throughout Islington and further afield.

St Luke's hosted a Celebrating Older People's Day in October in conjunction with Islington Council. Many hundreds of older people who would not normally come to community centres were entertained and fed for the day.

A day of family Fun was held on a Saturday in August to amuse children during the school holidays. St Luke's also shared the responsibility and organisational responsibilities for the EC1 Kings Square Festival in July. This large public event is now well established and St Luke's Trust will take it over entirely in 2010.

St Luke's played a large part in Islington Dance Festival during June, playing host to a number of accessible events for the local community. A local history exhibition was staged and organised by local people organised and encouraged by St Luke's.

A large Christmas Fayre was held in December celebrating the festive season with lots of activities for families, food, entertainment and a visit to Santa's Grotto.

New Centre Development plans and activity

St Luke's Trust continues to develop its plans for a new community centre and 2009 was a year of intense activity. The severe downturn in the property market continued into 2009 and had a major impact on the feasibility, timing and viability of the project.

The Trust received a substantial grant of £130,000 from EC1 New Deal towards feasibility work on the centre development. St Luke's initially spent four months exploring the opportunity of moving off-site and converting a local church to suit our purposes. The Trust's own land would have then been sold to fund the conversion costs. Unfortunately the acquisition and construction costs far exceeded the value of the Trust's land, and the scheme fell through.

The Trustees recognised the urgent need to have a community centre to suit its new activities and explored other options. Two substantial multi-million pound funding opportunities with short timescales helped the Trust direct their focus on a substantial £5m+ refurbishment of its own building, part-funded by the sale of the residual land surrounding the building.

Dealing with an ageing Victorian school building, in a difficult and complex planning context, and with an uncertain property market, has been a drawn-out process. Numerous structural studies, planning and valuation reports, and iterations of architect's drawings have been produced. However, after months of feasibility work at the December Board meeting, the Trustees finally decided that this was the preferred way forward and agreed to proceed to planning application stage.

New Centre Development plans and activity (continued)

Subject to planning permission, a favourable property market, and successful funding applications, the Trust aims to begin work on the centre later in 2010. The Trustees are very grateful to EC1 New Deal for funding this work, the end results of which will form part of their post 2011 legacy for the neighbourhood.

FINANCIAL REVIEW FOR 2009

Despite a very difficult year for the voluntary sector nationally, St Luke's had a prosperous year financially. The slight recovery in the stock markets had a beneficial effect on the Trust increasing the underlying assets by £740,792 in the year.

Overall income rose 37% in the year, mostly from restricted fund activities. This reflects the changing emphasis of the charity from restricting its operations largely to what it can afford from its own investment income, to externally funded projects and commissions. Investment income fell sharply in the year from £662,000 to £559,000.

Expenditure rose 24% in 2009. Although running costs of the community centre increased 22% year on year, greatest savings on the unrestricted fund has been on property redevelopment and feasibility costs (part of Governance costs) which in previous years has been funded internally, but in 2009 was funded by a £135,000 restricted grant from EC1 New Deal.

Investment gains of £832,279 in the year counterbalanced the operational deficit caused by investment management fees and property depreciation. Without these two costs, the Trust remained operationally in surplus in 2009.

The Trustees altered their investment profile during the year to counteract the poor returns on cash deposits. Two new corporate bond and fixed interest common investment funds were invested in during the year.

Reserves policy

Prior to the 1980's, the Trustees had been able to build up a sizeable unrestricted fund over hundreds of years. This was invested alongside the endowment fund to produce adequate income to run their new Community Centre building and the services within. Over the years, the value of this investment income has eroded against the increasing costs of the building and services. As a result by the year 2000, the Trust was operating an annual deficit and gradually disinvesting the fund to meet cashflow shortfalls. The balance of these invested unrestricted funds at year end (i.e. those not representing fixed assets held for charitable use) was £2,742,085 (2008=£2,743,704).

With ongoing unrestricted fund operating deficits (£84,063 in 2009) the Trustees have had to adjust their business model by diversifying their income sources. However, in recent years the Trust has kept a positive cashflow, only turned into an operating deficit by fixed asset depreciation and investment management fees. This deficit should over time be counteracted by capital gains in the investment portfolio.

Having considered which are the charity's core operations that the Trustees must fund (e.g. Building costs, pension scheme deficit), or feel they have an ongoing obligation to fund (older persons welfare services), the charity will continue to look for other means in which to diversify and increase its unrestricted fund income.

Reserves policy (continued)

Designated Funds

The charity's governing document instructs the Trustees to maintain a designated Extraordinary Repairs Fund to meet unforeseen expenditure on the building. The Trustees have decided that approximately £500,000 is a prudent amount.

The balance of the invested unrestricted fund is therefore £1,974,086. As the Trustees consider it is essential to maintain the core welfare services to older people at St Luke's, this sum will remain invested so as to provide as much income as possible to continue the essential services and facilities. During this period of economic recession and expected severe public sector spending cut backs, this fund is vital to maintain support for some of the most vulnerable members of our community. The Trustees have therefore named this the Continuity of Social Welfare fund. Full details of this fund are given in Note 13.

Free Reserves

The Trustees aim to maintain free reserves in unrestricted funds equating to approximately six months budgeted unrestricted charitable expenditure. The Trustees have called this fund the Operational Fund which currently stands at £520,629.

Investment policies, objectives, and performance

In accordance with the charity's governing instruments and the Trustee Act 2000, the Trustees have the power to invest in such stocks, shares, investments and property as they see fit. The Trustees Statement of Investment Policy was agreed in December 2006.

St Luke's Trustees hold investments to maintain their permanent endowment and to produce income to fund its operations. As a means of adhering to the general principles of trust law, and ensuring that the charity maximises its effectiveness, the Trustees seek to maximise returns on their investments.

The following objectives have been set in 2006:

- a) The investment funds at least maintain their real value over a rolling ten year period as measured by the increase in the level of the Retail Price Index (RPI).
- b) The investment portfolio achieves minimum investment income of £567,000 (set for the financial year ending 31st December 2007), and growing this and maintaining its real value over time measured against RPI.

The long-term annual total return objective for the whole portfolio is 7.5%. The Trust seeks an income yield of approximately 4%, allowing for 3.5%pa capital growth, to counter inflation and manager fees.

Socially Responsible Investment Policy

The Trustees do not actively maintain a wholly socially responsible investment policy although the holdings in COIF Charities Investment Fund avoids direct investments in armaments, gambling and tobacco and in M&G Charifund excludes direct tobacco stocks. Instead, the Trustees support the principles set out by the Institutional Shareholders' Committee (The Responsibilities Of Institutional Shareholders And Agents – Statement Of Principles (updated 2007)) which expands on the 1998 Combined Code on Corporate Governance with regard to shareholder engagement and activity, and take steps to influence their investment managers' adherence to the Trustees' policy.

TRUSTEES' REPORT (continued)

PLANS FOR FUTURE PERIODS

The Trust expects to begin the first stages of a £6m project to refit and extend the current community centre in late 2010. This work is expected to last up to 18 months whilst maintaining the majority of services during the construction phase. At the end of the construction, the Trust should have a new centre which is modern and welcoming for the entire community, as well as being financially sustainable for the future.

The Board began a governance review in 2009 which will continue into 2010. The Trustees will seek to re-constitute with a new consolidating governing instrument, and aim for incorporation of the Trustee body itself. The Trustees will review as part of this process Board recruitment processes, terms of office, and the composition itself.

St Luke's will continue to explore new opportunities to extend its range of services in the community. Focus will inevitably fall upon areas where there is need in the community, and where the charity already has knowledge and experience and can make the most impact.

The funding environment in 2010, and probably for a number of years, is expected to be very challenging for charities. Whilst St Luke's has the comfort of a sizeable investment portfolio to fund community centre overheads and some long-standing services, maintaining the speed of growth of externally funded projects seen in 2008 and 2009 is likely to be difficult.

It is therefore important that St Luke's maximises the return in social value from all its core funded activities and facilities over the next few years so that the charity can continue supporting the increasing numbers of local people who benefit from our charitable activities. In 2010, the catering service will be re-positioned to ensure it makes better use of the charity's assets.

St Luke's will continue a more pro-active approach to attracting more visitors to the community centre, started in earnest in 2009. Staff will expand their older persons estates-based outreach services in 2010, attend and organise more external public events, set up information stands in public locations such as GP practices, and improve communication methods which publicise what the charity actually does and achieves.

TRUSTEES' REPORT (continued)

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RELATION TO THE ACCOUNTS

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity, which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations and the provisions of the Charity's schemes. The Trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees:

Chairman of Trustees:

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ST LUKE'S PAROCHIAL TRUST

We have audited the accounts of St Luke's Parochial Trust for the year ended 31 December 2009 which comprise the statement of financial activities, the balance sheet and the related notes 1 to 16. The accounts have been prepared under the accounting policies set out in note 1.

This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and with regulations made under Section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the trustees' annual report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of trustees' responsibilities contained within the trustees' report.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under that Act. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the information given in the trustees' report is not consistent with those accounts, if the charity has not kept sufficient accounting records, if the charity's accounts are not in agreement with these accounting records or if we have not received all the information and explanations we require for our audit.

We read the other information contained in the annual report and consider whether it is consistent with the audited accounts. The other information comprises only the trustees' annual report, the Chairman's message and the reference and administrative details. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland), issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ST LUKE'S PAROCHIAL TRUST (continued)

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion:

- ◆ the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 December 2009 and of its incoming resources and application of resources for the year then ended; and
- ◆ the accounts have been prepared in accordance with the Charities Act 1993.

Buzzacott LLP
Chartered Accountants and Statutory Auditors
12 New Fetter Lane
London
EC4A 1AG

St Luke's Parochial Trust
Balance sheet
as at 31st December 2009

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2009 Total £	2008 Total £
Incoming resources						
Incoming Resources from Generated Funds						
	2					
Voluntary income		16,107	5,000	—	21,107	7,249
Activities for Generating Funds		29,457	—	—	29,457	6,667
Investment Income		559,497	—	—	559,497	662,400
Incoming Resources from Charitable Activities						
	3					
Community Services		163,393	495,441	—	658,834	250,502
Grants and Pensions for Individuals		—	3,150	—	3,150	3,150
Total incoming resources		768,454	503,591	—	1,272,045	929,968
Resources expended						
Cost of Generating Funds						
Investment Management Costs	4	6,428	—	27,846	34,274	39,503
Charitable activities						
	5					
Community Centre Costs		288,878	—	—	288,878	236,335
Community Services		368,940	326,880	—	695,820	561,698
Grants and Pensions to Individuals		38,651	3,150	—	41,801	46,970
Strategic property advice (New Centre)		13,268	135,500	—	148,768	77,006
<i>Sub-total charitable activities</i>		<i>709,737</i>	<i>465,530</i>	<i>—</i>	<i>1,175,267</i>	<i>922,009</i>
Governance Costs	6	153,991	—	—	153,991	135,036
Total resources expended		870,156	465,530	27,846	1,363,532	1,096,548
Net outgoing resources before transfers		(101,702)	38,061	(27,846)	(91,487)	(166,580)
Transfers						
Gross transfers between funds		17,639	(17,639)	—	—	—
Net outgoing resources before other recognised gains and losses		(84,063)	20,422	(27,846)	(91,487)	(166,580)
Other recognised gains and losses						
Gains (losses) on the revaluation and disposal of investments	10	272,459	—	559,820	832,279	(3,374,445)
Net movement in funds		188,396	20,422	531,974	740,792	(3,541,025)
Total Funds brought forward at 1 January 2009		4,921,766	18,548	8,294,128	13,234,442	16,775,467
Total Funds carried forward at 31 December 2009		5,110,162	38,970	8,826,102	13,975,234	13,234,442

St Luke's Parochial Trust
Balance sheet
as at 31st December 2009

	Notes		2009		2008
		£	£	£	£
Fixed Assets					
Tangible assets	9		2,115,447		2,178,062
Investments	10		<u>11,568,188</u>		<u>10,860,691</u>
			13,683,635		13,038,753
Current assets					
Debtors	11	236,744		149,118	
Cash at bank and in hand		<u>202,726</u>		<u>178,537</u>	
		439,470		327,655	
Liabilities					
Creditors: amounts falling due within one year	12	<u>(147,871)</u>		<u>(131,966)</u>	
Net current assets			291,599		195,689
Net assets			<u><u>13,975,234</u></u>		<u><u>13,234,442</u></u>
 Represented by					
Funds and reserves					
Endowment fund	13		8,826,102		8,294,128
Restricted Income funds			38,970		18,548
Unrestricted funds					
Designated funds		4,589,533		4,509,689	
Unrestricted income funds		<u>520,629</u>		<u>412,077</u>	
			5,110,162		4,921,766
			<u><u>13,975,234</u></u>		<u><u>13,234,442</u></u>

Approved by the Trustees and signed on their behalf by:

Chairman

Trustee

Notes to the Accounts 31st December 2009

Note 1 – Accounting Policies

a) Basis of accounting

These accounts have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) applicable accounting standards, and the Charities Act 1993. The accounts have been prepared under the historic cost basis of accounting except for investment assets which have been included at revalued amounts.

b) Funds Structure

The St Luke's Parochial Trust Permanent Endowment Fund represents the endowments made to the fund since its inception. Its income is applied to the Unrestricted Funds for expenditure.

The Restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed conditions.

The Unrestricted Funds comprise funds designated for specific purposes by the Trustees (and under Scheme direction), and the Operational fund which represents the working capital required for the efficient running of the Trust's activities.

c) Incoming resources

Voluntary income and the £5 fee for life membership of St Luke's are credited to the statement of financial activities in the year in which they are received. Distributions from unit trusts are credited to income on the dates on which the holdings are first quoted ex dividend. All other income including grant and contract income is accounted for on an accruals basis. The value of goods donated for use by the charity such as used office furniture is not shown in the accounts due to their immaterial value.

d) Resources expended and irrecoverable VAT

Expenditure and the recognition of a liability is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered.

Resources expended fall under three headings: cost of generating funds, charitable activities and governance costs. The charitable activities are divided into community centre, community services and grants and pensions to individuals.

e) Support Costs and their allocation

Support costs include the cost of the Chief Executive, Director of Services, and Finance Officer whose salaries are currently met by unrestricted funds. Other costs include general office costs such as printing and stationery and staff training. Support costs relating to Charitable Activities have been apportioned based on staff time expended. The allocation of support costs is analysed in note 8.

2008 costs have been restated to reflect the opinion that staff costs relating to the running of the community centre building are direct charitable activity costs and not support costs.

Notes to the Accounts 31st December 2009

Note 1 – Accounting Policies (continued)

f) Cost of generating funds

The cost of generating funds comprises the fees charged by the investment managers.

g) Charitable activities

The cost of charitable activities is shown in detail in Note 5 to these accounts which provides an analysis of the main programmes undertaken to meet the aims of the charitable activities. Support costs are included.

h) Provision of space

The Trust does not include in the accounts the value of community room space donated to other organisations delivering their services to local residents.

i) Volunteers and Placement Students

The Trust does not show in the accounts the value of the time volunteers and Placement Students give to community services.

j) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of support costs.

Governance costs also include £93,115 contributions towards the deficit of the closed final-salary scheme detailed in note 15

k) Fixed assets - Property

Fixed assets are included at cost. All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised. Depreciation has been calculated on a straight-line basis on cost in order to write off each asset over its estimated useful life which is shown below.

◆ Freehold buildings	50 years
◆ Fixtures, fittings and equipment	3 - 10 years
◆ Minibus	5 years

Freehold land is not depreciated.

l) Fixed asset investments

Freely tradable investments assets are included on the balance sheet at their market value at the end of the financial period. Unrealised gains and losses are credited, or debited, to the statement of financial activities in the year in which they arise.

The Trustees pool the investments across unrestricted and permanent endowment funds rather than hold separate investments in each. Investment managers' fees and gains upon revaluation at the year end are allocated to each fund by identifying the exact split in holdings between each fund.

Notes to the Accounts 31st December 2009

Note 2 – Incoming Resources from Generated Funds

	Unrestricted funds £	Restricted funds £	2009 funds £	2008 funds £
Voluntary income (donations, grants etc)	16,107	5,000	21,107	7,249
Activities for generating funds				
Administration service for other charities	29,457	—	29,457	6,667
Investment Income				
Unit Trust Income	514,625	—	514,625	526,885
Cash held for investment	44,871	—	44,871	135,512
Bank Interest	1	—	1	3
Sub total	559,497	—	559,497	662,400
Total	605,061	5,000	610,061	676,316

Note 3 – Incoming Resources from Charitable Activities

	Unrestricted funds £	Restricted funds £	2009 funds £	2008 funds £
Community Services				
<u>Older Person Services</u>				
Classes & Activities	7,954	—	7,954	5,389
Bar & Teas Income	2,127	—	2,127	4,858
Local Authority Grants	—	31,790	31,790	41,746
	10,081	31,790	41,871	51,993
<u>Subsidised Meals Income</u>	34,193	—	34,193	33,077
<u>Local Projects</u>				
St Luke's Time Bank	—	42,283	42,283	52,205
Business Development and Partnership	—	41,517	41,517	10,833
Business Development Projects developed in year	—	77,916	77,916	—
Business Link	2,394	52,380	54,774	12,370
Horticultural Projects	—	72,667	72,667	—
Neighbourhood Direction	—	41,388	41,388	—
Other Community Projects	14,172	—	14,172	8,300
	16,566	328,151	344,717	83,708
<u>Community Space Lettings/Room Hire</u>	102,553	—	102,553	81,724
<u>Property Redevelopment Project Grant</u>	—	135,500	135,500	—
Total Community Services	163,393	495,441	658,834	250,502
Grant income for payments of grants and pensions to individuals				
Grant income	—	3,150	3,150	3,150
Total incoming resources from charitable activities	163,393	498,591	661,984	253,652

Notes to the Accounts 31st December 2009

Note 4 – Resources Expended: Investment Management Costs

	Unrestricted funds £	Endowment funds £	2009 funds £	2008 funds £
COIF Charities Investment Fund	3,420	10,262	13,682	14,583
M&G Charifund	819	17,584	18,403	21,813
Royal London Income Fund	—	—	—	552
Royal London Cash Managers	2,189	—	2,189	2,555
Total	6,428	27,846	34,274	39,503

Note 5 – Resources Expended: Charitable Activities

	Unrestricted funds £	Restricted funds £	2009 funds £	2008 funds £
Community Centre Costs				
Property Maintenance	31,884	—	31,884	37,875
Utilities & Cleaning	37,120	—	37,120	41,464
Depreciation (excluding minibus)	58,709	—	58,709	62,081
Insurance (excluding minibus)	15,566	—	15,566	11,777
Premises staff	99,619	—	99,619	62,983
Support Costs	45,980	—	45,980	20,155
Total Community Centre Costs	288,878	—	288,878	236,335
Community Services				
<u>Older Person Services</u>				
Day Care Services	73,145	35,724	108,869	120,274
Minibus Transport	10,519	—	10,519	5,884
Classes & Activities	13,032	5,000	18,032	27,431
Refreshment Services	7,916	—	7,916	13,473
Total Older peoples services	104,612	40,724	145,336	167,062
<u>Subsidised Meals Services</u>	119,459	—	119,459	117,851
<u>Local Projects</u>				
St Luke's Time Bank	—	43,035	43,035	58,900
Business Development and Partnership	—	46,574	46,574	21,408
Business Development projects	—	56,638	56,638	—
Business Link	—	37,769	37,769	11,859
Neighbourhood Direction	—	41,522	41,522	—
Horticulture Projects	—	60,618	60,618	—
Local Events/Festivals	19,625	—	19,625	18,437
Other	—	—	—	7,582
	19,625	286,156	305,781	118,186
<u>Room Lettings Services</u>	16,375	—	16,375	2,000
Community services support costs	108,869	—	108,869	156,599
Total Community Services	368,940	326,880	695,820	561,698

Notes to the Accounts 31st December 2009

Grants and Pensions to Individuals

Pensions paid 114 (2008- 131)	28,884	3,150	32,034	36,811
Television Licence grants	1,395	—	1,395	1,762
Support costs	8,372	—	8,372	8,397
Total Grants and Pensions	38,651	3,150	41,801	46,970

Note 6 – Resources Expended: Governance Costs

	Unrestricted funds £	Restricted funds £	2009 funds £	2008 funds £
Auditors' Remuneration	14,361	—	14,361	12,690
Legal Advice	1,365	—	1,365	3,526
Pension Scheme Deficit Repayment	93,115	—	93,115	82,900
Support Costs	45,150	—	45,150	32,168
Other governance costs	—	—	-	3,752
Total	153,991	—	153,991	135,036

Note 7 – Resources Expended: Staff Costs

	Total 2009 £	Total 2008 £
Staff costs during the year were as follows:		
Wages and salaries	485,543	346,931
Social security costs	48,565	34,494
Other pension costs	24,948	25,884
	559,056	407,309
Temporary staff costs	47	27,986
	559,103	435,295

Average number of full and part-time staff during the year was 24 (2008- 17).

The average number of employees, calculated on a full-time equivalent basis, analysed by function, was:

	2009	2008
Cost of generating funds	2.1	2.1
Community Centre	4.5	3.2
Charitable Activities – Community Services	12.0	10.1
Charitable Activities – Grants & Pensions	0.3	0.3
Governance	1.0	1.3
	19.9	17.0

No employees received salary and emoluments in excess of £60,000pa.

Notes to the Accounts 31st December 2009

Note 8 – Resources Expended: Allocation of Support Costs

	Community Centre £	Community Services £	Grants and Pensions £	Governance £	Total 2009 £	Total 2008 £
Senior Management Costs	23,993	73,571	4,370	29,098	131,032	127,679
Finance staff costs	11,313	11,313	2,828	2,828	28,282	20,531
Other overheads	10,674	23,985	1,174	13,224	49,057	46,984
Total	45,980	108,869	8,372	45,150	208,371	195,194

Note 9 – Tangible Fixed Assets

	Freehold Buildings £	Fixtures, fittings and equipment £	Plant and machinery including motor vehicles £	Total £
Asset cost				
Balance brought forward	2,732,884	187,113	39,072	2,959,069
Disposals	—	(1,699)	—	(1,699)
Balance carried forward	<u>2,732,884</u>	<u>185,414</u>	<u>39,072</u>	<u>2,957,370</u>
Accumulated depreciation				
Balance brought forward	575,591	170,251	35,165	781,007
Disposals	—	(1,699)	—	(1,699)
Charge for the year	54,657	4,051	3,907	62,615
Balance carried forward	<u>630,248</u>	<u>172,603</u>	<u>39,072</u>	<u>841,923</u>
Net book value				
At 31 December 2009	<u>2,102,636</u>	<u>12,811</u>	<u>—</u>	<u>2,115,447</u>
At 31 December 2008	<u>2,157,293</u>	<u>16,862</u>	<u>3,907</u>	<u>2,178,062</u>

The freehold buildings consist of the St Luke's site at 90 Central Street, London EC1. The freehold land and buildings is shown at cost. The Trustees consider this to be a prudent value of the asset.

Notes to the Accounts 31st December 2009

Note 10 – Investment Assets

	Unrestricted funds £	Endowment funds £	2009 funds £	2008 funds £
Analysis of Movement of Investments				
Opening market value at start of year	2,566,563	8,294,128	10,860,691	14,360,229
Additions at cost	2,000,000	—	2,000,000	—
Disposals at market value	(2,096,936)	(27,846)	(2,124,782)	(125,093)
Gain (loss) on revaluation	272,459	559,820	832,279	(3,374,445)
Closing market value at end of year	<u>2,742,086</u>	<u>8,826,102</u>	<u>11,568,188</u>	<u>10,860,691</u>

	%	Total 2009 £	Total 2008 £
Analysis of Investments by class			
<u>UK Unit Trust</u>			
COIF Charities Investment Fund	42	4,887,922	4,491,198
M&G Charifund	36	4,148,272	3,809,740
Royal London Income Fund		—	187,640
Aberdeen Investment	9	1,061,890	—
Epworth Investment	9	993,332	—
<u>Cash held for investment purposes</u>			
Royal London Cash Managers	4	476,772	2,372,113
		<u>11,568,188</u>	<u>10,860,691</u>

Note 11 – Debtors: amounts receivable within one year

	Total 2009 £	Total 2008 £
Prepayment and accrued income	129,631	115,971
Trade debtors	93,669	22,987
Other debtors	13,444	10,160
	<u>236,744</u>	<u>149,118</u>

Note 12 – Creditors: amounts falling due within one year

	Total 2009 £	Total 2008 £
Trade creditors	27,636	29,982
Other creditors	30,601	23,042
Accruals and deferred income	89,634	78,942
	<u>147,871</u>	<u>131,966</u>

Notes to the Accounts 31st December 2009

Note 13 – Funds Analysis (Movement of Funds)

	Balance at 1 January 2009 £	Incoming Resources £	Resources Expended £	Transfers £	Gains and losses £	Balance at 31 December 2009 £
Permanent Endowment Funds	8,294,128	—	27,846	—	559,820	8,826,102
Restricted Funds						
L.B. Islington Social Care	3,934	36,790	40,724	—	—	—
Time Bank (EC1 New Deal)	751	42,283	43,034	—	—	—
Business Development and Partnership (EC1 New Deal)	5,058	41,517	46,575	—	—	—
UK Online Centre	—	12,955	16,080	—	—	(3,125)
Home Office Safer Homes	—	18,113	11,632	—	—	6,481
L.B Islington Vocational Training	—	44,447	23,548	(17,639)	—	3,260
Business Engagement (EC1 New Deal & Lovells LLP)	5,828	52,380	37,769	—	—	20,439
Community Horticulture (EC1 New Deal & L.B. Islington)	—	72,667	60,618	—	—	12,049
Neighbourhood Arrangements (EC1 New Deal)	—	41,388	41,522	—	—	(134)
Property Development (EC1 New Deal)	—	135,500	135,500	—	—	—
Others	2,977	5,551	8,528	—	—	—
Total Restricted Funds	18,548	503,591	465,530	(17,639)	—	38,970
Unrestricted Funds						
Designated Funds						
Extraordinary Repair Fund	500,000	—	—	—	—	500,000
Fixed Assets Fund	2,178,062	—	62,615	—	—	2,115,447
Continuity of Social Welfare	1,831,627	—	—	(130,000)	272,459	1,974,086
Unrestricted Operational Fund	412,077	768,454	807,541	147,639	—	520,629
Total Unrestricted Funds	4,921,766	768,454	870,156	17,639	272,459	5,110,162
Total Funds	13,234,442	1,272,045	1,363,532	—	832,279	13,975,234

Restricted Funds

Purposes of the restricted funds are varied. The services funded through this revenue support the work of the Trust in providing support to the local community.

Notes to the Accounts 31st December 2009

Designated Funds

Extraordinary Repairs Fund: to meet the future costs of extraordinary repairs, improvements or rebuilding. The policy of the Trustees is to maintain the fund at a level of at least £500,000. The creation of this fund is a requirement of the Charity Commission Scheme of June 1982

Fixed Assets Fund: comprises the net book value of the Trust's tangible fixed assets.

Continuity of Social Welfare Fund: The Trustees designated this fund to provide revenue to meet their commitment to continue providing the current levels and standards of social care and welfare facilities and services to older people. As an endowed service-providing trust, it is often difficult to attract unrestricted grant income for this area of need. Therefore the policy of the Trustees is to maintain this fund at a level which would enable the charity to operate independently of external funding sources (i.e. grant income) on a sustainable basis before taking into account gains and losses on investments.

Unrestricted Operational Fund

This fund is unrestricted and represents six months budgeted unrestricted expenditure as working capital required for the efficient running of the Trust's activities.

Note 14 – Funds Analysis (by Net Asset)

	Investment Assets £	Tangible Fixed Assets £	Net Current Assets £	Total £
Permanent Endowment Funds	8,826,102	—	—	8,826,102
Restricted Funds	—	—	38,970	38,970
Unrestricted Funds				
Designated Funds				
Extraordinary Repair Fund	500,000	—	—	500,000
Fixed Assets Fund	—	2,115,447	—	2,115,447
Continuity of Social Welfare	1,974,086	—	—	1,974,086
Unrestricted Operational Fund	268,000	—	252,629	520,629
Total Funds	<u>11,568,188</u>	<u>2,115,447</u>	<u>291,599</u>	<u>13,975,234</u>

Note 15 – Staff Pension Commitments

Up until the time when the scheme was closed, the Trust participated in a multi-employer final salary pension scheme, the Cripplegate Foundation Pension and Assurance Scheme. The assets of the scheme are held separately from the Trust. The scheme was funded by contributions from the employees and participating employers in accordance with the recommendations of independent qualified actuaries on the basis of triennial valuations. The actuaries have confirmed that the different employers' share of the underlying assets and liabilities cannot be identified on a consistent and reasonable basis. The assets and liabilities are not included as part of St Luke's Trust's accounts.

Notes to the Accounts 31st December 2009

Based on the results of the 2006 interim valuation, the Participating Employers decided in March 2006 to close the Scheme to new members and to cease accrual for existing members. The effective date for both events was 31 August 2006. The accrued pensions of existing members are now treated as deferred until their normal retirement date, or earlier if qualified under the scheme rules. The fund will continue to be administered and valued on a triennial basis.

As at the date of closure, the actuary calculated the deficit of the fund as £2,189,982. The Trustees of St Luke's Parochial Trust made a request to the trustees to pay their share of this deficit at the rate of £82,900 per annum over a period not exceeding 20 years, starting on 1 September 2006. The payment includes an element for the on-going administration of the scheme. The other two employers made similar requests at annual rate of £60,400 and £130,200 respectively.

The most recent full actuarial valuation was carried out with an effective date of 6th April 2008. On the basis prescribed by the Pension Protection Fund this valuation indicated that the assets of the fund covered 99% of its liabilities. On the basis of a buy out of the scheme, the valuation indicated the assets covered only 54% of the scheme liabilities. On an on-going basis, the valuation indicated the assets covered 71% of the scheme liabilities.

The net results of the 2008 valuation indicate that the Participating Employers should increase the annual amount paid in the remaining 17 years of the recovery plan. The deficit in 2008 was £1,993,000 yet prudent long-term investment performance and mortality assumptions made by the actuary meant that St Luke's annual deficit payment shall increase to £95,600 per annum (Total scheme £295,000pa for the next 17 years). During the year under review, the charity made the agreed payments.

The Trustees of St Luke's are confident that the charity's strength of covenant is adequate to meet this ongoing revenue liability. To replace the old scheme, St Luke's introduced a Legal & General Group Stakeholder pension scheme for staff.

Note 16 – Trustees' remuneration

No Trustees or person connected with them have received any remuneration or expenses during the year (2007 = Enil)

Professional Indemnity insurance was taken out to protect the Trust from loss arising from claims made against it by reason of any negligent act, error or omission committed by the charity, its employees or any other person, firm or company director appointed by and acting on behalf of the charity. The cost in 2009 was £1,300 (2008 - £1,155). This cover was extended at no extra cost to include Executive Liability which provides cover for the Trustees. The limit of indemnity is £500,000 per claim.

REFERENCE AND ADMINISTRATIVE DETAILS

TRUSTEES

The Trust was governed by a Board of 13 Trustees made up of nominative, co-optative and one ex-officio Trustees. The Charity's schemes allows for a Board of 18; Age Concern Islington and City Parochial Foundation have both agreed a number of years ago to withdraw their right to nominate a Trustee each. The London Borough of Islington agreed to withdraw their right to two Trustees. Trustees who serving during the year and at the time of the report's approval:

Revd David Allen	Co-optative until March 2009 then became Ex Officio through nomination by the Rector of St Giles' Cripplegate with St Luke's Old St.
John Barker OBE	Nominated by City of London Corporation
Paul Convery	Nominated by London Borough of Islington
Jean Dolphin	Co-optative (CHAIRMAN OF TRUSTEES)
Nigel Fletcher	Co-optative (VICE-CHAIRMAN OF TRUSTEES)
Jack Goulde	Co-optative
Joan Herbert	Co-optative
Adrian Johnson	Nominated by PCC St Giles' Cripplegate with St Luke's Old St.
Tim Macer	Nominated by PCC St Giles' Cripplegate with St Luke's Old St.
Keith Powell	Co-optative
Revd Katharine Rumens	Ex Officio: Rector of St Giles' Cripplegate with St Luke's Old St – Retired March 2009
Keith Sharp	Nominated by London Borough of Islington
Joe Trotter	Co-optative
Jyoti Vaja	Nominated by London Borough of Islington

EMPLOYEES (at date of publication)

Sadia Ahmed (Admin Assistant) Left 2010
Ayesha Akibogun (Development Project Asst) Joined 2010
Nina Baptista (Finance Officer)
Deniz Bellikli (Receptionist)
Kelley Byrne (Receptionist)
Martyn Craddock (Chief Executive)
Michael Dumitrescu (Caretaker)
Marlo Fox (Care Assistant)
Kishor Gadhia (Minibus Driver/Care Assistant)
John Garces (Time Bank Manager)
Jonies Henry (Time Bank Broker)
Sarah Kingston (Neighbourhood Director) Joined 2009
Matthew Loveday (Horticultural officer) left 2010
Shelley McNeill (Business Link Manager) Joined 2009
Davina Paul (Events and Marketing Coordinator) Joined 2010
Patrick Simpson (Caretaker)
Heather Stabler (Horticultural Officer)
Trudi Saunders (Neighbourhood Manager – Maternity Cover) Joined 2010
Jason Tetley (Business & Partnership Development Manager)
Maruf Uddin (Horticulture Assistant) Joined 2010
Jem Wilson (Care Manager)
Keren Wiltshire (Centre Manager)

Notes to the Accounts 31st December 2009

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

<u>Principal Office:</u>	90 Central Street, London EC1V 8AJ (tel: 020 7549 8181)
<u>Charity Registration No.</u>	207497
<u>Auditors:</u>	Buzzacott LLP, 12 New Fetter Lane, London EC4A 1AG
<u>Investment Managers:</u>	CCLA Investment Managers Ltd, 80 Cheapside, London EC2V6DZ M&G Securities, Laurence Poutney Hill, London EC4R 0HH Royal London Asset Management/Royal London Cash Management, 55 Gracechurch Street, London EC3V 0UF Aberdeen Unit Trust Managers, PO Box 9029, Chelmsford CM99 2WJ Epworth Investment Managers, 9 Bonhill Street, London EC2A 4PE
<u>Bankers</u>	HSBC plc, 74 Goswell Road, London EC1V 7DA
<u>Solicitors</u>	Charles Russell, 8-10 New Fetter Lane, London EC4A
<u>Property Advisers</u>	BNP Paribas Real Estate, 90 Chancery Lane, London WC2A 3EU

ACKNOWLEDGEMENTS AND THANKS

St Luke's is supported by so many people and organisations each year that it would be impossible to list them all. A charity that is doing the right things will attract support, and the long list below indicates that St Luke's is fulfilling its purposes. We are truly grateful to the following:

Local Residents

Our biggest and most important supporters are of course the local residents who come to our centre, take part in what we do, and spread the good word amongst their friends and neighbours. We are sincerely grateful to our community whether they are old or young.

Corporate Supporters

We receive an enormous amount of support from corporate organisations with pro bono support and financial help. The legal community are particularly generous, and especially our friends at Hogan Lovells who provide financial support to our business engagement project, amongst many other benefits. Other legal organisations that support us and the neighbourhood include Nabarro, Slaughter and May, and our own lawyers Charles Russell. We are grateful to them all.

Trusts

We receive generous financial support from Trusts and Foundations, with many City Livery Companies helping out. The Haberdashers Company gave us a large grant towards extending the reach of our older persons' services. St Luke's also redeveloped its long relationship with the Reeves Foundation and received a grant towards our family learning projects.

EC1 New Deal

St Luke's has received a great deal of support from EC1 New Deal since 2007 and has funded much of our transformation, and given us the confidence to change. A strong partnership has been built between our organisations and St Luke's is excited at the prospect of being a key part of their ongoing legacy.

Local service providers

St Luke's thanks all the local service providers with whom we work closely, and the organisations that use the centre as a base for their activities. In particular NHS Islington Increasing Access to Psychological Therapies team, and Manor Gardens Trust. Our relationship with local primary schools such as St Luke's is also valuable to us and a real strength.

Volunteers and artists

We also thank all those involved in our public festivals from Events Steering Group to the many volunteers who help out on the day, to the artists who give their time at the Finsbury Arts Festival, and to the team at Rowan Arts Trust. Without their support St Luke's would not have emerged as a growing venue for local arts provision and exhibiting. In particular we thank Ruth Robinson and her arts interns Jamie and Savvi.

The volunteers at St Luke's are enormously valued for their support at Reception, in the Care Team, driving the minibus and much more. The Centre's own Older person's users committee is a driving force for much that goes on, and we are thankful to them.

Staff

Finally, the staff team at St Luke's have worked incredibly hard in 2009 to consolidate the charity's new found role in the area. In a difficult financial year, this is a remarkable feat, and St Luke's Trustees fully appreciate their achievements.