



**Annual Report and Accounts of**

**St Luke's Parochial Trust**

For the year ended 31 December 2019

Registered Charity 207497

*Making south Islington a better place  
to live, work, learn and play.*

## **ABOUT ST LUKE'S TRUST AND AREA**

### **ST LUKE'S OBJECTIVES AND ACTIVITIES**

St Luke's is an Islington charity that has been playing a vital role in people's lives for many hundreds of years. Today we are a modern community charity that is engaged with the thousands of people who live, work, learn or play in our vibrant neighbourhood. Through our varied services, activities and community building we aim to improve the quality of life of those disadvantaged by poverty, poor health, social isolation and limited prospects.

We own and run a modern 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, room lettings provide a useful source of income.

#### **What we do**

- 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 the local services they identify as required are provided to meet their needs.

### **CHARACTERISTICS OF THE LOCAL AREA**

The St Luke's area of benefit is a densely populated inner-city neighbourhood in London comprising approximately 24,000 residents. The majority of residents live in social housing. The neighbourhood suffers significant deprivation typical of many inner cities, with child poverty, unemployment, premature death, poor health and isolation of older people.

### **HISTORY AND THE ST LUKE'S 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 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 other small pockets of the City of London, Clerkenwell and Hackney.

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## REFERENCE AND ADMINISTRATIVE DETAILS

### TRUSTEES

The Trust is governed by a sole Corporate Trustee, St Luke's Trustee Limited, itself granted charitable status in March 2011 (Reg Charity 1141334). The Directors (Trustees) of the Corporate Trustee are the governing body of St Luke's Parochial Trust. Throughout this report, reference to the trustees/directors is to the trustees/directors of St Luke's Trustee Limited. Identical to the period prior to incorporation, the Directors are made up of nominative, co-optative and one ex-officio Trustee. The Articles of Association allow for a Board of 20 but the Directors have agreed to limit themselves to 16 for now. Those who served during the year and at the time of the report's approval:

Revd David Allen	Ex Officio by nomination of the Rector of St Giles' Cripplegate with St Luke's Old St.
Josie Cochrane	Co-optative: joined the board on October 2 <sup>nd</sup> 2019
Eileen Hall	Nominated by PCC St Giles' Cripplegate with St Luke's Old St: resigned on March 31 <sup>st</sup> 2019
Katherine Hardymont	Co-optative: resigned on June 6 <sup>th</sup> 2019
Don Kehoe	Co-optative
Debra Mendes	Co-optative
Alex Norris	Nominated by PCC St Giles' Cripplegate with St Luke's Old Street on October 2 <sup>nd</sup> 2019
Ray O'Halloran	Co-optative
Crispin Rapinet	Co-optative
Penny Seal	Co-optative
Keith Sharp	Co-optative: resigned on January 1 <sup>st</sup> 2019
John Thirlwell	Nominated by PCC St Giles' Cripplegate with St Luke's Old St: resigned on April 6 <sup>th</sup> 2020
Joe Trotter	Co-optative
David Vasserman	Co-optative
Kieran Wadia	Co-optative: joined the board on October 2 <sup>nd</sup> 2019
Cllr Claudia Webbe	Nominated by L.B. of Islington
Cllr Phil Graham	Nominated by L.B of Islington
Mary Durcan	Nominated by the City of London
Cllr Troy Gallagher	Nominated by the L.B. of Islington
<u>Principal Office</u>	90 Central Street, London EC1V 8AJ (tel: 020 7549 8181)
<u>Charity Registration No.</u>	207497
<u>Auditors</u>	PKF Littlejohn LLP, 15 Westferry Circus, Canary Wharf, London E14 4HD
<u>Investment Advisors</u>	Investment Quorum Limited, Guildhall House, 85 Gresham Street, London EC2V 7NQ
<u>Bankers:</u>	HSBC plc, The Helicon, 1 South Place, London EC2M 2UP
<u>Solicitors</u>	Kingsley Napley LLP, 14 St John's Lane, London EC1M 4AJ



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**FROM THE CHAIR**

This is the last year I will prepare this report for the Annual Return, as I have come to the end of my time as Chair of St Luke's. Looking back, I have always been able to report that St Luke's has had an improved past year with exciting prospects for the future. This year happily continues that monotonic sequence, but with the thrilling prospect of a major step change going forward.

St Luke's has an established reputation for the breadth and quality of service provided to the over-55 population of our neighbourhood. We have rightly invested heavily in resources to ensure comfortable, welcoming spaces for our senior users. The catering particularly is excellent and open to everyone. I would welcome anyone who is passing the centre to join us in the lunchroom and enjoy fresh food cooked from scratch. We have run a programme for early diagnosis dementia sufferers for many years which has a variety of activities for the whole community that they can join in. It keeps them physically and mentally active. This allows them to extend the time they can operate in their familiar environment with old friends.

The trustees regularly review the needs of our community and identify where we can make the greatest improvement to the lives of everyone living in our Area of Benefit. In 2018, it became clear that there had been a change in demands and we needed to address the issues of Child Poverty in the area and contribute to an enhancement in wellbeing and mental health. We tasked the SMT to bring forward a plan to achieve those new objectives while continuing to meet our existing obligations.

The management team produced a scheme we called the All Age Approach to be implemented in 2019. This would broaden the appeal of St Luke's to a wider age group. Its intention was that St Luke's should not just be addressing deprivations, but be a positive force for good. A major theme is to increase the sense of community and improve St Luke's engagement with the community. The Trust has had excellent financial management and control, so the trustees have been able use a six-figure sum from our reserves to deliberately plan a deficit budget to ensure the services can grow without having the necessary external funding in place first.

We continue to sweat the Trust's assets and squeeze the last drop of amenity out of our centre. Part of the All Age Approach is that we now operate seven days a week and for longer hours. We maintain our commitment to providing first class facilities, and our rooms and halls remain in great demand with local organisations and groups. One of the huge advantages we have over other locations is the delicious hospitality catering we can provide.

Our green credentials are well known, and the St Luke's team bring life and growth to every part of St Luke's, with growing areas on terraces and the edible yard, our new greenhouse and outreach projects. We have outlined plans for increasing space for a winter garden and growing spaces, but they will have to wait a few years until we can get the finance in place. In the meantime, we have had our first Eco audit and are looking to develop our Eco policies to embed our green beliefs in our practices.

St Luke's reputation extends beyond our ward or borough boundaries, and we regularly have visitors from the UK and overseas visit to see our programmes in action. This year our Business Engagement manager, John Garces, attended the United Nations 5<sup>th</sup> International Day of Women and Girls in Science Assembly in New York to speak on our Steps to Success and Digital Inclusion programmes. We are very grateful to Hogan Lovells for supporting John's international foray.

The increase in centre activity has seen our communications team extend our e-presence even wider. It has become every day, business as usual, that we use social media widely to ensure people have multiple

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sources of information for events at St Luke's. We are the community hub for EC1 and are reaching more people who are vulnerable and isolated. We continue to use traditional media and our well-informed receptionists are often the first source of information for new residents.

We continue to be a learning organisation, and throughout the year we have received complaints and compliments. We have tried to deal with complaints in a fair manner and we have also been touched by the amount of positive comments which we received from service users, customers and clients. Whether it has been a complaint or compliment, we appreciate the time people took to give us feedback on our services.

Finally, as I pass on the mantle of Chair of Trustees, I must express gratitude to every member of staff, every volunteer (particularly the whole board of trustees), everyone who financially supports St Luke's whether as an individual or as a corporate member, and the great population of EC1 that make it such a pleasure to be involved with a community centre here.

Don Kehoe  
Chair of the Board of Trustees



## **TRUSTEES' REPORT**

### **OBJECTIVES**

The legal objective of the charity is to improve the conditions of life for the people living in the area of benefit. St. Luke's fulfils the objective of the charity by using its income, after ensuring that the community centre building is maintained and insured and paying management expenses, 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 conditions of life.

#### **Strategic plan**

In 2017, the board adopted a new three year 'rolling' strategic plan from January 2018. This means that each year St Luke's previews the next three-year period in setting the plan and budget for the forthcoming year. During 2019, the charity reviewed the local demographics and as a result, set out a new plan for 2020. The agreed strategic plan has three main objectives which are detailed below. Future plans are based on this strategic plan and these objectives.

Vision: The trustees' overall vision is that the St Luke's neighbourhood is:

'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.'

Mission: In pursuit of its vision, St Luke's identified three mission priorities:

- The need to tackle disadvantage, including supporting people with employment skills
- The need to improve the Health and Wellbeing of local people
- The need to build a sense of community

Objectives: The board has set the following eight strategic objectives:

#### Disadvantage

1. Become the preferred first point of call for local people seeking advice and front-line support
2. Increase closer working relationships with corporate partners, support for people into employment and accredited training courses to assist people with skills
3. Address the causes and effects of local poverty

#### Health & wellbeing

4. Put better health (and mental health) at the heart of services
5. Ensure a programme of support for people on a preventative level and condition management level

#### Community

6. Embed St Luke's community centre as the hub of neighbourhood activity
7. Develop partnerships with, and between, local groups and providers

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8. Give local people a sense of where they live, work, learn and play

**Plan for the future**

During 2019, the charity implemented its action points under a work plan based on its strategic plan developed during 2017 and implemented in 2018. In June 2019, staff and trustees held a facilitated away day and agreed further proposals to the plan. The strategic direction steers the charity forward with services, activities and events. It continues to build upon strong foundations and built-up knowledge.

The services and activities of the charity will continue to be front-line and multi-dimensional in nature. The scope and reach of services continues to be very broad. The Trust strives to build its profile and strengthen links among other groups and service providers locally, cementing its role as a community hub.

In May 2019, the charity opened the membership to everyone in the area of benefit (as opposed to people who are over 55 years of age). Since then, the Centre has provided services and activities for people of all ages during the day, evening and weekends. Thus, the Centre is now a seven-day week enterprise with longer opening hours in the evenings. A new role of health and wellbeing officer has been created to support local residents with health related issues, particularly mental health issues. A new communications strategy has been formulated to ensure the Centre's message is being disseminated at every level of various media.

During 2018, the Trust employed a community engagement officer who has helped build significant partnerships in the community. During 2019, a community engagement strategy was put in place to build on the partnerships already in place and to reach out to other key players in the area.

The charity will also continue to expand on improving the green credentials of the organisation. In July 2019, the organisation engaged a firm to carry out an Eco audit. A report was received in late 2019, which was then disseminated amongst staff. An action plan and environmental policy has been drawn up and will be considered by the board in early 2020 for implementation.

St Luke's has also been looking carefully at the building and how best it can provide added green space to the local community. This will be further developed during 2020. Architectural plans will be considered by the board in early 2020 to consider the benefit to the charity and the local community.

As a result of agreement from the trustees, extra funding was released to continue to improve the facilities of the Centre. Air conditioning was installed in the dining room, kitchen and garden room and in the unit at 80 Central Street, during 2019. In December 2019, the unit at 80 Central Street was taken back by St Luke's and transformed into a new employment hub with occupation in February 2020.

St Luke's was delighted to be recognised as a London Living Wage Employer in October 2019. The Centre will continue to explore further avenues for supporting staff and maintaining a positive, healthy, environment in which to work.

In February 2020, covid-19 began to impact on the UK. By mid-March 2020, the country, along with the rest of the world, had ground to a halt. The financial markets experienced unprecedented falls affecting the charity's investments. It will be necessary, in the latter part of 2020, to focus on practical solutions to ensure the continuation of its services. This may include reviewing services and staffing levels as well as exploring even more varied income streams.



## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Nature of governing documents and corporate structure**

St Luke's Parochial Trust is constituted as an unincorporated trust, and is governed by four schemes issued by the Charity Commissioners dated 17<sup>th</sup> June 1983, 30<sup>th</sup> December 1983, 29<sup>th</sup> November 1994 and 29<sup>th</sup> April 1998, as amended by Section 74D Charities Act 2006 Resolution of 17<sup>th</sup> June 2010.

Despite St Luke's Parochial Trust having one corporate trustee, the directors of this incorporated charity are the board and still remain known as trustees of St Luke's Parochial Trust. They are referred to as the charity's trustees throughout the report and accounts.

A trading company called St Luke's Trading Limited was incorporated on the 17<sup>th</sup> December 2014 and began trading on the 1<sup>st</sup> January 2015. St Luke's Trading Limited (a company limited by share capital, company no. 9358692 [England and Wales]) is a wholly owned subsidiary of St Luke's Parochial Trust and pays all of its profits to the Trust under the gift aid scheme. The company's activities are trading operations which relate to catering, rental, room and other facility hire at St Luke's community centre which were previously carried out by the charity.

### **Recruitment and appointment of trustees**

There are currently 16 directors of St Luke's Trustee Limited (the trustees) who have been selected for their perspective of the local area and specific skills they can offer the board. All present trustees either live, or have a keen interest in, the area of benefit and immediate surrounding areas.

Seven trustees are described as nominative (one is ex-officio) and are external appointments by bodies such as the Local Authority or Parochial Church Council of St Giles' Cripplegate. The governing documents allow for a further four nominative places, but the right to appoint them was waived by mutual agreement with the appointing bodies in 2006, and these places remain vacant.

Nine trustees are described as co-optative and selected for the specific skills they can bring to the board, or for a local perspective. All terms of office are four years, and the Chair holds office for four years. Vacancies are advertised locally and open to all.

New trustees are given an induction pack comprising Charity Commission publications on the obligations of trustees, internal documents such as governance documents, meetings' minutes and strategic plans as well as up-to-date statutory accounts, budgets and management accounts. New trustees meet with the Chair and chief executive and are given a comprehensive tour of services. Trustees are offered ongoing training by the charity, with regular circulars of specific training courses facilitated by outside organisations.

In 2019, one nominative trustee, Eileen Hall, appointed by the parish council of St Giles' Cripplegate, left the board, having come to the end of her term of office. She was replaced by the Reverend Alex Norris. Two co-optative trustees resigned from the board during the year. Keith Sharp, who had been on the board for 17 years, and who had been Chair of the board for three years, resigned in January 2019. Katherine Hardyment resigned in June 2019. These two co-optative trustee vacancies were replaced with Josie Cochrane and Kieran Wadia. John Thirlwell, nominative trustee from the PCC of St Giles, Cripplegate with St Luke's Old Street, resigned in April 2020.

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**Organisation structure, committees, and decision-making**

During 2019, the board of trustees held four meetings and attended an away day with staff. The role of the board is to take decisions to govern and guide the charity's future strategy, and keep the regular activities of St. Luke's under review. Executive powers are delegated to the chief executive and the senior management team.

The sub-committee structure of the board consists of three committees, each of which meets on a regular basis. The three committees are: i) Finance, Risk and Audit Committee, ii) Quality and Governance Committee and iii) the Remuneration Committee. The chair of each committee is ratified by the board each year.

**Senior staff**

The trustees consider that the senior management team of the charity, being the chief executive, the director of services and the director of operations, comprise the key management personnel of the charity, in charge of directing, controlling, running and operating the charity on a day to day basis.

The pay of the senior management team of the charity, as well as all staff, is reviewed annually by the Remuneration Committee which makes recommendations to the board of trustees, who then consider whether or not to approve the proposals. In view of the nature of operations of the charity, the trustees benchmark pay rates against pay levels in other similar charities. The remuneration benchmark is based on published pay grades for senior staff within similar sized charities and ensures that the remuneration paid is fair and not out of line with that paid for similar roles in other charities.

**PUBLIC BENEFIT**

The trustees confirm that they have complied with their duty under the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

St Luke's provides a public benefit to local residents by being a place where community activities and services take place, which improve the quality of life for local people. This is done in a variety of ways: through reducing isolation and social exclusion, being a space for public gathering, and providing services which improve lives. In addition, the charity is in active partnership with other organisations and individuals to deliver their own services which have a direct or indirect benefit to the local neighbourhood. The detail of how this is carried out can be found on pages 10-14 of this report.

**Beneficiaries**

Feedback is received from beneficiaries through suggestion boxes, user committee meetings, surveys, written compliments, complaints and informal comments. St Luke's is committed to maintaining services that will maximise impact on service users. Since 2016, St Luke's has implemented a system to measure the impact of services on its members and service users. Impact reports were produced for the trustees during 2019 and will be expanded during 2020.

**Wider society**

St Luke's area of benefit lies principally in the Bunhill ward of Islington. Statistics collated by the Oxford Consultants for Social Inclusion show that employment for people in the area has improved in the past



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five years. However, the number of people receiving health-related benefits has increased; the number of single parent families has increased and the area has a high level of residents renting properties from the Local Authority and Registered Social Landlords. The area continues to be affected by high child poverty rates and, even though the percentage of people who are over 65 years of age is lower compared to other areas of Islington and England as a whole, there is still a high proportion of people over 65 years who live alone. The highest demographic in the area is females between the ages of 24 and 35 years of age.

St Luke's provides services which have positive effects on the issues faced by the local community as a whole. Over 68,000 visitors came to the centre in 2019. Companies and firms hired rooms from the Centre and brought business into the area in the form of local employment and use of catering services. Other local firms joined in partnership with St Luke's and provided direct funding, volunteers, gifts and services in kind.

The achievements of the business engagement team in supporting people to become 'job ready' is reported on page 14 of this report.

The Centre provides information and support on issues such as managing health conditions, in order to minimise attendance at GP surgeries or contacting the authorities. Whilst no specific monitoring currently takes place on this, it is evident that more people would be unemployed, suffering from isolation and feeling socially excluded if they did not have the services at the Centre.

## **ACTIVITIES**

### **Community Centre**

#### **St Luke's Community Centre building**

St Luke's is based around a historic building, a 17,000 square foot Community Centre that is vibrant and welcoming and offers a wealth of activities and services for the benefit of people living in the area. The charity's measurable objectives for providing, managing and maintaining a community space are that the building remains well-used, safe, inviting and accessible to everyone in the community. In addition, St Luke's is now occupying the 1,600 square foot annex next door to the Centre and has started to move St Luke's Employment Hub in to a new street-facing premises.

#### **Footfall**

St Luke's welcomed over 68,105 visitors to the Community Centre in 2019, and over 81,000 customers visited St Luke's adjoining café, Central Street Café. This brings the total number of visits to just under 150,000 for the year.

#### **Range of building use**

The majority of users of the Community Centre are local residents taking part in activities and services delivered directly by St Luke's or our partner organisations. These activities range from ballroom dancing for Over 55s members to Family Cook and Eat in the Cookery School.



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St Luke's provided 759 free or low cost room hire bookings in 2019 to external organisations who provided services or activities for local residents. Example organisations include; Extinction Rebellion Islington (training for volunteers), Islington People's Rights (free weekly legal and benefit advice), Mencap (free weekly "meet up session" for Islington residents using the On-Line Centre), Key Changes (free music therapy, weekly "meet up events" to sing, play music and socialise), bereavement services and MPs and local councillors surgeries.

Room hire continues to be an important income stream and St Luke's has established itself as a reliable venue in central London.

**St Luke's catering service**

St Luke's Over 55s Lunch Club has continued to provide over 11,000 healthy, low-cost meals for older residents throughout the year. The profit made from the café and in particular hospitality catering, enables St Luke's to offer lunch at a low cost, with the price of lunch unchanged for 5 years. The Lunch Club is also an important social space where older people can come to eat and chat together.

**Building projects**

St Luke's has continued to install air-conditioning around the Centre's spaces in 2019, which has proved to be a welcome rest space for many local residents during the daytime. The Employment Hub was moved to a new street facing office located next to the main building, with the old space being refurbished. Energy saving measures have also continued to be installed, including LED lights and motion sensors for lights in many areas. St Luke's conducted an external eco audit in the summer and many of the recommendations are now being rolled out to make St Luke's a more sustainable organisation.

**Community services**

St Luke's continues to be a thriving and inspiring community organisation delivering a range of innovative services that make a real difference to the lives of residents living in south Islington. Facilities are accessible, contemporary and of a high quality. Many visitors remark on the friendliness of the Centre, and it is very satisfying to be recognised as a place for the gathering of people from all walks of life and backgrounds. The following headings provide highlights for some of the more significant community projects delivered during 2019:

**Over 55s Service**

The Over 55s service has almost 1,000 registered members and continues to offer a highly valued service to attendees every week who enjoy a range of activities at St Luke's, plus larger events such as the Summer Party which attracts over 100 guests.

Up to 40 older people with disabilities or limited mobility make use of St Luke's escorted transport service to attend the Centre, and also to travel to the seaside and shopping outings. During 2019, the minibus became increasingly unreliable, but thankfully it was possible to fund the purchase of a replacement minibus which ensures the essential daily transport service is more reliable.

Since the move to an All Age Approach, many of the day-time classes are now open to residents of all ages, but age appropriate classes for Over 55s members continue to be offered in order to suit their complex needs and interests such as Zumba Gold, music therapy and chair yoga. The Men's Shed also

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continues to successfully engage local older men in snooker, darts, beer-making, cookery classes, health workshops, Bocchia and gardening activities on and offsite. New projects introduced this year have been very well received, including nature-based art and gardening sessions and a monthly Dog Café at which local dog owners bring their dogs to visit older members.

We are grateful to members of the Over 55s User Group who regularly volunteer and meet to support the management and development of services, as well as to fundraise towards the costs of social activities. We are also grateful to all our partners.

### **Health and Well-Being**

In May 2019, as part of St Luke's new 'all age approach' offering extended weekday opening hours and increased weekend activities, we introduced a new Health & Wellbeing Co-ordinator role and appointed Tsedal Menghistu. As a result of this new post, we have been able to increase the support to improve the mental health and wellbeing of our members. Examples of new health-related support and activities include:

Monday's Meet Up Café which takes place every Monday evening at Central Street Café. This is an opportunity for local residents, particularly those busy during the day, to meet their neighbours and friends and find out what's happening at St Luke's. We have also combined forces with Food Drop to offer free food at the meet-ups.

We celebrated World Mental Health Day with a Feel Good Morning at which people enjoyed healthy smoothie drinks and chair based exercise. That evening, St Luke's was delighted to host mental-health charity, Key Changes, annual Talent Show for 100 guests. On National Stress Awareness Day, we organised a Mindfulness taster session with herbal tea tasting, and for Men's Health Month we organised a Cancer Awareness Workshop for the Men's Shed in partnership with Cancer Research UK.

This role also means that we can raise our profile with local GPs and the new Social Prescribing Link Workers to increase referrals from the NHS and assist local people with their health challenges. It also means we can actively promote health campaigns, organise and deliver health and well-being workshops for Centre users, and provide health and well-being training for staff and volunteers e.g. dementia, mental health and deaf awareness.

### **Central Street Cookery School**

St Luke's Central Street Cookery School offered a range of popular community cookery classes, encouraging local residents to learn cooking skills, learn about healthy eating and make new friends. We delivered 153 community classes and activities which attracted over 2,550 visits by local people of all ages and backgrounds. We welcomed new groups to the school including Islington Veterans, the Parent's Forum, King Square Tenants Association and Key Changes, who all enjoyed cooking and eating together. We strengthened links with local primary schools, and 14 classes participated in cooking and gardening skills' workshops with positive feedback from teachers and children.

In partnership with Islington Council, we successfully piloted two well attended six-week courses titled 'Family Kitchen' promoting healthy eating, which will be part of our offer for families and children next year. Cookery School volunteers worked together on a number of events, cooking up delicious community feasts at both the International Women's Day and at the 'Big Lunch' in June.



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We established a new partnership with the Felix project, a London based food charity which tackles food waste and provides the school with weekly deliveries of fresh surplus food. This supported our delivery of low-cost community classes and enabled us to relaunch the Community Fridge in September, which had over 400 visits and recycled over 700kg of food. We are looking forward to expanding the Community Fridge in 2020 through a team of volunteers and a focus on tackling food poverty and making the Fridge accessible to low income families.

**Community Engagement**

In April, Carol-Ann McArdle was promoted to the new role of Community Engagement Manager to expand on community engagement initiatives and to introduce community activities and events in line with the new All Age Approach. In July, Sarah Caldwell was appointed as Activities and Events Coordinator to support the role and to develop new activities and events to meet the demographics of our Area of Benefit.

**Events**

In May, we celebrated with a weekend packed with activities to promote our extended opening hours and membership scheme. Other popular events included our celebration of International Women's Day, a Back to School Party and the Christmas Fayre – all of which were extremely well attended. We introduced an evening festival for St Luke's Day, and we also celebrated Eid and Eritrean & Ethiopian New Year. We were also pleased to have the opportunity to support activities at external events including the King Square Christmas Fayre and Whitecross and Exmouth Street parties.

**Children and Families**

The weekly children's afterschool clubs that took place during 2019 included table tennis, arts & craft and family cook and eat. We were also pleased to host the First Clerkenwell Brownies and Guides and Finsbury Park Tennis. In December, we introduced the Saturday Community Hub offering free refreshments, craft and games in a friendly 'drop-in' environment. Due to its popularity, we are increasing service delivery during these hours and we look forward to developing our weekend offer even further in 2020.

**Volunteering**

Once again, volunteers have contributed enormously in the delivery of our key services and events. This year we have also been excited to recruit two volunteers to the newly created Community Ambassador roles developed in partnership with the London Symphony Orchestra - St Luke's. The Community Ambassadors aim to encourage, support and enable local residents to enjoy monthly performances at the LSO and the Barbican.

As always, we are particularly appreciative of all the volunteers who generously give up their time on Christmas Day and help us offer a very special Christmas event to those who would otherwise be alone. We had a record number of volunteers donating their time this year with over 2,600 hours recorded.

**Community Gardening**

Our very successful 3 year National Lottery funded project came to an end in May 2019. Since then, our core community gardening activities, still called Growing Connections, have continued. These include two weekly gardening groups, an after-school gardening club for families, and a schools gardening and



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cooking project. All activities encourage local people of all ages to get involved in community gardening and food growing to reduce social isolation, improve skills, increase wellbeing and foster community cohesion.

In September, we started a Ward Improvement funded project to improve the health and wellbeing of older people living with early dementia, isolation and mental/physical health issues. Nature based Art and Gardening is a weekly session delivering health and well-being gardening/art sessions for people over 55 living with limited mobility, disabilities and mental or physical health conditions in the EC1 area of the borough.

Our Edible Yard and Terrace Garden continue to flourish and win awards, as well as bringing fresh fruit, vegetables, herbs and eggs from our five hens to service users, volunteers and community members. We completed a mosaic workshop in partnership with the Hackney Mosaic Project to create a mosaic insect trail, which we look forward to displaying shortly.

In 2019, our gardens have harvested 89.02kg of organic fresh vegetables, which is equivalent to 1,113 meals and worth £1,005. We were very proud to win 3 prestigious garden awards: Best Community Centre Garden in Islington in Bloom, Gold Medal in RHS London, and placed in the Outstanding category in Britain in Bloom awards. These awards were only possible because of the hard work and commitment by our gardeners and volunteers, to whom we are very grateful.

#### **Business Engagement**

The Business Engagement Project has had a successful year, engaging with 23 corporate partners, working with over 400 corporate volunteers and directly impacting the lives of many local residents.

The project has worked with a range of age groups, including school children, adults and pensioners. Nearly 3,000 hours of corporate volunteer support were donated along with the gift of goods, equipment, financial contributions and pro-bono support.

In partnership with City University, we successfully hosted the 10<sup>th</sup> annual Steps to Success careers event for 242 primary and secondary school children from four local EC1 primary schools and three secondary schools.

In 2019, St Luke's delivered 160 Job Club sessions and supported 93 unemployed residents in their search for work. The Digital Inclusion Programme delivered 228 PC Pals sessions to 60 service users.

A range of applicants successfully secured places on our business start-up programme, Firm Futures, including single parents, young entrepreneurs and the long-term unemployed. The programme supported 15 unemployed residents to start their own businesses, of which 10 received a full package of support (a mentor, a grant of £2k and subsidised workspace at the Employment Hub) and 5 benefited from specialised training and the mentoring scheme.

Two excellent promotional films showcasing Firm Futures and the Business Engagement programmes were produced on a pro bono basis by Artwell Films, a new film production company with a focus on community and wellbeing who benefited from Firm Futures in the past.

Towards the end of the year, we were delighted to receive an invitation for our manager, John Garces, to speak at the United Nations 5<sup>th</sup> International Day of Women and Girls in Science Assembly in New York,

**St Luke's Parochial Trust**  
**Trustees' annual report**  
**For the year ended 31 December 2019**

on our Steps to Success and Digital Inclusion programmes. As ever, we are indebted to our corporate partners for making this trip possible.

**South Islington employment cluster**

The Centre continued to be the lead organisation in the south of the Borough, for the employment cluster. The cluster meets quarterly and brings together a range of partner agencies in order to support local residents into employment. Up to fifteen partners work collaboratively with St Luke's, including Adult Community Learning, Iwork, City University, and other voluntary organisations and groups.

**Finsbury Wards' partnership**

St Luke's works with the local Wards' partnership on hosting and publicising quarterly meetings on a variety of themes.

**FINANCIAL REVIEW**

In 2019 St. Luke's incurred a net deficit on unrestricted funds, before gains on investments, of £231,754 (2018: surplus of £48,662). That was the effective operating deficit. Having committed to operate at no worse than break-even on unrestricted activity in recent years, and having consequently built up its free reserves, the Trustees decided to both further invest in the quality of its facilities and to expand its service provision by investing in the new All Age Approach, considering both a proper use of its reserves. As a consequence, unrestricted expenditure rose from £1,910,052 in 2018 to £2,201,795 in 2019, an increase of £291,743 and the reason for the movement from surplus to deficit.

All annual income totalled £2,162,397 (2018: £2,233,417), with the principal sources of income, at 83% of the total, being facility hire, catering and dividends from investments. All expenditure totalled £2,438,495 (2018: £2,169,841).

The overall financial results were significantly affected by gains in the value of St Luke's listed investments; the £2.802m gains turning a £276,098 loss from all operations (2018: £63,576 surplus) into a £2.53m positive movement in all funds (2018: negative £1.03m). Investment values are of course liable to fluctuation and part of the £2.8m gain was required to offset the £1.1 million losses in 2018.

At the year end, all funds totalled £27,717,436 (2018: £25,191,351) of which £5,304,641 (2018: £5,339,391) took the form of tangible fixed assets (St Luke's premises and equipment) and £23,016,259 were investments (2018: £20,496,567). Of the investments, £15,118,284 (2018: £13,325,659) were permanent endowment funds to be held in perpetuity. Net current assets (including cash), being St Luke's funds available for spending, totalled £238,328 (2018: £362,545).

**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' investment policy was reviewed in 2018 and again in 2019 when the decision was made to adopt a total return approach from 1 January 2020.



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The policy applying in 2019 was as follows:

- 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 investments whilst maintaining capital values over time.
- The trustees wish to ensure that: a) the capital values of investments maintain their real values against inflation as measured by the Retail Price Index on the average value over 3 previous years and b) the investment portfolio yields a minimum 4% p.a.

During 2019, the aims of the investment policy were adhered to and achieved. In 2015, the trustees appointed Investment Quorum, independent financial advisers, to oversee and advise on the Trust's investment portfolio in order to continue to achieve its policy aims, and during 2019, the trustees gave Investment Quorum discretionary powers to invest in the best interests of the organisation.

Ethical investment policy

The trustees do not actively maintain a wholly ethical investment policy, although many of the holdings avoid direct investments in sectors such as armaments, gambling and tobacco.

**RESERVES POLICY**

The charity funds comprise a mixture of permanent endowment (£15.12m), restricted funds (£83k) and unrestricted funds (£12.52m). Of the unrestricted fund, £5.31m is represented by fixed assets comprising mostly the community centre.

The majority of the remainder has been designated as follows:

Corporate fundraising Fund (£nil). This fund was established in 2018 to assist the management team to develop a corporate fundraising strategy. This involved the engagement of a consultant to advise on this topic and recruiting a Corporate Fundraiser. The fund was fully used by the end of 2019.

Cyclical Maintenance Fund (£1.13m). This fund is formed to fund community centre lifecycle costs of items with a lifespan of less than 10 years. The trustees took professional advice to ascertain the correct size of this fund over an expected 30 year building lifecycle, and are augmenting the fund with annual 'sinking fund' transfers from the general fund. The fund will be used to pay for forecast building lifecycle expenditure. During the year, £49,339 was spent from the fund on essential maintenance works (2018 balance = £1.14m).

Extraordinary Repair Fund (£721k). This fund is formed to fund community centre lifecycle costs of items with a lifespan of greater than 10 years. The trustees took professional advice to ascertain the correct size of this fund over an expected 30 year building lifecycle, and are augmenting the fund with annual 'sinking fund' transfers from the general fund. They utilise the fund to pay for forecast building lifecycle expenditure. During the year, £46,134 was spent from the fund on capital items (2018 balance = £739k).

Planning Deed Fund (£1.96m). This fund will meet an obligation to pay a commuted housing sum to Islington Council over the next 23 years if trustees decide not to operate as a community centre of similar scale and function in the immediate vicinity. This commitment is part of Town and Country Planning Act 1990 Section 106 deed of planning agreement dated 1<sup>st</sup> November 2013, which stipulated an obligation



**St Luke's Parochial Trust**  
**Trustees' annual report**  
**For the year ended 31 December 2019**

for a 30 year period from 2013. The full amount repayable in this scenario would now be £2.8m (index linked), annually reduced by £0.10m (index linked) so that in 23 years the commitment is zero. The trustees have, therefore, created a designated fund for the last 20 years of this commitment, as there are no foreseeable plans for change for at least 10 years.

Care and Grant Fund (£476k). This fund has been set aside to ensure that the charity can always meet the long-term commitment it makes to a number of the most vulnerable older users of the charity's services – about 80 individuals. These individuals would suffer the most if the charity was suddenly forced to withdraw its services to them. The support is given in the form of pensions, grants and help with care costs. The amount has been calculated on the basis of 10 years' annual present-day costs. During the year, £68k was spent on maintaining services to vulnerable clients (2018 balance = £544k).

Phase II Contract Fund (£nil). This fund represented the cost of some final work being done to the unit at 80 Central Street which was constructed and handed over to St Luke's in 2016. The unit was occupied by a tenant until early December 2019. This fund was fully spent by the end of 2019.

Premises Development Fund (£nil). This fund was originally designated in 2017 for essential premises development, and was spent by the end of December 2019.

General Fund. This fund, totalling £2.92 million (2018: £1.93m), is the balance of the charity's unrestricted funds after the above designations, and is considered to be the free reserves of the charity. Of these funds, £271,409 (2018: £350,264) is held in cash. It is the trustees' intention to maintain the general fund between 6 and 9 months of annual budgeted unrestricted expenditure in order that it might be able to meet volatility in income and expenditure, as well as take advantage of opportunities. The current balance represents 14 (2018: 10) months of budgeted unrestricted expenditure (£208k pm), the balance having risen significantly as a result of gains in the value of investments through the year. For the main part those gains were unrealised gains and, as the impact of the pandemic in 2020 demonstrated, cannot be guaranteed to be realised.

Fundraising for St Luke's is carried out by its staff members who abide by the Code of Conduct as set out by the regulator. St Luke's does not use paid professional fundraisers and the organisation directs its fundraising activities towards charitable trusts and funders. St Luke's does not solicit funds from its members, particularly those who may be vulnerable people.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

The trustees receive reports and examine the major 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 board considers the major risks at meetings, whilst other risks are considered as part of normal day to day management processes.

During the year, the trustees regularly considered over 40 risks to the charity. Having reviewed these risks during 2019, the trustees consider the following risks to be the main risks faced by the charity. However, a crucial risk has been considered during the first half of 2020 in relation to covid-19. The 2019 risks are similar to previous years, but they are still major considerations. As part of the management of all risks, trustees have put in place control measures to ensure the mitigated risks are at acceptable levels.

**St Luke's Parochial Trust**  
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**For the year ended 31 December 2019**

- 1) Covid-19 has affected every aspect of society and every country throughout the world. St Luke's is in a fortunate position with regard to its income. However, there is still a vast amount of uncertainty in looking towards the future. St Luke's moved to a Total Return approach on its investments from January 2020 which has helped to ensure the consistency of income throughout the year. It is also felt that the Government's Work Retention Scheme will assist the charity with its expenses. The closure of its social enterprise café will benefit with a reduction in expenditure also. However, the organisation, like every other organisation in the world, will have a challenging time in the immediate future.
- 2) Income from investments is seen as a key risk, particularly in light of the changed world since March 2020. In order to advise the board on this risk, in 2015, St Luke's engaged a firm of independent financial advisers, Investment Quorum, on an ongoing basis. They review and monitor our investments and follow the investment policy as agreed by trustees. During 2019 Investment Quorum were given discretionary powers over the portfolio on the allocation of investment assets and the income from them.
- 3) Trustees continue to regard safeguarding as one of the main risks within an open public building. To this end, trustees have put in place comprehensive policies on child protection and safeguarding adults. Staff are trained in safeguarding and safer recruitment. Service users are made aware of the issues. CCTV has been installed in various parts of the Centre, and all staff are vigilant in respect of protecting children and adults who are vulnerable.
- 4) Trustees continue to monitor the level of resources being expended on the café which opened in 2015. After a difficult start, the business at the café improved greatly. However, during 2019, the café has been affected by the general slow-down in the hospitality industry and did not meet set sales' goals. However, curbs on expenditure balanced the loss of income. Thus, trustees continue to ensure resources are closely monitored.
- 5) Trustees are conscious of the need to retain and develop high quality staff. To ensure this happens, they regularly review terms and conditions and remuneration of staff. Staff are offered personal development as part of their annual appraisal and are encouraged to develop their skills. Trustees benchmark staff remuneration with similar roles in other similar sized charities.
- 6) The liability arising from deficit payments to the defined benefit pension scheme (addressed in note 14 to the accounts) is subject to revaluation on a triennial basis. The next revaluation will be in 2020. Revaluations can impact materially on the accounts – either to increase or reduce the liability. The Trustees are confident in St Luke's ability to afford future payments under the current deficit recovery plan, which is expected to end in 2025.
- 7) Cyber Attacks: with the ongoing awareness of cyber attacks on all organisations, the trustees have put in place a robust strategy on IT and cyber attacks. In previous years, the charity had penetrative testing carried out by an external IT company who reported back that, apart from some minor licencing issues, the processes in place are adequate to combat such cyber attacks.



## **STATEMENT OF TRUSTEE'S RESPONSIBILITIES IN RELATION TO THE ACCOUNTS**

The Trustee is responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustee to prepare accounts for each financial year which give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources of the group for that period. In preparing these accounts, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in accounting and reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. It is also responsible for safeguarding the assets of the group and charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on: 10<sup>th</sup> June 2020



Ray O'Halloran, Chair of the Board of Trustees



**St Luke's Parochial Trust**  
**Independent auditor's report**  
**To the trustee of St Luke's Parochial Trust**

**Opinion**

We have audited the financial statements of St Luke's Parochial Trust (the 'charity') and its subsidiary (the 'group') for the year ended 31 December 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2019 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

**Basis for opinion**

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

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Emphasis of matter**

We draw attention to note 1c of the financial statements, which describes the trustees' assessment of the COVID-19 impact on the group and parent company's ability to continue as a going concern. The trustees have explained that the events arising from the COVID-19 outbreak do not impact the use of the going concern basis of preparation nor do they cast significant doubt about the group or parent company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our opinion is not modified in this respect.

**St Luke's Parochial Trust**  
**Independent auditor's report**  
**To the trustee of St Luke's Parochial Trust**

**Other information**

The other information comprises the information included in the trustees report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the group and parent charity financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the parent charity's financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the parent charity financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the group and parent charity financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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



**St Luke's Parochial Trust**  
**Independent auditor's report**  
**To the trustee of St Luke's Parochial Trust**

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Alastair Duke (Senior Statutory Auditor)**  
**For and on behalf of PKF Littlejohn LLP**  
**Statutory Auditor**

15 Westferry Circus  
Canary Wharf  
London E14 4HD

*16 June 2020*

PKF Littlejohn LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

**St Luke's Parochial Trust**  
**Consolidated statement of financial activities**  
**(including consolidated income and expenditure account)**  
**For the year ended 31 December 2019**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2019 Total £	2018 Total £
<b>Income from:</b>						
Donations and legacies	2	15,017	12,000	-	27,017	81,154
Charitable activities	3					
Community centre		21,280	-	-	21,280	23,582
Community services		81,774	180,356	-	262,130	278,878
Other trading activities	4					
St Luke's Trading Limited		940,976	-	-	940,976	975,209
Other fundraising		60,981	-	-	60,981	65,001
Investment income	5	850,013	-	-	850,013	809,593
<b>Total income</b>		<b>1,970,041</b>	<b>192,356</b>	<b>-</b>	<b>2,162,397</b>	<b>2,233,417</b>
<b>Expenditure on:</b>						
Raising funds	6					
St Luke's Trading Limited		717,033	-	-	717,033	692,155
Investment management costs		16,380	-	41,289	57,669	32,848
Fundraising		43,412	-	-	43,412	38,738
Charitable activities	6					
Community centre		713,961	343	-	714,304	657,143
Community services		711,009	195,068	-	906,077	748,957
<b>Total expenditure</b>		<b>2,201,795</b>	<b>195,411</b>	<b>41,289</b>	<b>2,438,495</b>	<b>2,169,841</b>
<b>Net (expenditure) income before net gains on investments</b>	7	<b>(231,754)</b>	<b>(3,055)</b>	<b>(41,289)</b>	<b>(276,098)</b>	<b>63,576</b>
Net gains (losses) gains on investments	10	968,269	-	1,833,914	2,802,183	(1,089,342)
<b>Net income for the year</b>		<b>736,515</b>	<b>(3,055)</b>	<b>1,792,625</b>	<b>2,526,085</b>	<b>(1,025,766)</b>
Transfers between funds		5,022	(5,022)	-	-	-
<b>Net movement in funds</b>		<b>741,537</b>	<b>(8,077)</b>	<b>1,792,625</b>	<b>2,526,085</b>	<b>(1,025,766)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward	17	11,774,288	91,404	13,325,659	25,191,351	26,217,117
<b>Total funds carried forward</b>		<b>12,515,825</b>	<b>83,327</b>	<b>15,118,284</b>	<b>27,717,436</b>	<b>25,191,351</b>

All of the above results are derived from continuing activities.  
There are no other recognised gains or losses other than those stated above.

The notes on pages 26 to 44 form part of these financial statements.



**St Luke's Parochial Trust**  
**Balance sheets**  
**For the year ended 31 December 2019**

	Notes	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
<b>Fixed assets</b>					
Tangible assets	9	5,304,641	5,339,391	5,304,641	5,339,391
Investments	10	23,016,259	20,496,567	23,016,260	20,496,568
		<u>28,320,900</u>	<u>25,835,958</u>	<u>28,320,901</u>	<u>25,835,959</u>
<b>Current assets</b>					
Debtors	11	310,952	300,031	371,642	421,217
Cash at bank and in hand		354,736	441,668	203,199	233,733
		<u>665,688</u>	<u>741,699</u>	<u>574,841</u>	<u>654,950</u>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	12	(427,360)	(379,154)	(336,514)	(292,406)
<b>Net current assets</b>		<u>238,328</u>	<u>362,545</u>	<u>238,327</u>	<u>362,544</u>
<b>Total assets less current liabilities</b>		<u>28,559,228</u>	<u>26,198,503</u>	<u>28,559,228</u>	<u>26,198,503</u>
<b>Net assets (excluding pension liability)</b>		<u>28,559,228</u>	<u>26,198,503</u>	<u>28,559,228</u>	<u>26,198,503</u>
Defined benefit pension scheme liability	14	(841,792)	(1,007,152)	(841,792)	(1,007,152)
<b>Net assets</b>		<u><u>27,717,436</u></u>	<u><u>25,191,351</u></u>	<u><u>27,717,436</u></u>	<u><u>25,191,351</u></u>
<b>Represented by:</b>					
<b>Funds and reserves</b>	17				
Endowment fund		15,118,284	13,325,659	15,118,284	13,325,659
Restricted funds		83,327	91,404	83,327	91,404
Unrestricted funds					
Designated tangible fixed assets fund		5,304,641	5,339,391	5,304,641	5,339,391
Designated revenue funds		4,295,388	4,507,913	4,295,388	4,507,913
General funds		2,915,796	1,926,984	2,915,796	1,926,984
		<u>12,515,825</u>	<u>11,774,288</u>	<u>12,515,825</u>	<u>11,774,288</u>
		<u><u>27,717,436</u></u>	<u><u>25,191,351</u></u>	<u><u>27,717,436</u></u>	<u><u>25,191,351</u></u>

Approved by the Trustees on 10 June 2020 and signed on their behalf by:

*Raymond O'Halloran*

Ray O'Halloran  
Chairman of the Board of Trustees

The notes on pages 26 to 44 form part of these financial statements.

**St Luke's Parochial Trust**  
**Consolidated statement of cash flows**  
**For the year ended 31 December 2019**

	Notes	2019 £	2018 £
<b>Net cash (used in) provided by operating activities</b>	18	<b>(1,090,044)</b>	<b>(738,344)</b>
<b>Cash flows from investing activities:</b>			
Interest, rent and dividends from investments		850,013	809,593
Purchase of tangible fixed assets		(129,392)	(80,129)
Purchase of investments		(1,877,422)	(9,249,976)
Proceeds from the disposal of investments		<u>2,114,637</u>	<u>9,250,125</u>
<b>Cash provided by (used in) investing activities</b>		<b><u>957,836</u></b>	<b><u>729,613</u></b>
<b>Change in cash and cash equivalents in the year</b>		<b>(132,208)</b>	<b>(8,731)</b>
Cash and cash equivalents at the beginning of the year		<u>670,444</u>	<u>679,175</u>
<b>Cash and cash equivalents at the end of the year</b>	19	<b><u><u>538,236</u></u></b>	<b><u><u>670,444</u></u></b>

The notes on pages 26 to 44 form part of these financial statements.



**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**1 Accounting policies**

**a Basis of accounting**

The accounts have been prepared in accordance with Accounting and Reporting by Charities: 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) - (Charities SORP FRS 102).

St Luke's Parochial Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Accounting and Reporting by Charities 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) issued on 16 July 2014.

**b Group accounts**

The accounts consolidate the results of the charity and its wholly owned trading subsidiary, St Luke's Trading Limited, on a line by line basis. Total income for the unconsolidated charity for 2019 was £2,152,250 (2018: £2,229,044) and net income, after gains on investments, was £2,526,085 (2018: net expenditure, after losses on investments, of £1,025,766).

**c Going concern and significant estimates**

The trustees consider that there are no material uncertainties regarding the Trust's ability to continue as a going concern. In reaching that conclusion the trustees have considered the possible impact of the COVID -19 outbreak on activities and cashflows for a period of at least one year from the date of approval of the financial statements. The trustees have considered a number of scenarios that could occur over that period. It remains uncertain when St Luke's will be able to resume normal operations and until it can do so it will certainly generate negative cash flows through predicted loss of room hire, catering operations and reduced investment income, offset by some cost savings. The trustees are confident that the strength of the Trust's balance sheet - specifically the level of its unrestricted funds - and the various economies it has put in place will ensure its ability to continue as a going concern for a period in excess of 12 months from the reporting date. A change to St Luke's service delivery model has also been required to ensure it continues to provide for the most vulnerable.

Key judgements that the trustees have made which have a significant effect on the accounts include the estimation of the pension scheme liability as being equal to the value of all future payments, as calculated by the scheme actuary, under the current recovery plan. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**1 Accounting policies (continued)**

**d Funds structure**

The endowment fund comprises monies which must be held indefinitely as capital and is therefore a permanent endowment. Realised and unrealised gains from investment of the funds are retained in the endowment fund. Income generated from investment of the funds is unrestricted and applied for general charitable purposes within the charity's objects.

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 general fund which represents the working capital required for the efficient running of the Trust's activities.

**e Income**

Donations 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. Grants received as income from charitable activities are credited to income when they are receivable, unless they are for activities that relate to a specific future period, in which case they are deferred to that period. All other 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 recognised in the accounts due to their immaterial value.

**f Expenditure and irrecoverable VAT**

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

Expenditure is classified as follows:

Expenditure on raising funds comprises the fees charged by the investment managers and expenditure of St Luke's Trading Limited, the wholly owned trading subsidiary.

Expenditure on charitable activities comprises costs of the community centre, community services and grants and pensions to individuals. Associated support costs are included (note 6).

**g Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include the cost of the Chief Executive, Director of Services, Executive Assistant and Finance Staff as well as governance and general office costs. Support costs relating to Charitable Activities have been apportioned based on staff time expended. The allocation of support costs is analysed in note 6.

**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.



**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**1 Accounting policies (continued)**

**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 Staff pension commitments**

Under the definition set out in Financial Reporting Standard 102, the Cripplegate Foundation Pension and Assurance Scheme is a multi-employer, defined benefit plan. However, the Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a reasonable and consistent basis and so, in compliance with FRS 102, is accounted for as if it were a defined contribution plan. A ten year recovery plan to fund the scheme deficit has been entered into by the participating employers and the liability arising from St Luke's payments under that plan is recognised in full in the accounts.

**k Fixed assets - property, equipment and vehicles**

Fixed assets are included at cost. All assets costing more than £5,000 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
-- Leasehold property	50 years
-- Fixtures, fittings and equipment	3-10 years
-- Minibus	5 years

Freehold land is not depreciated.

Depreciation is charged on building works from the date of completion, being the point at which they are fully available for use.

**l Fixed asset investments**

Freely tradable investment 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 in proportion to the split in holdings between each fund.

**m Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**n Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**2 Income from donations and legacies**

	Unrestricted	Restricted	2019 Total	2018 Total
	£	£	£	£
Donations	15,017	12,000	27,017	81,154
<b>Total income from donations and legacies</b>	<b>15,017</b>	<b>12,000</b>	<b>27,017</b>	<b>81,154</b>
Total income from donations and legacies 2018	16,489	64,665		

**3 Income from charitable activities**

	Unrestricted	Restricted	2019 Total	2018 Total
	£	£	£	£
<b>Community centre</b>				
Facility hire and development	1,280	-	1,280	3,582
L. B. Islington	20,000	-	20,000	20,000
<b>Total community centre</b>	<b>21,280</b>	<b>-</b>	<b>21,280</b>	<b>23,582</b>
Total community centre 2018	23,582	-		
<b>Community services</b>				
Older people's services	14,986	51,400	66,386	44,563
Subsidised meals income	12,933	14,400	27,333	27,349
Business engagement	33,479	67,500	100,979	74,896
Gardening	5,717	36,000	41,717	104,207
Cookery school	2,454	9,710	12,164	2,303
Youth and families	47	1,500	1,547	450
Events and festivals	-	-	-	3,110
Public art project	-	(10,154)	(10,154)	-
All ages activities	2,158	-	2,158	-
Other income	10,000	-	10,000	12,000
Henry Smith grant	-	10,000	10,000	10,000
<b>Total community services</b>	<b>81,774</b>	<b>180,356</b>	<b>262,130</b>	<b>278,878</b>
Total community services 2018	68,840	210,038		
<b>Total income from charitable activities</b>	<b>103,054</b>	<b>180,356</b>	<b>283,410</b>	<b>302,460</b>
Total income from charitable activities 2018	92,422	210,038		



**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**4 Income from other trading activities**

	Unrestricted	Restricted	2019 Total	2018 Total
	£	£	£	£
St Luke's Trading Limited	940,976	-	<b>940,976</b>	975,209
Other fundraising	60,981	-	<b>60,981</b>	65,001
<b>Total income from other trading activities</b>	<b>1,001,957</b>	<b>-</b>	<b>1,001,957</b>	<b>1,040,210</b>
Total income from other trading activities 2018	1,040,210	-		

St Luke's Trading Limited (a company limited by share capital, company no. 9358692 (England and Wales) is a wholly owned subsidiary of St Luke's Trustee Limited (the sole corporate trustee of St Luke's Parochial Trust). As such it constitutes a wholly owned subsidiary of St Luke's Parochial Trust and pays all of its taxable profits to the Trust under a deed of covenant. The company's activities comprise those operations of a trading nature which relate to catering, rental, room and other facility hire at St Luke's Community Centre. The summary financial performance of the subsidiary company is:

	2019 £	2018 £
Turnover	<b>940,976</b>	975,209
Cost of sales	<b>(132,955)</b>	(129,399)
<b>Gross profit</b>	<b>808,021</b>	845,810
Administrative expenses	<b>(584,077)</b>	(562,756)
<b>Operating profit</b>	<b>223,944</b>	283,054
Amount paid to parent under deed of covenant	<b>(223,944)</b>	(283,054)
<b>Retained in the subsidiary</b>	<b>-</b>	<b>-</b>
The assets and liabilities of the subsidiary were:		
Current assets	<b>289,854</b>	330,173
Current liabilities	<b>(289,853)</b>	(330,172)
Total net assets	<b>1</b>	<b>1</b>
Share capital and reserves	<b>1</b>	<b>1</b>

**5 Income from investments**

	Unrestricted	Restricted	2019 Total	2018 Total
	£	£	£	£
Investment income	850,013	-	<b>850,013</b>	809,593
<b>Total income from investments</b>	<b>850,013</b>	<b>-</b>	<b>850,013</b>	<b>809,593</b>
Total income from investments 2018	809,593	-		

**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**6 Analysis of expenditure**

	Cost of raising funds			Charitable activities				Support costs £	2019 Total £	2018 Total £
	St Luke's Trading Ltd £	Investment management £	Fundraising £	Community Centre £	Community services £	Governance costs £				
Salaries, NI, pensions, life assurance	470,098	-	42,862	155,048	435,431	-	331,569	1,435,008	1,235,845	
Agency and freelance staff	12,322	-	-	12,321	6,079	-	21,836	52,558	59,821	
Other staff costs	362	-	200	15,077	3,744	-	34,399	53,782	37,151	
Programme costs	2,039	-	350	19,627	110,319	-	14,970	147,305	91,007	
Payments to pensioners	-	-	-	-	7,868	-	-	7,868	9,835	
Office overheads	7,614	-	-	16,034	5,643	-	52,703	81,994	71,834	
Premises	76,412	-	-	142,731	984	-	14,470	234,597	283,912	
Depreciation	-	-	-	158,155	5,986	-	-	164,141	149,808	
Cost of sales	145,061	-	-	191	32,031	-	-	177,283	176,024	
Audit and accountancy	3,125	-	-	-	-	13,905	-	17,030	15,265	
Trustees expenses and meetings	-	-	-	-	-	4,497	-	4,497	5,068	
Investment management	-	57,669	-	-	-	-	-	57,669	32,848	
Legal and statutory	-	-	-	-	-	4,763	-	4,763	1,423	
	717,033	57,669	43,412	519,184	608,085	23,165	469,947	2,438,495	2,169,841	
Support costs	-	-	-	174,021	274,198	21,728	(469,947)	-	-	
Governance costs	-	-	-	21,100	23,793	(44,893)	-	-	-	
Total expenditure	717,033	57,669	43,412	714,305	906,076	-	-	2,438,495	2,169,841	
Expenditure 2018						Total				
Unrestricted expenditure	692,155	18,061	38,738	655,296	505,802	1,910,052				
Restricted expenditure	-	-	-	1,847	243,155	245,002				
Endowment expenditure	-	14,787	-	-	-	14,787				
Total expenditure 2018	692,155	32,848	38,738	657,143	748,957	2,169,841				



**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**7 Net income/(expenditure) before net gains on investments**

This is stated after charging	2019 £	2018 £
Depreciation	164,142	149,808
Auditor's remuneration:		
Audit fees	15,175	14,765
Other	1,700	-
	<u>164,142</u>	<u>149,808</u>

**8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:	2019 £	2018 £
Salaries and wages	1,250,360	1,085,796
Social security costs	92,572	81,124
Employer's contribution to defined contribution pension schemes	78,194	56,148
Life assurance	13,882	12,777
	<u>1,435,008</u>	<u>1,235,845</u>
Agency costs	52,558	59,821
	<u>1,487,566</u>	<u>1,295,666</u>

The following number of employees received employee benefits (excluding employer pension) during the year between:

	2019 No.	2018 No.
£60,000 - £69,999	1	1
£80,000 - £89,999	1	-
	<u>1</u>	<u>-</u>

The total employee benefits including employers' national insurance and pension contributions of the key management personnel were £231,327 (2018: £204,814).

The charity trustees were not paid and did not receive any other benefits from employment with the Trust or its subsidiary in the year (2018: £nil). One trustee was reimbursed expenses of £125 during the year (2018: £nil). No charity trustee received payment for professional or other services supplied to the charity (2018: £nil).

Professional Indemnity insurance was taken out, at a cost of £1,024 (2018: £1,024), 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. It includes Executive Liability, providing cover for Trustees. The limit of indemnity is £1,000,000 per claim.

**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel (continued)**

**Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was 61 (2018: 57). The average number of employees (full time equivalent) during the year and by activity is as follows:

	2019	2018
	No.	No.
Raising funds	0.6	0.6
Trading	15.0	15.0
Charitable activities	18.2	16.3
Support and governance	6.8	4.9
	<u>40.6</u>	<u>36.8</u>

**9 Tangible fixed assets**

Group and charity	Freehold land and buildings £	Leasehold £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>					
Balance at 1 January 2019	6,623,581	280,303	102,419	13,500	<b>7,019,803</b>
Additions in year	-	-	99,462	29,930	<b>129,392</b>
Disposals in year	-	-	-	(13,500)	<b>(13,500)</b>
Balance at 31 December 2019	<u>6,623,581</u>	<u>280,303</u>	<u>201,881</u>	<u>29,930</u>	<u><b>7,135,695</b></u>
<b>Depreciation</b>					
Balance at 1 January 2019	1,620,922	13,080	32,910	13,500	<b>1,680,412</b>
Charge for the year	132,472	5,606	20,078	5,986	<b>164,142</b>
Eliminated on disposal	-	-	-	(13,500)	<b>(13,500)</b>
Balance at 31 December 2019	<u>1,753,394</u>	<u>18,686</u>	<u>52,988</u>	<u>5,986</u>	<u><b>1,831,054</b></u>
<b>Net book value</b>					
<b>At 31 December 2019</b>	<u><b>4,870,187</b></u>	<u><b>261,617</b></u>	<u><b>148,893</b></u>	<u><b>23,944</b></u>	<u><b>5,304,641</b></u>
At 31 December 2018	<u>5,002,659</u>	<u>267,223</u>	<u>69,509</u>	<u>-</u>	<u>5,339,391</u>

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

All of the freehold, motor vehicle and fixtures, fittings and equipment assets are used for charitable purposes.

The leasehold asset is a 150 year leasehold on a unit adjacent to the community centre completed in October 2016. Whilst trustees decide how the unit will be used by St Luke's, it has been decided to rent it out on a short-term basis. Trustees have stipulated that the Unit should be used by a social care organisation that works with people with physical and emotional conditions in partnership with the London Borough of Islington.



**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**10 Fixed asset investments**

	<b>Group</b>		<b>Charity</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Listed investments (note a)	<b>22,966,259</b>	20,446,567	<b>22,966,259</b>	20,446,567
Social investment (note b)	<b>50,000</b>	50,000	<b>50,000</b>	50,000
Investment in subsidiary company (note c)	-	-	<b>1</b>	1
	<b>23,016,259</b>	20,496,567	<b>23,016,260</b>	20,496,568

**a Listed investments**

	<b>Unrestricted</b>	<b>Endowment</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Analysis of movement of investments</b>				
Opening market value at start of year	7,003,442	13,214,349	<b>20,217,791</b>	21,357,282
Additions at cost	635,163	1,242,259	<b>1,877,422</b>	9,199,976
Disposals at market value	(860,739)	(1,253,898)	<b>(2,114,637)</b>	(9,250,125)
Realised gains/(losses)	72,323	95,240	<b>167,563</b>	(46,274)
Unrealised gains/(losses)	895,946	1,738,674	<b>2,634,620</b>	(1,043,068)
	7,746,135	15,036,624	<b>22,782,759</b>	20,217,791
Cash instruments and cash held for reinvestment	98,051	85,449	<b>183,500</b>	228,776
	<b>7,844,186</b>	<b>15,122,073</b>	<b>22,966,259</b>	20,446,567
Historical cost			<b>18,229,978</b>	18,201,305

The investments comprise sixteen UK unit trusts (2018: thirteen).

	<b>Unrestricted</b>	<b>Endowment</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Movement in cash instruments and cash held for reinvestment</b>				
Opening balance	117,466	111,310	<b>228,776</b>	244,681
Net additions (withdrawals)	91	11,639	<b>11,730</b>	6,719
Investment management fees	(19,506)	(37,500)	<b>(57,006)</b>	(22,624)
	<b>98,051</b>	<b>85,449</b>	<b>183,500</b>	228,776

**b Social investment**

On 26 September 2018 the charity invested £50,000 in the London Capital Credit Union (LCCU) in the form of a 10 year interest free loan. The loan was made in order to support the work of LCCU in providing affordable finance to financially disadvantaged people .

**c Investment in subsidiary company**

The charity beneficially owns the entire share capital, being 1 share of £1, of St Luke's Trading Limited, its trading subsidiary. The holding was acquired on incorporation of the company on 17 December 2014. Relevant financial information regarding St Luke's Trading Limited is summarised in note 4.

Relevant financial information regarding St Luke's Trading Limited is summarised in note 4.

**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**11 Debtors**

	<b>Group</b>		<b>Charity</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	<b>68,822</b>	55,060	<b>1,302</b>	450
Prepayments and accrued income	<b>170,669</b>	174,483	<b>170,669</b>	174,483
Other debtors	<b>71,461</b>	70,488	<b>664</b>	2,861
Amount owed by trading subsidiary	<b>-</b>	-	<b>199,007</b>	243,423
	<b>310,952</b>	300,031	<b>371,642</b>	421,217

**12 Creditors: amounts falling due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	<b>168,591</b>	126,805	<b>168,153</b>	126,393
Taxation and social security	<b>34,408</b>	28,383	<b>34,408</b>	28,383
Accruals and deferred income	<b>181,490</b>	146,195	<b>92,790</b>	61,867
Other creditors	<b>42,871</b>	77,771	<b>41,163</b>	75,763
	<b>427,360</b>	379,154	<b>336,514</b>	292,406

**13 Taxation**

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.



**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**14 Pension scheme**

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.

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 continues to be administered and valued on a triennial basis.

The most recent full actuarial valuation was carried out with an effective date of 5 April 2017. On the basis of solvency of the scheme, the valuation indicated the assets covered 60% of the scheme liabilities (2014: 55%). On an on-going basis, the valuation indicated the assets covered 83% (2014: 70%) of the scheme liabilities. The actuaries have confirmed that the different employers' share of the underlying assets and liabilities cannot be identified on a consistent and reasonable basis. In compliance with FRS 102 the assets and liabilities are not included as part of St Luke's Trust's accounts.

The triennial valuation as at 5 April 2017 indicated that participating employers should reduce the annual amount paid in the remaining 7 years of the recovery plan. The actuary calculated the deficit at £2.0m (2014: £3.2m) and consequently from May 2018 St Luke's deficit payment was reduced to £165,360 per annum (previously £179,901 per annum). The total payable by St Luke's under the recovery plan, ending 5 January 2025, is £1,297,293 and at 31 December 2019, the remaining balance payable was £841,792 (2018: £1,007,152). The liability is included in full in the accounts.

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.

**15 Analysis of group net assets between funds**

**a Current year**

	General funds £	Designated funds £	Restricted funds £	Endowment funds £	Total funds £
Tangible fixed assets		5,304,641			5,304,641
Investments	3,598,798	4,295,388		15,122,073	23,016,259
Cash at bank and in hand	271,409		83,327		354,736
Net current (liabilities)	(112,619)			(3,789)	(116,408)
Defined benefit pension liability	(841,792)				(841,792)
<b>Net assets at the end of the year</b>	<b>2,915,796</b>	<b>9,600,029</b>	<b>83,327</b>	<b>15,118,284</b>	<b>27,717,436</b>

**b Prior year**

	General £	Designated £	Restricted £	Endowment £	Total £
Tangible fixed assets	-	5,339,391	-	-	5,339,391
Investments	2,662,995	4,507,913	-	13,325,659	20,496,567
Cash at bank and in hand	350,264	-	91,404	-	441,668
Net current (liabilities)	(79,123)	-	-	-	(79,123)
Defined benefit pension liability	(1,007,152)	-	-	-	(1,007,152)
<b>Net assets at the end of the year</b>	<b>1,926,984</b>	<b>9,847,304</b>	<b>91,404</b>	<b>13,325,659</b>	<b>25,191,351</b>

**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**16 Unrealised gains**

The total unrealised gains (losses) as at 31 December 2019 and included above constitutes movements on revaluation and are as follows:

	2019 £	2018 £
<b>Unrealised gains/ (losses) included above:</b>		
On investments	<u>4,552,781</u>	<u>2,016,486</u>
<b>Total unrealised gains/ (losses) at 31 December</b>	<u><b>4,552,781</b></u>	<u><b>2,016,486</b></u>
<b>Reconciliation of movements in unrealised gains/ (losses)</b>		
Unrealised gains at 1 January	2,016,486	3,672,584
Less: in respect to disposals in the year	<u>(98,325)</u>	<u>(613,030)</u>
	1,918,161	3,059,554
Add: net gains (losses) arising on revaluation arising in the year	<u>2,634,620</u>	<u>(1,043,068)</u>
<b>Total unrealised gains (losses) at 31 December</b>	<u><b>4,552,781</b></u>	<u><b>2,016,486</b></u>



**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**17 Movements in funds**

**17 a Movements in funds (current year)**

	Balance at 1 Jan 2019 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	Balance at 31 Dec 2019 £
<b>Permanent Endowment</b>	<b>13,325,659</b>	-	<b>(41,289)</b>	-	<b>1,833,914</b>	<b>15,118,284</b>
<b>Restricted funds</b>						
Community Centre	5,365	-	(343)	(5,022)	-	-
Premises development						
Community Services	10,417	87,800	(78,727)	-	-	19,490
Over 55s services	450	1,500	(570)	-	-	1,380
Women's activities						
Business Engagement						
Business Engagement team	8,332	44,000	(43,000)	-	-	9,332
Firm Futures	-	20,000	(17,400)	-	-	2,600
Steps to Success	-	3,500	(3,500)	-	-	-
Cookery School						
Community cooks	-	9,710	(1,213)	-	-	8,497
Horticulture/Gardening						
Engaging gardens	-	36,000	-	-	-	36,000
Growing Connections	47,410	-	(47,410)	-	-	-
Community Events	17,430	(10,154)	(2,276)	-	-	5,000
Welfare grants	2,000	-	(972)	-	-	1,028
<b>Total restricted funds</b>	<b>91,404</b>	<b>192,356</b>	<b>(195,411)</b>	<b>(5,022)</b>	-	<b>83,327</b>

St Luke's Parochial Trust  
Notes to the accounts  
For the year ended 31 December 2019

17 a Movements in funds (current year, continued)

	Balance at 1 Jan 2019 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	Balance at 31 Dec 2019 £
<b>Unrestricted funds</b>	<b>5,339,391</b>	<b>-</b>	<b>(164,142)</b>	<b>129,392</b>	<b>-</b>	<b>5,304,641</b>
Designated tangible fixed assets fund						
Designated revenue funds						
Corporate fundraising	13,000	-	(13,000)	-	-	-
Cyclical maintenance	1,140,359	-	(19,409)	13,876	-	1,134,826
Extraordinary repair	739,425	-	(1,455)	(17,408)	-	720,562
Planning deed	1,964,000	-	-	-	-	1,964,000
Care and grant fund	544,000	-	(68,000)	-	-	476,000
Phase II contract	18,076	-	-	(18,076)	-	-
Premises development	89,053	-	(57,367)	(31,686)	-	-
	<b>4,507,913</b>	<b>-</b>	<b>(159,231)</b>	<b>(53,294)</b>	<b>-</b>	<b>4,295,388</b>
General funds						
Charitable funds	1,926,984	1,029,065	(937,446)	(71,076)	968,269	2,915,796
Trading company funds	-	940,976	(940,976)	-	-	-
	<b>1,926,984</b>	<b>1,970,041</b>	<b>(1,878,422)</b>	<b>(71,076)</b>	<b>968,269</b>	<b>2,915,796</b>
<b>Total unrestricted funds</b>	<b>11,774,288</b>	<b>1,970,041</b>	<b>(2,201,795)</b>	<b>5,022</b>	<b>968,269</b>	<b>12,515,825</b>
<b>Total funds</b>	<b>25,191,351</b>	<b>2,162,397</b>	<b>(2,438,495)</b>	<b>-</b>	<b>2,802,183</b>	<b>27,717,436</b>



**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**17 b Movements in funds (prior year)**

	Balance at 1 Jan 2018 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	Balance at 31 Dec 2018 £
<b>Permanent Endowment</b>	<b>14,052,440</b>	-	<b>(14,787)</b>	-	<b>(711,994)</b>	<b>13,325,659</b>
<b>Restricted funds</b>						
Community Centre	-	52,665	(1,847)	(45,453)	-	5,365
Premises development						
Community Services	30,667	65,400	(85,650)	-	-	10,417
Over 55s services	450	450	(450)	-	-	450
Women's activities						
Business Engagement	8,332	43,000	(43,000)	-	-	8,332
Business Engagement team	-	3,500	(3,500)	-	-	-
Steps to Success	1,130	-	(1,130)	-	-	-
Activity equipment						
Cookery School	3,294	-	(3,294)	-	-	-
Community fridge						
Horticulture/Gardening	-	1,590	(1,590)	-	-	-
Gardening activities	45,378	102,988	(93,379)	(7,577)	-	47,410
Growing Connections	25,482	3,110	(11,162)	-	-	17,430
Community Events	-	2,000	-	-	-	2,000
Welfare grants						
<b>Total restricted funds</b>	<b>114,733</b>	<b>274,703</b>	<b>(245,002)</b>	<b>(53,030)</b>	-	<b>91,404</b>

**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**17 b Movements in funds (prior year, continued)**

	Balance at 1 Jan 2018 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	Balance at 31 Dec 2018 £
<b>Unrestricted funds</b>	<b>5,409,070</b>	<b>-</b>	<b>(149,808)</b>	<b>80,129</b>	<b>-</b>	<b>5,339,391</b>
Designated tangible fixed assets fund						
Designated revenue funds						
Corporate fundraising	-	-	-	13,000	-	13,000
Cyclical maintenance	1,144,959	-	(46,924)	42,324	-	1,140,359
Extraordinary repair	740,175	-	-	(750)	-	739,425
Planning deed	1,964,000	-	-	-	-	1,964,000
Care and grant fund	612,000	-	(68,000)	-	-	544,000
Phase II contract	18,076	-	-	-	-	18,076
Premises development	92,000	-	(49,947)	47,000	-	89,053
	<b>4,571,210</b>	<b>-</b>	<b>(164,871)</b>	<b>101,574</b>	<b>-</b>	<b>4,507,913</b>
General funds						
Charitable funds	2,069,664	983,505	(620,164)	(128,673)	(377,348)	1,926,984
Trading company funds	-	975,209	(975,209)	-	-	-
	<b>2,069,664</b>	<b>1,958,714</b>	<b>(1,595,373)</b>	<b>(128,673)</b>	<b>(377,348)</b>	<b>1,926,984</b>
<b>Total unrestricted funds</b>	<b>12,049,944</b>	<b>1,958,714</b>	<b>(1,910,052)</b>	<b>53,030</b>	<b>(377,348)</b>	<b>11,774,288</b>
<b>Total funds</b>	<b>26,217,117</b>	<b>2,233,417</b>	<b>(2,169,841)</b>	<b>-</b>	<b>(1,089,342)</b>	<b>25,191,351</b>



**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**17 Movements in funds (continued)**

**Purpose of endowment funds**

The endowment fund represents endowments made to the fund since its inception together with subsequently realised and unrealised gains on the fund's investments. They are permanent endowments and are to be retained indefinitely.

**Purpose of restricted funds**

Premises development

A grant received towards the costs of installing LED lighting in the community centre.

Over 55s services

Various grants to support over 55s services from the London Borough of Islington, Cloudeley, St. Sepulchre (Finsbury) United Charities, the Dulwich Almshouse Charity, the Haberdashers' Company, the Henry Smith Foundation, and the Arsenal Foundation Gunners Fund.

Women's activities

Grants from the London Borough of Islington to support the work of the women's multicultural group and women's table tennis sessions.

Business Engagement team

Grants from Hogan Lovell LLP and Slaughter and May to support the work of the Business Engagement Team.

Firm Futures

A grant to support budding local entrepreneurs through bursaries.

Steps to Success

A grant from the Worrell & Fuller Exhibition Fund in support of young people.

Community cooks

A National Lottery Awards for All grant to support classes enabling local residents to learn cookery skills and gain a better understanding of healthy eating.

Engaging gardens

A grant from the London Borough of Islington to support work to engage and encourage residents to get involved in estate-based gardening and food growing activities.

Growing Connections

Grant funding from the Big Lottery Reaching Communities Programme to promote health and wellbeing through gardening activities.

Community events

Grant funding from LBI and the Derwent London Community Fund to create permanent public artwork in EC1 and a grant from Groundwork to support the Big Lunch event. The unspent balance of the LBI grant was returned to them in the year.

Welfare grants

A grant from Cloudeley to provide welfare grants to Islington residents.

**Purpose of designated funds**

Funds have been designated for specific purposes by the trustees and under Scheme direction. The purpose of each fund is detailed in the Reserves Policy section of the Trustees' Report.

**St Luke's Parochial Trust**  
**Notes to the accounts**  
**For the year ended 31 December 2019**

**18 Reconciliation of net movement in funds to net cash flow from operating activities**

	2019 £	2018 £
<b>Net movement in funds</b>	<b>2,526,085</b>	<b>(1,025,766)</b>
Depreciation	164,142	149,808
Interest, rent and dividends from investments	(850,013)	(809,593)
Gains on investments	(2,802,183)	1,089,342
(Increase)/decrease in debtors	(10,921)	25,908
(Decrease)/increase in creditors	(117,154)	(168,043)
<b>Net cash (used in)/provided by operating activities</b>	<b><u>(1,090,044)</u></b>	<b><u>(738,344)</u></b>

**19 Analysis of cash and cash equivalents**

	2019 £	2018 £
Cash at bank and in hand	354,736	441,668
Cash held by investment managers	183,500	228,776
<b>Total cash and cash equivalents</b>	<b><u>538,236</u></b>	<b><u>670,444</u></b>

**20 Connected charities**

St Luke's Parochial Trust is governed by a sole corporate Trustee - St Luke's Trustee Limited (Reg Charity 1141334). The Directors of the latter are the Board of Trustees and governing body of this charity.

St Luke's Parochial Trust has nomination rights to appoint 1 trustee to the Dulwich Almshouse Charity, which gave grants totalling £12,000 to the charity during the year (2018: £10,000).

**21 Related party transactions**

Don Kehoe is a trustee of St Luke's Parochial Trust and a director of London Capital Credit Union.

St Luke's holds investments totalling £50,877 in the London Capital Credit Union as follows:

Corporate share account: £877 is held in a corporate share account. No withdrawals or deposits were made in 2019. In 2018 £50,000 was withdrawn from the account and converted into a concessionary loan.

Concessionary loan: £50,000 is held as a social investment in the form of a 10 year, interest free concessionary loan to support the provision of affordable finance to the financially disadvantaged. The loan matures on 27 September 2028.

Crispin Rapinet is a trustee of St Luke's Parochial Trust and a partner at Hogan Lovells.

Hogan Lovells donated £19,000 and provided volunteer support to the charity during the year (2018: £18,000).

Troy Gallagher, Phil Graham and Claudia Webbe are London Borough of Islington (LBI) councillors.

St Luke's received grant and contract income from LBI totalling £100,403 during the year (2018: £104,208).



**St Luke's Parochial Trust**  
**Notes to the accounts**  
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**22 Event after the end of the reporting period**

Since 31 December 2019, the outbreak of COVID-19 and related global responses have caused material disruption to businesses around the world, resulting in an economic slowdown. Global equity markets have consequently experienced significant volatility and weakness. As at 31 May 2020, the month end prior to these financial statements being authorised for issue, the fair value of the group's investments had declined to the following amounts:

Endowment fund investments = £14.56m (31 December 2019 = £15.1m)  
Unrestricted fund investments = £7.2m (31 December 2019 = £7.8m)

The duration and extent of the impact of the COVID-19 outbreak remain unclear at this time.

These subsequent changes in the fair value of St Luke's investments are not reflected in the financial statements as at 31 December 2019.

## **EMPLOYEES (at date of publication)**

Fiker Anliey (Care Support Worker)	Fiona Holliday (Finance Manager)
Paul Bambury (Reception and Facilities' teams' Manager)	Fiona Horigan (Deputy Director of Services)
Zuhre Bektas (Head Chef)	Joanne King (Interim Cookery School Co-ordinator)
Deniz Bellikli (Reception Team Leader)	Thomas Lans (Director of Operations)
Marco Bottignole (Community Gardening Project Manager)	Nathan Lewis (Barista)
Lisa Burrell (Communications' Manager)	Carol-Ann McCardle (Community Engagement Manager)
Kelley Byrne (Receptionist)	Tsedal Menghistu (Health & Wellbeing Officer)
Cathy Carpenter (Deputy Director of Services)	Daniel Nitzani (Kitchen Porter)
Sarah Cauldwell-Watson (Events and Activities Co-ordinator)	Graham Reeves (Older Men's Development Officer)
Herschel Charles (Facilities Assistant)	Michael Ryan (Chief Executive)
Sarah Choudhury (Barista)	Maiya Sabapathy-Andrews (Barista)
Daniel Cseh (Café Supervisor)	Patrick Simpson (Receptionist & Facilities Assistant)
Angela Dooley (Cookery School Administrator)	Nezahat Simsek (Cookery School Assistant)
Amy Ennis (Catering Manager)	Jane Spong (Business Engagement Officer)
Colleen Ettridge (Head of Corporate Partnerships)	Ellie Stewart (Senior Communications' Officer)
Poppy Fishman (Interim Community Gardening Project Officer)	Katherine Ulloa (Finance Assistant)
Marlo Fox (Care Support Worker)	Sarah Verrinder (Executive Assistant)
Kishor Gadhia (Minibus Driver/Care Assistant)	Ying Wang (Finance Assistant)
John Garces (Business Engagement Manager)	Nicholas Waterman (Facilities Co-ordinator)
Tulay Guldal (Catering Assistant)	Aziz Watili (Chef)
	Keren Wiltshire (Director of Services)

## THANK YOU

During the course of any year St Luke's receives the support of hundreds of volunteers who donate their time freely. They may be local residents or people working for businesses based nearby. We also receive a wide range of generous grants and donations, ranging from gifts of food products for the cookery school and furniture to use in the centre, to sums of money, both small and large. We are grateful to the following organisations in particular for all their help in 2019.

Allford, Hall, Monaghan, Morris Architects  
Allianz Global Investors  
Airbnb  
Artwell Films  
City University  
Cloudesley  
Co-op Local Community Fund  
CMS Law  
Dulwich Almshouses Charities  
Fareshare  
Felix Project  
Grant Tree Ltd  
Guild of Freeman of the City of London  
Haberdashers' Company  
Henry Smith Charity  
Hogan Lovells LLP  
Hotel Beds Group  
Hubbub UK Community Fridge  
Kreston Reeves  
Laing O'Rourke

London Borough of Islington  
Macquarie Bank  
McCormacks Law  
Morgan and Wiseman Limited  
Nurnberg Gen  
RGA UK Services Limited  
Shearman and Sterling LLP  
Sir Robert McAlpine Limited  
Slaughter and May  
Sport Islington  
St Sepulchre United Charities  
The Behavioural Architects  
The National Lottery Community Fund  
Thirty Three  
TOTO Europe GMBH UK branch  
Transport for London  
University College Hospital  
Volta Data Centres  
Waitrose, Clerkenwell  
Worrall and Fuller Exhibition Fund