

ST. LUKE'S SCHOOL TRUST

REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31st MARCH 2023

Registered with the Charity Commission
Registered Charity Number: 1179851

LEGAL AND ADMINISTRATIVE INFORMATION

REGISTERED CHARITY NUMBER	1179851
PRINCIPAL OFFICE	Radnor Street, LONDON EC1V 3SJ
TRUSTEES	Revd David Edward Allen (Chair) Ruth Margaret Grant Michael Hugh Percy Revd Canon Jack Noble (appointed 8 May 2022)
CLERK TO THE TRUSTEES	Julie Fox
BANKERS	Lloyds Bank plc 11 High Street HORLEY Surrey RH6 7BJ
PRINCIPAL INVESTMENT MANAGERS	Quilter Cheviot Limited One Kingsway LONDON WC2B 6AN
INDEPENDENT EXAMINER	David Warren, BA FCA Cocke, Vellacott & Hill Chartered accountants Unit 28 City Business Centre Lower Road LONDON SE16 2XB

TRUSTEES' ANNUAL REPORT for the year ended 31st March 2023

The Trustees present their Report and the financial statements for the Trust for the year to 31st March 2023, which comply with current statutory requirements, the requirements of the Trust's governing instrument and the requirements of "Charities SORP (FRS 102)".

OBJECTIVES AND ACTIVITIES

In planning activities for the year the Trustees keep in mind the Charity Commission's guidance on public benefit.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Background

The School

The School for boys, inaugurated and maintained by voluntary subscriptions and donations, was instituted in 1698 in a house in Golden Lane in the "Lordship part" of the parish of St. Giles' Cripplegate and derived its name of "Grey Coat School" from the boys being dressed at that time in that colour. In 1732 the parish boundaries were altered and the school, now in a new distinct parish under the name of St. Luke's, changed its name to the St. Luke's Charity School for Boys, Golden Lane. The name was subsequently altered to that of St. Luke's Parochial School, and most recently to its current title, St. Luke's Church of England Primary School.

The girls' school was instituted in 1761 by voluntary subscriptions, and although there were many applicants each year the number remained constant until 1772. Both schools were inundated with applications and had to turn down the majority because of lack of space. To meet ever growing demand the School has moved to larger premises on a number of occasions, moving to its current site in Radnor Street in 1986. Further details are available on the School's website at <http://www.st-lukesislinton.c.uk/history>.

The Trust

The Trust has been endowed over a number of years by gifts and legacies from a number of benefactors, some of them former pupils of the School. Many of the assets transferred to the Trust were originally in the form of properties in London, which have been realised over the years such that now the principal asset of the Trust is an investment portfolio of shares and bonds. On 4th July 2000 the then existing Trustees of the Trust agreed to enter into a new Declaration of Trust for the better performance and regulation of their duties in relation to the Trust.

As part of their continuing management of the Trust's activities, the Trustees undertook a review of the terms of the Declaration with its legal advisers, resulting in the Trustees' executing a Deed of Amendment on 13th January 2020. A copy of the Deed of Amendment ("the Deed") was provided to the Commission, which gave its approval to the terms of the Deed, and the Deed was formally adopted by a resolution of the Trustees at the meeting on 14th September 2020. The deed was subsequently filed with the Commission.

The Trust does not receive any income or grants from central or local government or from outside the UK. Whilst it does not actively seek to raise further funds and therefore does not work with any professional fundraisers or commercial participators, during the financial year 2022/23 it received a legacy of just over £147k from a former pupil of the school, Sir W.J. Jordan. The provisions of Sir William Jordan's will provide that the bequest shall be invested by the Trustees and that the annual income arising therefrom is applied from time to time for the purpose of rewarding, assisting or encouraging any scholar or scholars at St. Luke's School who has or have suffered misfortune by illness affliction or other mishap who merits financial assistance. The amount of the legacy was transferred to the Trust's Principal Investment Managers, Quilter Cheviot Ltd, to be held in a fund separate from the Trust's existing investment portfolio, and the income arising from these funds will be applied in accordance with the provisions of Sir William Jordan's will, as amended with the consent of the Charity Commission pursuant to s.275 Charities Act 2011, with effect from 27 November 2022.

The Trustees wish to express their gratitude to the late Sir William Jordan for this expression of his appreciation of the education that he received from the School.

All expenditure is paid by cheque signed by two trustees, or by direct bank transfers approved by at least two trustees, to payees resident or based in the United Kingdom.

Organisation

The Trustees, who have control of the Trust and its property and funds for the purpose of promoting its objects, are required to meet at least four times each year. The maximum number of Trustees is six, one of whom may be a member of the London Diocesan Board for Education and another shall be the Rector of St. Giles Cripplegate or in the event of he or she declining to act as a Trustee such person as shall be nominated by the Bishop of London; the remaining Trustees shall be persons who through residence, occupation, employment, or otherwise have special knowledge of or interest in the objects.

TRUSTEES' ANNUAL REPORT

for the year ended 31st March 2023

The Trustees have the power to appoint new Trustees whether in addition or replacement of an existing Trustee and to remove Trustees by resolution of the Trustees. All Trustees have been provided with a copy of the Charity Commission document CC3 "The Essential Trustee".

In accordance with the provisions of the Declaration, under which the Trustees may deposit or invest funds in any lawful manner (but only after obtaining advice from a financial expert and having regard to the suitability of investments and the need for diversification), the Trustees have appointed Quilter Cheviot Limited to manage the majority of the Trust's investment funds on behalf of the Trust, with a smaller amount of £146,480 (2022: £151,876) managed by CCLA Investment Management Ltd. All investments held by the Trust have been acquired in accordance with the powers available to the Trustees.

All investments held by the Trust have been acquired and are managed in accordance with the powers available to the Trustees and in accordance with the provisions of the Declaration.

Trustees

The Trustees who served during the year were:

Revd. David Edward Allen; Chair
Ruth Margaret Grant
Michael Hugh Percy
Revd Canon Jack Noble (appointed 8 May 2022)

DBS checks have been carried out on all Trustees and the Clerk.

Clerk to the Trustees

Ms Fox is not an employee of the Trust, and the Trust has no employees.

Trust governance and Risk management

The Trustees have approved and adopted a number of formal policies and procedures to assist them in the proper governance of the Trust, including a Code of Conduct for Trustees, Trustees' Roles and Responsibilities, Individual Trustees' Lead Roles, and a Risk Management Policy.

Major risks to which the charity are exposed, as identified by the Trustees, have been reviewed and systems and procedures have been established to mitigate those risks. The management of risks is reviewed on a regular basis, and not less than annually.

The Trustees maintain a risk register in which the principal risks to which the Trust is subject are recorded and assessed (in respect of likelihood, inherent impact, gross threat, controls effectiveness and tolerance) with appropriate actions and controls being instituted; the register and the level of risks are reviewed at least annually. The Trustees consider that the Trust is not subject to any unacceptable levels of risk.

The principal risks identified by the Trustees are the following:

1. Maintaining the level of income from investments;
2. Maintaining the value of the Trust's portfolio;
3. Incurring an annual deficit of expenditure over income (including any gains and losses in the value of the investment portfolio) for an extended period of time;
4. Failing to maintain proper data records;
5. Continuity of activities and record keeping in the event of business disruption or unavailability of a Trustee or the clerk;
6. Failing to protect personal data in accordance with law and regulations.

Failure to comply with any material legislation or Charity Commission requirements, or to fulfil the Trust's charitable objects.

The Trustees declare that there have been no serious incidents during the period up to the approval and signing of this Report that would have had to be reported to the Commission. The Trust is registered with the Information Commissioner's Office with Reference No. ZA764281.

FINANCIAL REVIEW

Performance and outlays

The results for the year are shown in the Statement of Financial Activities on page 7. The deficit for the year was £115,324 (2022 – surplus £153,682) and has been transferred from the funds brought forward at the beginning of the year. The Trust's annual outgoings are funded this year from investment income and a large legacy and amounted to £220,434 (2022 - £64,974 investment income only). The costs of managing the investments of the Trust for the year totalled £11,769 (2022 - £12,306) and during the year the Trust expended £105,683 (2022 - £62,781) on charitable activities, including governance costs of £6,578 (2022 - £4,213). Total outgoings were therefore £117,452 (2022 - £75,087) resulting in a net surplus before any gains or losses on investments of £103,628 (2022 – deficit of £10,113).

TRUSTEES' ANNUAL REPORT

for the year ended 31st March 2023

FINANCIAL REVIEW***Reserves and grant making policies***

It is the policy of the charity to maintain unrestricted funds at a level which will enable the charity to continue to meet its objectives as stated above in the same way that it has been doing since it was set up. Currently therefore the Trustees aim to retain net assets sufficient to provide gross income of not less than £70,000 per annum, and a target income requirement after the costs of investment management of not less than £60,000 per annum within a medium risk environment.

Grants are given to the school in accordance with the objectives of the Trust. All payments, whether by direct payment or as reimbursement to the School, are supported by documentation and/or invoices from suppliers, and are approved by Trustees.

Investment policy and performance

All investments have been acquired in accordance with the powers available to the Trustees, which as stated above require them to obtain advice from a financial expert and to have regard to the suitability of investments and the need for diversification. The overall investment management objective is to achieve a balanced return between income and capital growth.

The market value of unrestricted investment assets decreased by 9.15% to £3,264,011 (2022 - £3,594,492) due to the withdrawal of £100,000 from the portfolio and also due to general market conditions.

PLANS FOR FUTURE PERIODS

The Trustees intend to continue to make grants to, and to reimburse expenditure incurred, by the School, including by making contributions to the cost of educational equipment. They recognise that over the past few years the impact of COVID-19 and the conflicts in Ukraine and the Middle East on the financial markets and on the value of and the income generated by the Trust's investment portfolio, and therefore on the ability of the Trust to continue its support to the School at historic levels, has resulted in volatility in both the value of, and the income generated from, the Trust's investment portfolio. In the year to 31 March 2023, income generated from the portfolio was some 13% higher than for the previous two years, although the market value of the portfolio fell by about 6% during the year. The Trustees have adopted a policy of reviewing their level of support to the School on a regular basis (not less than annually) to ensure that the Trust will be able to provide support to future generations of pupils at the School. Over the past couple of years the Trustees increased the financial support given to the School in line with specific needs identified by the Head Teacher.

The Trustees will also continue to review at least annually the risk register and the other policies and procedures established to assist in the proper governance of the Trust, as well the investment strategy for the Trust's investment portfolio with Quilter Cheviot Limited, the principal professional investment advisors to the Trust.

THE TRUSTEES' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust at the end of the year and of its incoming resources and application of resources in the year then ended. In preparing the financial statements, the Trustees are required to: -

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which are sufficient to show and explain the Trust's transactions and to disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the financial statements comply with the requirements of the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and with the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the trust and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Trustees

23 January 2024

DAVID ALLEN

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF ST. LUKE'S SCHOOL TRUST**

I report on the financial statements of the St. Luke's School Trust for the year ended 31st March 2023 on pages 7 to 12 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 8.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the "Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

David Warren, BA FCA
Cocke, Vellacott & Hill
Unit 28 City Business Centre
Lower Road
LONDON
SE16 2XB

23 January 2024

ST. LUKE'S SCHOOL TRUST

STATEMENT OF FINANCIAL ACTIVITIES

for the Year ended 31st March 2023

		Unrestricted income funds £	Restricted residuary legacy fund £	Total funds 2023 £	<i>Total funds 2022 £</i>
Income from:	Notes				
Investments	2	73,132	-	73,132	64,974
Legacy		-	147,302	147,302	-
Total		<u>73,132</u>	<u>147,302</u>	<u>220,434</u>	<u>64,974</u>
Expenditure on:					
Raising funds					
Investment management costs		11,769	-	11,769	12,306
Charitable activities	3	105,683	-	105,683	62,781
Total		<u>117,452</u>	<u>-</u>	<u>117,452</u>	<u>75,087</u>
Net surplus / (deficit) before gains or losses on investments		(44,320)	147,302	102,982	(10,113)
Net gains / (losses) on investments	5	(218,952)	646	(218,306)	163,795
Net income / (expenditure)		<u>(263,272)</u>	<u>147,948</u>	<u>(115,324)</u>	<u>153,682</u>
Transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(263,272)</u>	<u>147,948</u>	<u>(115,324)</u>	<u>153,682</u>
Reconciliation of funds					
Total funds brought forward		3,583,813	-	3,583,813	3,430,131
Total funds carried forward		<u><u>3,320,541</u></u>	<u><u>147,948</u></u>	<u><u>3,468,489</u></u>	<u><u>3,583,813</u></u>

The notes on pages 9 to 12 form part of these financial statements

ST. LUKE'S SCHOOL TRUST

BALANCE SHEET

as at 31st March 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Investments	5	3,411,959	3,594,492
		3,411,959	3,594,492
CURRENT ASSETS			
Debtors	6	8,877	4,165
Cash at bank and in hand		55,885	22,711
		64,762	26,876
CREDITORS: Amounts falling due within one year	7	(8,232)	(37,555)
NET CURRENT ASSETS (LIABILITIES)		56,530	(10,679)
Total assets less current liabilities		3,468,489	3,583,813
THE FUNDS OF THE CHARITY			
Unrestricted income funds			
General fund		2,297,942	2,168,695
Revaluation reserve		1,022,599	1,415,118
Restricted residuary legacy fund		147,948	-
Total charity funds	8	3,468,489	3,583,813

The financial statements were approved by the trustees
on 23 January 2024 and signed on their behalf by: -

DAVID ALLEN - Trustee

The notes on pages 9 to 12 form part of these financial statements

NOTES TO THE ACCOUNTSfor the Year ended 31st March 2023**1. ACCOUNTING POLICIES****(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards, the Charities Act 2011 and the recommendations of the "Charities SORP (FRS 102)". The charity is a public benefit entity and its functional currency is sterling. Comparative figures are for the year 1st April 2022 to 31st March 2023.

(b) Incoming resources

All incoming resources are credited to the accounts when the charity is entitled to the income and the amount can be quantified with sufficient accuracy. Investment income including any associated recoverable taxation is taken into account on the basis of the due date of payment.

(c) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. VAT which is not recoverable is reported as part of the expenditure to which it relates.

Expenditure that involves more than one category is apportioned on a reasonable, justifiable and consistent basis to the cost categories involved.

Charitable activities include the making of grants and the expenses involved in making those grants. Grants payable are those grants that have been recognised as payable or for which a moral obligation to pay the grant exists.

Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

(d) Investments

Quoted investments are valued at the middle market price at the close of business at the year end. Unquoted investments and freehold property are valued at the estimated realisable value. Realised and unrealised gains and losses are taken to the Statement of Financial Activities.

(e) Taxation

Provision for taxation is not necessary, as the trust is a registered charity. No deferred tax provision is required.

(f) Funds

The Revaluation Reserve represents unrealised gains on listed securities as a result of their market values being higher than cost.

The General Fund represents the net surplus made by the Trust from its operations after any transfers to other funds. It is used to support the children being educated in St. Luke's School in accordance with the charitable objects.

2. INVESTMENT INCOME

	2023	2022
	£	£
UK quoted investment income	67,427	60,828
UK unquoted investment income	4,241	4,136
Interest on cash held as part of the investment portfolio	-	-
Deposit interest	1,464	10
	73,132	64,974

NOTES TO THE ACCOUNTS (continued)
for the Year ended 31st March 2023

3. CHARITABLE ACTIVITIES	2023	2022
	£	£
Grants payable:		
St. Luke's School for -		
Summer term teacher	26,237	0
School journey	11,467	7,799
St. Luke's Day – gift for every child	400	1,252
Bibles	200	200
Islington road maps	1,600	1,600
Breakfast Club	5,325	5,220
Swimming	6,000	5,400
Foxes Crowns	156	0
Music	9,000	8,684
Dance and Drama	8,500	8,190
Phonics books	2,663	0
Staff travel support	0	6,899
Staff lunches and refreshments	5,035	2,790
After School Provision	6,000	6,000
Pupil workshops	661	2,630
Repairs to property	14,786	1,504
Equipment	500	0
Tabards	275	0
Discretionary grants awarded to pupils for hardship	300	400
	99,105	58,568
Governance		
Independent examiner's fees	1,860	1,800
Legal fees	2,321	35
Trustee professional indemnity insurance	393	353
Trustees' lunch	-	-
Trustees' expenses	-	25
Clerk's fees and expenses	2,004	2,000
	6,578	4,213
Total charitable activities	105,683	62,781

4. TRUSTEES AND EMPLOYEES

None of the trustees received any remuneration during the current or preceding year. During the year no trustees (2022 – none) were reimbursed (2022 - £nil) for expenses.

The clerk to the trustees received fees and expenses for their services (see note 3).

The Trust does not have any employees.

NOTES TO THE ACCOUNTS (continued)
for the Year ended 31st March 2023

5. FIXED ASSET INVESTMENTS	2023	2022
	£	£
Market value at 1st April	3,594,492	3,441,115
Additions at cost	642,222	437,154
Disposals	(692,276)	(415,862)
Realised gains (losses) on investments	(15,539)	22,057
Unrealised gains (losses) on investments	(203,413)	141,738
Net cash movements on cash held by brokers	(61,475)	(31,710)
Balance held in respect of Sir WJ Jordan Residuary Legacy Fund	147,948	-
	3,411,959	3,594,492
Historical cost at 31 st March	2,241,412	2,179,374
Analysed as follows:-	Market Value	
	2023	2022
	£	£
Investments listed on the UK stock exchange	3,104,216	3,367,826
Unquoted securities	146,480	151,876
Cash held as part of the investment portfolio	161,263	74,790
	3,411,959	3,594,492
The following securities exceeded 5% of the value of the portfolio:	Nominal amount	Valuation 31st March 2023
		£
Allianz Global Investments UK Yield I Inc Nav	113,000	180,307
Findlay Park Llp American Fund	1,875	192,605
Ishares S&P 500 Ucits Etf GBP Dis	14,901	489,274
6. DEBTORS	2023	2022
	£	£
Income receivable	8,877	4,165
7. CREDITORS: Amounts falling due within one year	2023	2022
	£	£
Accruals	8,232	37,555

NOTES TO THE ACCOUNTS (continued)
for the Year ended 31st March 2023

8. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted income funds £	Restricted residuary legacy fund £	Total funds £
Fund balances at 31 st March 2023 as represented by:			
UK quoted and unquoted investments	3,264,011	147,948	3,411,959
Net current assets	56,530	-	56,530
	<hr/>	<hr/>	<hr/>
Total net assets	3,320,541	147,948	3,468,489
	<hr/>	<hr/>	<hr/>

The balance on the unrestricted income funds comprises £2,297,942 in the general fund and £1,022,599 in the revaluation reserve.

The balance on the revaluation reserve represents the amount by which the investments shown in note 5 differ from their historical cost. The figure of £1,022,599 is made up of unrealised gains of £908,763 on quoted shares and unrealised gains of £113,836 on unquoted shares.

The balance on the Restricted Residuary Legacy Fund arises from a legacy received in a number of instalments between June 2022 and March 2023 from the estate of a former pupil of the school, Sir W J Jordan. The provisions of Sir Jordan's will provide that the bequest shall be invested by the Trustees and the annual income arising therefrom is to be applied from time to time for the purpose of rewarding, assisting or encouraging any scholar or scholars at St. Luke's School who has or have suffered misfortune by illness affliction or other mishap who merits financial assistance.