



Annual Report and Accounts of

St Luke's Parochial Trust

For the year ended 31 December 2020

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
Don Kehoe	Co-optative
Debra Mendes	Co-optative
Alex Norris	Nominated by PCC St Giles' Cripplegate with St Luke's Old Street
Ray O'Halloran	Co-optative
Crispin Rapinet	Co-optative
Penny Seal	Co-optative
John Thirlwell	Nominated by PCC St Giles' Cripplegate with St Luke's Old St: resigned on April 6 th 2020.
Joe Trotter	Co-optative
David Vasserman	Co-optative
Kieran Wadia	Co-optative
Cllr Claudia Webbe	Nominated by L.B. of Islington: resigned on September 24 th 2020
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
Cllr Matt Nathan	Nominated by L.B. of Islington: joined the board on November 12 th 2020

Principal Office 90 Central Street, London EC1V 8AJ (tel: 020 7549 8181)

Charity Registration No. 207497

Auditors PKF Littlejohn LLP, 15 Westferry Circus, Canary Wharf, London E14 4HD

Investment Advisors Investment Quorum Limited, Guildhall House, 85 Gresham Street, London EC2V 7NQ

Bankers HSBC plc, The Helicon, 1 South Place, London EC2M 2UP

Solicitors Kingsley Napley LLP, 14 St John's Lane, London EC1M 4AJ

FROM THE CHAIR

This being my first report as Chair of Trustees for St. Luke's Community Centre for the year to December 31st 2020, I can only reflect on the events of the past 12 months. 2020 can only be described as one of the most challenging and difficult periods of time faced by the St. Luke's Community. We have seen an unprecedented sequence of events which has impacted on the very fabric of St. Luke's from our operational team resilience, the local community engagement program, to the incredible increase in the need to support our community and local residents in any way we can.

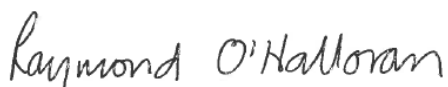
Once again though, St. Luke's has risen to the challenge put before it and I am so proud of all the hard work and effort that has gone into challenging our operational goals and objectives to support the local area during Covid-19. To have the foresight to release funds to support this change in our direction has also been remarkable. St. Luke's has provided a central support hub to the people within our catchment area. Even with the national lockdown restrictions in place St. Luke's has managed to operate a food hub throughout 2020, provide hot meals service to those of our customers who need it, provided a help desk for people to call for advice and been actively involved with the local Council and other charitable organisations to provide advice and guidance for the coordinated borough wide program of support. All this was achieved effectively whilst having the added responsibility of providing a safe environment for staff and visitors to the Centre when the Centre was opened.

It has been a traumatic year but I have had the honour to be working alongside a dedicated and professional team of Trustees who have supported St. Luke's in every aspect of the charity from the committees to volunteering for additional services as required. Without this level of support from Trustees the team at St. Luke's would have found it difficult to provide the front line services required through this crisis. A special mention must be given to Michael and the team at St. Luke's, no matter what problem or issue was thrown at them they managed it in a professional and measured manner and I can only say that without this type of leadership and dedication we would not be where we are.

Throughout 2020, we as an organisation have looked at what we needed to focus on to maximise the benefits to our community. In March 2020 Trustees agreed that we would look to expand our outreach program rather than our capital development program for 2020. This was based on the pending pandemic and on reflection this was a very good decision from the Trustees. We have not been able to fully engage the all age approach in 2020 but once we are in a position to reopen fully we will look to push this forward as agreed and reported on last year.

One of the most worrying developments in 2020 has been our need to introduce a community food hub. From March 2020 until December 2020, we have seen a significant increase in customers, registering over 200 families, supporting over 600 residents in total. This service has been so effective that going forward I see this resource remaining in place until we can confidently say our customers are self-sufficient once more. I also have to say that the support from Islington Council and other charitable organisations has been exceptional and we are indebted to them for their support.

Finally, I would like to thank everyone involved with St. Luke's Community Centre for their hard work and dedication to our community over 2020. We are not through this pandemic yet and still need to show further resilience throughout 2021, but with the team involved, I am confident that we will get through this and come out stronger than before. Maybe then we can all gather and celebrate the extraordinary work St. Luke's has achieved over the past 12 months for our community.



Raymond O'Halloran, Chair of the board

FROM THE SENIOR MANAGEMENT TEAM

2020 has been the most challenging of years for St Luke's, and the world, with the global Covid-19 pandemic. There is no doubt life has been difficult for our local residents and members over the past year, but it has also been heartening to see the huge levels of support and generosity towards St Luke's and the coming together of our wonderful community.

In March 2020, the Centre had to close its doors to the public but it was hugely important that we continued to support our members. Even with our doors closed in March, we were still able to cook a meal every day for our older vulnerable members or for those who were shielding and could not leave their homes. We were able to deliver those meals to the homes of people. We were also able to support households with food almost on a daily basis. It was wonderful to be able to support people in this manner but it was also very sad to see how people were impacted by the pandemic.

At the same time, our over 55s team and some of our corporate volunteers provided telephone support to those who were isolating, living on their own and were vulnerable. People still felt incredibly lonely and, in some cases, very afraid, but the telephone contact from St Luke's was a life-line to many of them.

We opened the Centre as soon as we were able, on July 6th 2020. The services were restricted to what was allowed by Government restrictions at that time. We had to close services again at the beginning of November and then went through an unusual time in responding to changes introduced by Government. However, staff and volunteers were wonderfully flexible in their response to these changes, some of which were introduced with very little notice.

Despite these changes, St Luke's continued to respond to the needs of local people and continued to adapt our services accordingly. December arrived and staff began to arrange appointments for people to be vaccinated, took people to the vaccination Centres, remained with them after the vaccination and took them home afterwards. It was heartening to see and experience.

However, the most important aspect to St Luke's being able to continue to support people, came from the support received from so many different sources. Large quantities of food were delivered for distribution to service users and other charities within Islington. Our corporate partners rallied to our side without us even having to ask them. Our funders provided much needed finances to provide our services. Volunteer applications trebled (but unfortunately, we could only engage a small proportion due to social distancing). Local residents appeared on our doorstep with food donations. The Local Authority, and particularly the VCS team, were hugely supportive on so many different levels. They responded quickly, comprehensively and had a real 'can do' approach to everything.

Finally, proper acknowledgement needs to go to our staff for the way each one responded. They were responsive, flexible, understanding and hard-working. Even though we were in the middle of a pandemic, people wanted to help as much as they could and wanted to support our local community. It was so uplifting to experience.

We were very careful when services operated from St Luke's. As a result, we are delighted to report that we are not aware of any of our service users having contracted Covid-19. We were always so careful in ensuring the Centre was Covid-safe, that we feel genuinely happy that we were able to protect our service users in this important way enabling them to participate in face-to-face interaction.

Michael Ryan, Chief Executive, Keren Wiltshire, Director of Services and Thomas Lans, Director of Operations

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. The arrival of a global pandemic during 2020 only re-enforced the main objectives. 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

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7. Develop partnerships with, and between, local groups and providers
8. Give local people a sense of where they live, work, learn and play

Plan for the future

During 2020, 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. A similar away day scheduled for 2020 was cancelled due to Government directives on gatherings. However, the strategic direction agreed between 2017 and 2019 is as relevant to the charity as it emerges from the pandemic and plans its services, activities and events for 2021. St Luke's 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 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). From that time until March 2020, the Centre provided services and activities for people of all ages during the day, evening and weekends. Thus, for that ten-month period, the Centre was a seven-day week enterprise with longer opening hours in the evenings. During March 2020, the Centre had to adapt its services to ensure compliance with Government legislation and requirements. The health and wellbeing officer, who was recruited in 2019, has supported local residents with health related issues, particularly mental health issues. This role has been particularly relevant during the pandemic.

The community engagement officer, recruited in 2018, 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. During 2020, this role and these partnerships were crucial in ensuring the Centre was responding to the needs of local people in light of Covid-19.

The charity continues 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 was drawn up and agreed by the board in early March 2020. However, the action plan was re-adapted during 2020. The board has stated its ongoing commitment to ensure St Luke's prioritises this action plan.

St Luke's had been looking carefully at the building and how best it can provide added green space to the local community. Architectural plans were considered and the board decided to defer any building work in order to focus its resources on providing support to the local community. This was a decision taken by the board prior to the advent of Covid-19, but has proved to be a fundamental sound decision in the circumstances in order to support local residents.

In December 2019, the unit at 80 Central Street was taken back by St Luke's and transformed into a new employment hub. The team took up occupation in February 2020. However, services were suspended at the end of March 2020 and the space was transformed into a Food Hub in order to support our members.

As a London Living Wage Employer since October 2019, the Centre has continued to explore further avenues for supporting staff and maintaining a positive, healthy, environment in which to work.

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As we are all too aware now, 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 were hugely volatile impacting the charity's investments. It was expected that, by the end of 2020, we would be back on a more even keel. However, this was not to be the case and the Centre was still focusing on practical solutions to ensure the continuation of its services. This will continue well into 2021 and 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 17th June 1983, 30th December 1983, 29th November 1994 and 29th April 1998, as amended by Section 74D Charities Act 2006 Resolution of 17th 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 17th December 2014 and began trading on the 1st 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 15 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.

Six 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.

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In 2020, a nominative trustee, John Thirlwell, appointed by the parish council of St Giles' Cripplegate, left the board. This role is still vacant. Cllr Claudia Webbe, a nominative trustee, appointed by the London Borough of Islington, left the board in September 2020 and was replaced with Cllr Matt Nathan.

Organisation structure, committees, and decision-making

During 2020, the board of trustees held four meetings. Unfortunately, due to the Covid-19 pandemic, the Trustees' Away Day which had been scheduled for June 2020, was cancelled. 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. With Covid-19 restrictions in place during the year, St Luke's has had to completely adapt its activities. However, the public benefit principle is at the core of these adaptations. St Luke's is also 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

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the impact of services on its members and service users. Impact reports were produced for the trustees during 2019 and 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 in 2019 show that employment for people in the area improved in the previous five years. However, statistics from Job Centre Plus in December 2020 shows a marked increase in unemployment levels in the area with applications for Universal Credit increasing by 100%. Furthermore, 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 but with the arrival of the global pandemic, access to public buildings has been completely restricted by Government guidance and legislation. During 2020, the number of visitors to the Centre was in the region of 20,000. A small number of companies and firms hired rooms from the Centre and brought some much needed 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. Some of these firms jumped to St Luke's assistance during the year without even being approached. This shows an uplifting attitude from those particular firms. We acknowledge their support at the end of this report.

The achievements of the business engagement team in supporting people to become 'job ready' is reported on page 13 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, particularly in light of what the area, and the world, has experienced during 2020.

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 the 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 also occupying a 1,600 square foot annex located next door to the centre, which during 2020 became the base for St Luke's Food Hub.

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During this year the building was underused due to the various restrictions in place, but this turned out to be a golden opportunity to paint all our spaces, declutter and deep clean, to be ready to welcome the community back to the centre again. Normally the building would be used for a very wide range of activities, from children's activities to early dementia care, hire of our meeting room spaces and a cookery school. It has also been used by local organisations putting on services for local residents.

Footfall 2020

St Luke's started the year very strongly with around 14,000 visits to the centre in January and February. During a "normal year" St Luke's would welcome around 70,000 visitors to the centre, in addition to many tens of thousands of customers to our cafe. However, due to lockdown and restrictions, the final number for the year was around 20,000 visits.

St Luke's catering service

The year started strongly for the catering service. From the end of March the café closed and the hospitality catering stopped due to cancellation of room hire bookings. However, from the first day of lockdown the over 55s Lunch Club developed into a home-delivery Lunch Club service, delivering home-cooked fresh food to many of our vulnerable residents, this continued for the rest of the year. The café and Lunch Club opened again from July, but had to close down again later on in the year like everywhere else. However, both café and Lunch Club continued to offer a 'takeaway' service for the remainder of the year.

Keeping the building, staff, tenants and visitors Covid-19 safe

St Luke's has worked hard to make the building Covid-19 safe and implemented safety measures very early in 2020, such as purchasing PPE equipment as early as the end of January 2020. Then, introducing systems we now take for granted, such as arrows showing people where to walk, stickers to show where to stand, and protective screens for front line staff on reception, Lunch Club, Café and Food Hub. Early on, we also installed hand sanitizer dispensers at entry/exit points throughout the centre and arranged the furniture to allow for best social distancing practice. We engaged a dedicated daytime cleaner to help keep the building Covid-safe.

Environmental

An Eco Audit of St Luke's took place at the end of 2019. Many of the recommendations from the report were actioned during 2020, such as switching to a green energy supplier, changing to smart and LED lighting, reviewing our catering offer to be more environmentally friendly and encourage staff to walk and cycle to work. This year has also seen the narrative and awareness of climate change undergo a significant positive shift. This has been incredibly encouraging and something St Luke's will continue to build on over the coming years.

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. This was all the more important during 2020 when the community was impacted by the Covid-19 pandemic. Facilities are accessible, contemporary and of a high quality. Service users and customers remark on the friendliness of the Centre, and it is very satisfying to be recognised as a place that truly responds to the

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needs of the community. The following headings provide highlights for some of the more significant services delivered during 2020:

Over 55s Service

St Luke's has almost 900+ registered older members aged 55+ and the majority of those are aged 70+ and living by themselves with long-term health conditions. The needs of our vulnerable older community was an immediate priority when the pandemic started in 2020 and continue to be so. Despite the financial uncertainties, St Luke's retained its Over 55s team as key workers, providing older residents with emotional support and practical assistance they needed to stay safely at home.

Initially, three course lunches were delivered to the doorsteps of members who struggled with shopping and cooking. We kept in touch with our regulars and their families with wellbeing calls, and the team helped with shopping, delivered donated food and popped 'outside' to chat with members who were experiencing difficulties. We also began posting monthly 'Lockdown Lowdown' newsletters to stay connected with older members and on Fridays we supported local restaurant, Fish Central, and volunteers to help deliver free fish and chip dinners to the homes of isolated members.

As lockdown eased in July we were pleased to open the community centre, Covid-secure, and offer a limited over 55s programme including a socially distanced lunch club, a transport service, park picnic and small activity groups. This came to an end in mid-December with the second lockdown when we resumed our lunch deliveries, as well as offering a take-away service, and we were happy to begin supporting frailer members with transport to their vaccination appointments. Finally, despite the lockdown restrictions, we were able to deliver a traditional Christmas day lunch and gift to those who would otherwise spend the day by themselves.

Health and Well-Being

Promoting good health and wellbeing is a priority for St Luke's and never more so than during 2020. The pandemic created a lot of fear, confusion and loneliness for local residents and our Health & Wellbeing officer, Tsedal Menghistu, worked from the community centre throughout the year offering information, signposting and a listening ear to those in need.

During the first lockdown, in addition to developing a new telephone befriending service, we introduced a daily information helpline and regular wellbeing calls to meet the needs of what was often a very anxious local community. Since March we supported 309 residents to cope with the emotional and practical repercussions of the pandemic. We connected residents of all ages to St Luke's other Covid-19 emergency services and also made referrals to our partner agencies, ensuring residents received the support they needed to apply for welfare benefits and crisis grants, obtain debt advice, and receive appropriate health care guidance etc.

As lockdown eased during the summer we celebrated World Mental Health Day with a much needed and very successful older people's relaxation workshop and we held popular stress busting and wellbeing workshops for the EC1 Women's Multicultural Group with local mental health project, Direct Action Project. St Luke's staff returning to work from furlough appreciated a self-care workshop delivered by our key partner and promoting positive mental health charity, Key Changes. Key Changes also delivered a wellbeing session for key workers who found it useful to share their experiences of working through the pandemic.

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Central Street Cookery School

The New Year started with a fabulous community feast enjoyed by residents and staff which was cooked by celebrity chef, Melissa Hemsley, with volunteers from both St Luke's and our food waste charity partner, the Felix Project. Our Cookery School Manager, Sofia Craxton, left in February and all our popular community cookery classes and cookery school hire came to a sudden halt in March.

The social distancing regulations that have been in place since March made the re-opening of the cookery school for community classes unviable for the remainder of 2020. However, in October, we were very pleased to deliver our first virtual cooking class for the Old Street District Partnership and this successful experience will inform our future delivery of community classes in 2021.

Growing Connections

Although the winter months are often quieter in gardens, our regular community sessions continued to have a steady footfall in early 2020 giving us time to focus on indoor plants, winter tasks and to enjoy our flourishing new greenhouse. In February, we completed a successful community project with our volunteer gardeners and the Hackney Mosaic Project to create an insect mosaic trail along with mosaic garden signs, and a map for visitors to the Edible Yard.

Despite the lockdown, all St Luke's outdoor spaces continued to grow and thrive throughout the year and special thanks goes to our volunteer gardeners, particularly Andrew Nolan, who was an almost daily visitor. These efforts were recognised when we proudly received Gold for community gardens in the London in Bloom 2020 Awards.

As lockdown restrictions ease and the weather improves we look forward to resuming delivery of our gardening and food growing groups and moving forward with new community sustainability programmes.

Business Engagement

2020 had an exciting and prestigious start for the Business Engagement Team when manager, John Garces, was invited to speak and represent St Luke's and the work with our business partners at the United Nations Headquarters in New York in February. At the three day event to celebrate the 5th International Day of Women and Girls in Science, John promoted our corporate sector responsibility programmes to around 2,000 international attendees. We are very grateful to Hogan Lovells for making this incredible trip possible by contributing towards the cost.

Sadly, the subsequent lockdown from March to September saw the temporary closure of our business engagement programmes. However, support from our corporate partners continued as strong as ever and we were delighted to receive so many generous offers of support and messages of goodwill. Regular supporters came forward with considerate offers to accelerate payment of membership renewals and 2021 donations to assist our cash flow at this difficult time and a range of pro bono support helped us make cost savings while improving our governance. During this time, with support from corporate volunteers, we were also able to deliver a new telephone befriending service. This popular service matched volunteers with vulnerable members who were feeling lonely or anxious and, at the height of the lockdown, was supporting 60 residents each week.

Since September we have successfully moved our employability support and Firm Futures, business start-up programme, to online delivery. We have also been extending our digital inclusion programme

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supporting isolated older people, families and job seekers to connect online with donated equipment and training. Despite the challenges, in 2020 we supported 94 unemployed residents to find work, we worked with 33 new business start-ups and corporate volunteers donated a total of 746 voluntary hours.

Finally, our traditional Christmas appeal brought the year to an impressive end as we exceeded our funding target with generous support from corporate partners and individual donors who bought community gifts to the value of £6k, donated over £7k to Just Giving and supported the Food Hub with festive food and treats.

Community Engagement

At the beginning of 2020, Community Engagement Manager, Carol-Ann McArdle, was focussed on improving the diversity of engagement and the promotion of St Luke's All Age Approach. In January we introduced monthly 'Pop-Ups' at different community venues including Clerkenwell Medical Practice and Ironmonger Row Baths. In February we held our first All User Committee attended by 12 local residents and staff and, in partnership with Forum+, we successfully introduced Cooking with Pride and an LGBTQ monthly Film Club and, as always, our celebration of International Women's Day in early March proved very popular. Since mid-March, our focus has been to support the community through the new St Luke's Food Hub and in building relationships with food suppliers and partners in order to meet the increasing needs arising from local food poverty.

St Luke's Food Hub

The newly created Food Hub was led by the Community Engagement Manager and supported by colleagues and volunteers during the first lockdown with the majority of referrals coming through our members, Help on Your Doorstep, Bright Start and local schools. Food Connections was successfully launched in mid-September with 47 households (133 beneficiaries) collecting essential food supplies once a week by appointment with a referral system introduced and gateways provided to other longer-term support.

Since the introduction of the second lockdown, the food distribution continued to be managed by the Community Engagement Manager and our Health & Wellbeing Co-ordinator supported beneficiaries with sign-posting to support services meeting individual needs. Opening times increased to meet increasing demands with 213 households (617 beneficiaries) registered by the end of 2020. King Square Nursery and Toffee Park Adventure Playground also made twice weekly collections to give food to families directly and The People's Army made collections to distribute through their own food bank.

Grant funding enabled us to purchase good quality and culturally appropriate food and other essential household items such as nappies, toiletries and cleaning products. We are very grateful to our partners for their regular weekly food donations including London Borough of Islington, Felix Project, Fareshare and City Harvest. We are also hugely appreciative of all the local residents who supported the Food Hub with their time, commitment and their own donations. In 2020 St Luke's distributed over 50 tonnes of donated food and supplies to families and residents in need.

A Christmas Toy appeal was launched in December and over 400 new toys were donated or purchased with money that was gifted. We were able to provide over 100 children registered through the Food Hub with good quality gifts. Christmas hampers donated by Slaughter and May were given to beneficiaries who were spending the festive period alone.

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Children and Families

St Luke's weekly children's after school clubs that took place at the beginning of the year included table tennis, arts & craft and family cook and eat. The new Saturday Community Hub which offered free refreshments, craft and games in a friendly 'drop-in' environment proved to be popular with families and partners including Finsbury Library who delivered free workshops. Unfortunately, at the end of March our programme of activities and events for children and families was put on hold.

During the relaxation of lockdown in August, families attending the Food Hub were invited to join family bubble art sessions on our roof terrace and Islington Boat Club also provided free socially distanced summer boat trips. In October we produced activity collection packs including Pumpkin Making and Black History Month Arts & Craft. Despite the lockdown difficulties, the Parent Forum WhatsApp group continued to welcome new members and send messages of support within their network.

Volunteering

Volunteers make an enormous contribution to the delivery of St Luke's key services and events and volunteering offers local people the opportunity to socialise, share skills and gain confidence and experience. In 2020 we had our highest ever number of volunteers donating their time with almost 3,000 hours recorded and this was despite making the difficult decision to temporarily stop all volunteer support in December because of the increasingly high Covid-19 infection rates. We are grateful to everybody who came forward to offer their support to our community during what was a very challenging year.

South Islington employment cluster

The Centre continued to be the lead organisation in the south of the Borough, for the employment cluster. However, no meetings took place during the year and a new initiative from 'We are Islington' has been formed to address the issues in relation to employment. This is expected to expand during 2021 as the effects of the pandemic will be even more pronounced. Up to fifteen partners who were part of the Employment Cluster, and who worked collaboratively with St Luke's, are all part of the new initiative. These include 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. One meeting took place, in person, at the beginning of the year, and a second meeting took place, online, in July 2020.

FINANCIAL REVIEW

The Covid-19 pandemic had a major impact on St Luke's ability to generate income through its trading subsidiary with the result that total income decreased by £508,815 from £2,162,397 in 2019 to £1,653,582 in 2020.

The principal sources of income, at 86% of the total, were dividends from investments, grants from central and local government and trading income from facility hire and catering.

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Despite the reduced income trustees, recognising the continuing and often newly different needs of the local community, resolved to maintain as many services as possible with the result that, although expenditure was reduced from £2.4m to £ 2.1m a net loss of £404,608 was made before gains on investments (2019: 276k loss). That was the loss resulting from operational activity.

The overall results were significantly impacted on by 2 further factors – gains on investments of £1.5m and a £109k loss resulting from the triannual pension deficit revaluation. Together those turned the £405k loss from operating activity into a £1m positive movement in all funds and, importantly for SLPT's sustainability, a £128k increase in unrestricted funds.

The ultimate surplus on unrestricted funds was in no small part due to the adoption of total return accounting for the endowment funds which allowed for £584k of the return on endowment investments being taken to general funds to provide vital working capital for operations

At the year end, all funds totalled £28,724,824 (2019: £27,717,436) of which £5,140,500 (2019: £5,304,641) took the form of tangible fixed assets (St Luke's premises and equipment) and £23,997,470 were investments (2019: £23,016,259). Of the investments, £15,974,310 (2019: £15,118,284) were permanent endowment funds. Net current assets (including cash), being St Luke's funds available for spending, totalled £372,315 (2019: £238,328).

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. The decision by the trustees to move to a total return policy, whereby they seek to maximise total returns regardless of whether those returns accrue by way of income or capital growth, gave much needed stability to the finances, and specifically the cash flow, of the organisation throughout the year.

The policy applying in 2020 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 2020, 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. In 2019, the trustees gave Investment Quorum discretionary powers to invest in the best interests of the organisation.

Total return investment

The trustees considered a valuation of £8.294m on 31 December 2008 to be the earliest reliable valuation on which to base the value of the original endowment. In order to maintain the real value of the core

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endowment, an annual uplift in line with increases in the Consumer Price Index is made to it from income and gains generated by the endowment investments, otherwise referred to as the unapplied total return.

As permitted under the Charity Commission's total return regulations, an annual transfer has and will in future years be made from the unapplied total return to general funds in order to provide working capital for the Trust. From 2019 to 2021 the transfer is anticipated to average £600,000 per annum.

Ethical investment policy

St Luke's portfolio is invested in collective funds, not direct equities. Whilst there is no formal exclusion policy in place, the Trustees are in regular communication with their investment managers and encourages them to give due consideration to the environmental, social or governance (ESG) credentials of the underlying holdings and to consider investing in funds and managers which display, promote or integrate ESG characteristics..

RESERVES POLICY

The charity funds comprise a mixture of permanent endowment (£15.97m), restricted funds (£107k) and unrestricted funds (£12.64m). Of the unrestricted funds, £5.14m are represented by fixed assets comprising mostly the community centre.

The majority of the remainder has been designated as follows:

Cyclical Maintenance Fund (£1.16m). 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, £18,863 was spent from the fund on essential maintenance works (2019 balance = £1.13m).

Extraordinary Repair Fund (£0.75m). 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. Exceptionally, nothing was spent from the fund during the year (2019 balance = £721k).

Planning Deed Fund (£1.96m). This fund will meet an obligation to pay a commuted housing sum to Islington Council over the next 22 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 1st November 2013, which stipulated an obligation 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 22 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 (£0.41m). 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

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costs. The amount has been calculated on the basis of 10 years' annual present-day costs. During the year, £64k was spent on maintaining services to vulnerable clients (2019 balance = £0.48m).

General Fund. This fund, totalling £3.22 million (2019: £2.92m), 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, £366,252 (2019: £271,409) 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 15 (2019: 14) months of unrestricted expenditure in normal operating conditions (£210k pm), the balance having risen as a result of gains in the value of investments through the year. For the main part those gains were unrealised gains which 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 2020, the trustees consider the risks listed below as the main risks faced by the charity. However, the overriding risk during 2020 has been the potential impact of Covid-19. The other 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.

- 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. St Luke's has also benefited from the Government's Work Retention Scheme. The closure of services has reduced the income but it has also reduced expenditure. On a non-financial level, the Centre focused very carefully on keeping the space safe for staff and service users in order to minimise the transmission of the virus. By the end of the year, the steps taken by the Centre proved effective in this aim. However, the organisation, like every other organisation in the world, will have a challenging time as we move forward.
- 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. During 2020, the global markets have been extremely volatile and it is expected that they will settle down in the coming year. However, unrealised gains during 2020 must be understood in the context of the volatility of the markets.

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- 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 was affected by the general slow-down in the hospitality industry and did not meet set sales' goals. During 2020, this was even more pronounced. Income from the café was less than a quarter of that which had been in the budget for the year. The café had to close for three months as a result of Government restrictions. However, curbs on expenditure went some way to reduce the deficit on the service. 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 15 to the accounts) is subject to revaluation on a triennial basis. The most recent revaluation took place during 2020 and it was agreed with all parties that St Luke's contribution will continue at the same level as in the past three years. 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, whose end date has been extended from January 2025 to August 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. However, trustees continue to ensure the organisation is fully aware of the need to be cautious in all transactions.

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);

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- 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: 9th June 2021



Raymond O'Halloran, Chair of the Board of Trustee

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Trustees' annual report
For the year ended 31 December 2020

Opinion

We have audited the financial statements of St Luke's Parochial Trust (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2020 which comprise the Consolidated and Parent Charity Statements of Financial Activities, the Consolidated and Parent Charity Balance Sheets, the Consolidated and Parent Charity Cash Flow Statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2020 and of the group's incoming resources and application of resources, including its income and expenditure, 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 contained within the trustees' annual report. Our opinion on the group and parent charity financial statements does not cover the other information and we do not express any form of

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For the year ended 31 December 2020

assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 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 the Act and the relevant regulations made or having effect thereunder.

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

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Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent charity and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, application of cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the group and parent charity in this regard to be those arising from the Charities Act 2011, Charities (Accounts and Reports) Regulations 2008, and Companies Act 2006.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent charity with those laws and regulations. These procedures included, but were not limited to:
 - enquiries of management
 - review of minutes
 - review of legal correspondence
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that accounting estimates such as the pensions liability provision were also subject to this risk. We reviewed the actuarial report and considered the assumptions within it. No issues were noted with regards to management override.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our auditor's report.

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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.



PKF Littlejohn LLP

Statutory Auditor

15 Westferry Circus

Canary Wharf

London E14 4HD

16 June 2021

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 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total £	2019 Total £
Income from:						
Donations and legacies	2	29,419	13,460	-	42,879	27,017
Charitable activities	3					
Community centre		20,200	-	-	20,200	21,280
Community services		65,874	182,571	-	248,445	262,130
Other trading activities	4					
St Luke's Trading Limited		391,072	-	-	391,072	940,976
Rental income		-	-	-	-	60,981
Investment income	5	222,605	-	441,684	664,289	850,013
Other income	6	286,697	-	-	286,697	-
Total income		1,015,867	196,031	441,684	1,653,582	2,162,397
Expenditure on:						
Raising funds	7					
St Luke's Trading Limited		287,883	-	-	287,883	717,033
Investment management costs		22,453	-	45,005	67,458	57,669
Fundraising		47,085	-	-	47,085	43,412
Charitable activities	7					
Community centre		765,298	-	-	765,298	714,304
Community services		717,908	172,558	-	890,466	906,077
Total expenditure		1,840,627	172,558	45,005	2,058,190	2,438,495
Net (expenditure) income before net gains on investments	8	(824,760)	23,473	396,679	(404,608)	(276,098)
Net gains on investments	11	478,026	-	1,042,998	1,521,024	2,802,183
Net (expenditure) income for the year		(346,734)	23,473	1,439,677	1,116,416	2,526,085
Transfers between funds	12	583,651	-	(583,651)	-	-
Net income before other recognised gains and losses		236,917	23,473	856,026	1,116,416	2,526,085
Actuarial losses on defined benefit pension scheme	16	(109,028)	-	-	(109,028)	-
Net movement in funds		127,889	23,473	856,026	1,007,388	2,526,085
Reconciliation of funds						
Total funds brought forward	19	12,515,825	83,327	15,118,284	27,717,436	25,191,351
Total funds carried forward		12,643,714	106,800	15,974,310	28,724,824	27,717,436

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 28 to 46 form part of these financial statements.

St Luke's Parochial Trust
Balance sheets
For the year ended 31 December 2020

	Notes	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Fixed assets					
Tangible assets	10	5,140,500	5,304,641	5,140,500	5,304,641
Investments	11	23,997,469	23,016,259	23,997,470	23,016,260
		<u>29,137,969</u>	<u>28,320,900</u>	<u>29,137,970</u>	<u>28,320,901</u>
Current assets					
Debtors	13	181,607	310,952	200,830	371,642
Cash at bank and in hand		473,052	354,736	363,475	203,199
		<u>654,659</u>	<u>665,688</u>	<u>564,305</u>	<u>574,841</u>
Liabilities					
Creditors: amounts falling due within one year	14	(282,344)	(427,360)	(191,991)	(336,514)
Net current assets		<u>372,315</u>	<u>238,328</u>	<u>372,314</u>	<u>238,327</u>
Total assets less current liabilities		<u>29,510,284</u>	<u>28,559,228</u>	<u>29,510,284</u>	<u>28,559,228</u>
Defined benefit pension scheme liability	16	(785,460)	(841,792)	(785,460)	(841,792)
Net assets		<u>28,724,824</u>	<u>27,717,436</u>	<u>28,724,824</u>	<u>27,717,436</u>
Represented by:					
Funds and reserves	19				
Endowment fund		15,974,310	15,118,284	15,974,310	15,118,284
Restricted funds		106,800	83,327	106,800	83,327
Unrestricted funds					
Designated tangible fixed assets fund		5,140,500	5,304,641	5,140,500	5,304,641
Designated revenue funds		4,285,883	4,295,388	4,285,883	4,295,388
General funds		3,217,331	2,915,796	3,217,331	2,915,796
		<u>12,643,714</u>	<u>12,515,825</u>	<u>12,643,714</u>	<u>12,515,825</u>
		<u>28,724,824</u>	<u>27,717,436</u>	<u>28,724,824</u>	<u>27,717,436</u>

Approved by the Trustees on 9 June 2021 and signed on their behalf by:

Raymond O'Halloran

Raymond O'Halloran
Chairman of the Board of Trustees

The notes on pages 28 to 46 form part of these financial statements.

St Luke's Parochial Trust
Consolidated statement of cash flows
For the year ended 31 December 2020

	Notes	2020 £	2019 £
Net cash (used in) provided by operating activities	20	(1,085,787)	(1,090,044)
Cash flows from investing activities:			
Interest, rent and dividends from investments		664,289	850,013
Purchase of tangible fixed assets		-	(129,392)
Proceeds from the sale of tangible fixed assets		-	-
Purchase of investments		(4,250,931)	(1,877,422)
Proceeds from the disposal of investments		4,829,779	2,114,637
Cash provided by investing activities		1,243,137	957,836
Change in cash and cash equivalents in the year		157,350	(132,208)
Cash and cash equivalents at the beginning of the year		538,236	670,444
Cash and cash equivalents at the end of the year	21	695,586	538,236
		-	-

The notes on pages 28 to 46 form part of these financial statements.

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2020

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) as applicable from 1 January 2019.

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 2020 was £1,646,465 (2019: £2,152,250) and net income, after gains on investments, was £1,007,388 (2019: net income, after gains on investments, of £2,526,085).

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 ongoing impact of COVID -19 on activities and cash flows 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. Changes to St Luke's service delivery model have 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.

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.

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2020

1 Accounting policies (continued)

d Funds structure (continued)

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 investments 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 foodstuffs for redistribution, is not recognised in the accounts due to the impracticality of reliably measuring their fair 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 7).

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 7.

h Provision of space

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

i Volunteers and placement students

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

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2020

1 Accounting policies (continued)

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.

Until 31 Dec 2019 trustees pooled the investments across unrestricted and permanent endowment funds rather than holding separate investments in each. Investment managers' fees and gains upon revaluation at the year end were allocated to each fund in proportion to the split in holdings between each fund.

From 1 January 2020 trustees adopted total return accounting, ceased the pooling of funds and identified unrestricted and endowment funds separately. Investment managers' fees and revaluation gains were subsequently attributed directly to the relevant funds.

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 2020

2 Income from donations and legacies

	Unrestricted £	Restricted £	2020 Total £	2019 Total £
Donations	29,419	13,460	42,879	27,017
Total income from donations and legacies	29,419	13,460	42,879	27,017
Total income from donations and legacies 2019	15,017	12,000		

3 Income from charitable activities

	Unrestricted £	Restricted £	2020 Total £	2019 Total £
Community centre				
Facility hire and development	200	-	200	1,280
L. B. Islington	20,000	-	20,000	20,000
Total community centre	20,200	-	20,200	21,280
Total community centre 2019	21,280	-		
Community services				
Older people's services	11,003	19,500	30,503	66,386
Meals and food hub	9,849	82,585	92,434	27,333
Business engagement	33,764	55,486	89,250	100,979
Gardening	503	-	503	41,717
Cookery school	262	-	262	12,164
Public art project	-	-	-	(10,154)
All ages activities	493	5,000	5,493	3,705
Grant giving	-	10,000	10,000	-
Other income	10,000	-	10,000	10,000
Henry Smith grant	-	10,000	10,000	10,000
Total community services	65,874	182,571	248,445	262,130
Total community services 2019	81,774	180,356		
Total income from charitable activities	86,074	182,571	268,645	283,410
Total income from charitable activities 2019	103,054	180,356		

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2020

4 Income from other trading activities

	Unrestricted £	Restricted £	2020 Total £	2019 Total £
St Luke's Trading Limited	391,072	-	391,072	940,976
Rental income	-	-	-	60,981
Total income from other trading activities	391,072	-	391,072	1,001,957
Total income from other trading activities 2019	<u>1,001,957</u>	<u>-</u>		

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:

	2020 £	2019 £
Turnover	391,072	940,976
Cost of sales	(36,362)	(132,955)
Gross profit	354,710	808,021
Administrative expenses	(251,521)	(584,077)
Operating profit	103,189	223,944
Amount paid to parent under deed of covenant	(103,189)	(223,944)
Retained in the subsidiary	-	-
The assets and liabilities of the subsidiary were:		
Current assets	120,809	289,854
Current liabilities	(120,808)	(289,853)
Total net assets	1	1
Share capital and reserves	1	1

5 Income from investments

	Unrestricted £	Endowment £	2020 Total £	2019 Total £
Investment income	222,605	441,684	664,289	850,013
Total income from investments	222,605	441,684	664,289	850,013
Total income from investments 2019	<u>850,013</u>	<u>-</u>		

6 Other income

The Trust received £286,697 under the government's Coronavirus Job Retention Scheme in the year (2019: £nil).

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2020

7 Analysis of expenditure

	Cost of raising funds			Charitable activities					
	St Luke's Trading Ltd	Investment management	Fundraising	Community Centre	Community services	Governance costs	Support costs	2020 Total	2019 Total
	£	£	£	£	£	£	£	£	£
Salaries, NI, pensions, life assurance	202,630	-	47,085	250,389	502,221	-	341,033	1,343,358	1,435,008
Agency and freelance staff	3,777	-	-	12,550	3,203	-	22,178	41,708	52,558
Other staff costs	-	-	-	-	2,269	-	21,580	23,849	53,782
Programme costs	161	-	-	922	37,018	-	8,628	46,729	147,305
Payments to pensioners	-	-	-	-	6,463	-	-	6,463	7,868
Office overheads	4,407	-	-	4,396	5,854	-	42,018	56,675	81,994
Premises	35,698	-	-	136,821	854	-	14,770	188,143	234,597
Depreciation	-	-	-	158,155	5,986	-	-	164,141	164,141
Cost of sales	37,950	-	-	-	61,878	-	-	99,828	177,283
Audit and accountancy	3,260	-	-	-	-	12,210	-	15,470	17,030
Trustees expenses and meetings	-	-	-	-	-	1,136	-	1,136	4,497
Investment management	-	67,458	-	-	-	-	-	67,458	57,669
Legal and statutory	-	-	-	-	-	3,232	-	3,232	4,763
	287,883	67,458	47,085	563,233	625,746	16,578	450,207	2,058,190	2,438,495
Support costs	-	-	-	180,892	243,547	25,768	(450,207)	-	-
Governance costs	-	-	-	21,173	21,173	(42,346)	-	-	-
Total expenditure	287,883	67,458	47,085	765,298	890,466	-	-	2,058,190	2,438,495
Expenditure 2019						Total			
Unrestricted expenditure	717,033	16,380	43,412	713,961	711,009	2,201,795			
Restricted expenditure	-	-	-	343	195,068	195,411			
Endowment expenditure	-	41,289	-	-	-	41,289			
Total expenditure 2019	717,033	57,669	43,412	714,304	906,077	2,438,495			

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2020

8 Net income/(expenditure) before net gains on investments

This is stated after charging	2020	2019
	£	£
Depreciation	164,141	164,142
Auditor's remuneration:		
Audit fees	15,380	15,175
Other	-	1,700
	<u> </u>	<u> </u>

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

Staff costs were as follows:	2020	2019
	£	£
Salaries and wages	1,143,234	1,250,360
Social security costs	100,549	92,572
Employer's contribution to defined contribution pension schemes	76,992	78,194
Redundancy and termination costs	6,402	-
Life assurance	16,181	13,882
	<u>1,343,358</u>	<u>1,435,008</u>
Agency costs	<u>41,708</u>	<u>52,558</u>
	<u>1,385,066</u>	<u>1,487,566</u>

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

	2020	2019
	No.	No.
£60,000 - £69,999	2	1
£80,000 - £89,999	1	1
	<u> </u>	<u> </u>

The total employee benefits including employers' national insurance and pension contributions of the key management personnel were £252,709 (2019: £231,327).

The charity trustees were not paid and did not receive any other benefits from employment with the Trust or its subsidiary in the year (2019: £nil). No trustees were reimbursed expenses during the year (2019: one trustee was reimbursed expenses of £125). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

Professional Indemnity insurance was taken out, at a cost of £1,024 (2019: £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.

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 57 (2019: 61).

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2020

10 Tangible fixed assets

Group and charity	Freehold land and buildings £	Leasehold £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
Balance at 1 January 2020	6,623,581	280,303	201,881	29,930	7,135,695
Additions in year	-	-	-	-	-
Balance at 31 December 2020	<u>6,623,581</u>	<u>280,303</u>	<u>201,881</u>	<u>29,930</u>	<u>7,135,695</u>
Depreciation					
Balance at 1 January 2020	1,753,394	18,686	52,988	5,986	1,831,054
Charge for the year	132,471	5,606	20,078	5,986	164,141
Balance at 31 December 2020	<u>1,885,865</u>	<u>24,292</u>	<u>73,066</u>	<u>11,972</u>	<u>1,995,195</u>
Net book value					
At 31 December 2020	<u>4,737,716</u>	<u>256,011</u>	<u>128,815</u>	<u>17,958</u>	<u>5,140,500</u>
At 31 December 2019	<u>4,870,187</u>	<u>261,617</u>	<u>148,893</u>	<u>23,944</u>	<u>5,304,641</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 leasehold asset is a 150 year leasehold on a unit adjacent to the community centre completed in October 2016.

All tangible fixed assets are used for charitable purposes.

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2020

11 Fixed asset investments

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Listed investments (note a)	23,947,469	22,966,259	23,947,469	22,966,259
Social investment (note b)	50,000	50,000	50,000	50,000
Investment in subsidiary company (note c)	-	-	1	1
	23,997,469	23,016,259	23,997,470	23,016,260

a Listed investments

	Unrestricted	Endowment	2020	2019
	£	£	£	£
Analysis of movement of investments				
Opening market value at start of year	7,746,135	15,036,624	22,782,759	20,217,791
Additions at cost	1,317,307	2,933,624	4,250,931	1,877,422
Disposals at market value	(1,709,863)	(3,119,916)	(4,829,779)	(2,114,637)
Realised (losses) gains	(121,129)	(225,463)	(346,592)	167,563
Unrealised gains (losses)	599,155	1,268,461	1,867,616	2,634,620
	7,831,605	15,893,330	23,724,935	22,782,759
Cash instruments and cash held for reinvestment	222,534	-	222,534	183,500
	8,054,139	15,893,330	23,947,469	22,966,259
Historical cost			17,959,279	18,229,978

The investments comprise twenty UK mutual funds and one UK exchange traded fund (2019: sixteen mutual funds).

	Unrestricted	Endowment	2020	2019
	£	£	£	£
Movement in cash instruments and cash held for reinvestment				
Opening balance	98,051	85,449	183,500	228,776
Net additions (withdrawals)	146,908	(40,674)	106,234	11,730
Investment management fees	(22,425)	(44,775)	(67,200)	(57,006)
	222,534	-	222,534	183,500

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.

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2020

12 Permanent endowment fund

	Core endowment £	Unapplied total return £	Total £
Balance brought forward	10,678,000	4,440,284	15,118,284
Movement in year			
Investment returns			
Dividends and interest	-	441,684	441,684
Realised gains (losses)	-	(225,463)	(225,463)
Unrealised gains (losses)	-	1,268,461	1,268,461
Less: Investment management costs	-	(45,005)	(45,005)
Net movement before allocations	-	1,439,677	1,439,677
Allocations			
To general funds for income	-	(583,651)	(583,651)
To permanent endowment for inflation	68,890	(68,890)	-
Net movement in year after transfer	68,890	787,136	856,026
Funds carried forward	<u>10,746,890</u>	<u>5,227,420</u>	<u>15,974,310</u>
Represented by:			
Investments (note 11)	10,746,890	5,146,440	15,893,330
Current assets	-	80,980	80,980
Total	<u>10,746,890</u>	<u>5,227,420</u>	<u>15,974,310</u>

The trustees adopted total return accounting for the permanent endowment from 1 January 2020. The core endowment element represents the best estimate of the real value of the original endowment, based on a valuation of £8.294m on 31 December 2008 uplifted in line with subsequent increases in the Consumer Price Index. In 2020 a transfer of £68,890 was made from the unapplied total return to the core endowment to maintain its real value.

£583,651 was transferred to general funds from the unapplied total return in the year.

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2020

13 Debtors

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	11,637	68,822	405	1,302
Prepayments and accrued income	169,319	170,669	169,319	170,669
Other debtors	651	71,461	651	664
Amount owed by trading subsidiary	-	-	30,455	199,007
	181,607	310,952	200,830	371,642

14 Creditors: amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	138,327	168,591	62,354	168,153
Taxation and social security	25,209	34,408	25,209	34,408
Accruals and deferred income	89,447	181,490	75,567	92,790
Other creditors	29,361	42,871	28,861	41,163
	282,344	427,360	191,991	336,514

15 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 2020

16 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 2020. On the basis of solvency of the scheme, the valuation indicated the assets covered 64% of the scheme liabilities (2017: 60%). On an on-going basis, the valuation indicated the assets covered 85% (2017: 83%) 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 valuation indicated that no change was required to the monthly amount payable by the participating employers but that payments should be extended by an additional 7 months from 31 January to 31 August 2025. The actuary calculated the deficit at £1.9m (2017: £2.0m) and St Luke's annual deficit payment remains at £165,360 per annum. The total payable by St Luke's under the recovery plan is £895,700 and at 31 December 2020, the remaining balance payable was £785,460 (2019: £841,792). 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.

17 Analysis of group net assets between funds

a Current year

	General funds £	Designated funds £	Restricted funds £	Endowment funds £	Total funds £
Tangible fixed assets	-	5,140,500	-	-	5,140,500
Investments	3,818,256	4,285,883	-	15,893,330	23,997,469
Cash at bank and in hand	366,252	-	106,800	-	473,052
Net current (liabilities) assets	(181,717)	-	-	80,980	(100,737)
Defined benefit pension liability	(785,460)	-	-	-	(785,460)
Net assets at the end of the year	3,217,331	9,426,383	106,800	15,974,310	28,724,824

b Prior year

	General £	Designated £	Restricted £	Endowment £	Total £
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)
Net assets at the end of the year	2,915,796	9,600,029	83,327	15,118,284	27,717,436

St Luke's Parochial Trust
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18 Unrealised gains

The total unrealised gains (losses) as at 31 December 2020 and included in note 11 constitutes movements on revaluation and are as follows:

	2020 £	2019 £
Unrealised gains included above:		
On investments	<u>5,765,656</u>	4,552,781
Total unrealised gains at 31 December	<u>5,765,656</u>	<u>4,552,781</u>
Reconciliation of movements in unrealised gains (losses)		
Unrealised gains at 1 January	4,552,781	2,016,486
Less: in respect to disposals in the year	<u>(654,741)</u>	<u>(98,325)</u>
	3,898,040	1,918,161
Add: net gains arising on revaluation arising in the year	<u>1,867,616</u>	<u>2,634,620</u>
Total unrealised gains at 31 December	<u>5,765,656</u>	<u>4,552,781</u>

St Luke's Parochial Trust
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For the year ended 31 December 2020

19 Movements in funds

19 a Movements in funds (current year)

	Balance at 1 Jan 2020 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	Balance at 31 Dec 2020 £
Permanent Endowment	15,118,284	441,684	(45,005)	(583,651)	1,042,998	15,974,310
Restricted funds						
Community Services						
Over 55s services	19,490	47,960	(59,950)	-	-	7,500
Meals and food hub						
Lunch service	-	19,900	(19,900)	-	-	-
Food Connections	-	49,985	(21,696)	-	-	28,289
Food hub	-	12,700	(11,000)	-	-	1,700
Women's activities	1,380	-	(800)	-	-	580
Business Engagement						
Business Engagement team	9,332	44,000	(43,131)	-	-	10,201
Business Engagement hub	-	7,736	(2,141)	-	-	5,595
Firm Futures	2,600	-	(600)	-	-	2,000
Steps to Success	-	3,750	(3,750)	-	-	-
Cookery School						
Community cooks	8,497	-	(1,590)	-	-	6,907
Horticulture/Gardening						
Engaging gardens	36,000	-	-	5,000	-	41,000
Community Events	5,000	-	-	(5,000)	-	-
Welfare grants	1,028	10,000	(8,000)	-	-	3,028
Total restricted funds	83,327	196,031	(172,558)	-	-	106,800

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2020

19 a Movements in funds (current year, continued)

	Balance at 1 Jan 2020 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	Balance at 31 Dec 2020 £
Unrestricted funds						
Designated tangible fixed assets fund	5,304,641	-	(164,141)	-	-	5,140,500
Designated revenue funds						
Cyclical maintenance	1,134,826	-	(18,863)	45,339	-	1,161,302
Extraordinary repair	720,562	-	-	28,225	-	748,787
Planning deed	1,964,000	-	-	-	-	1,964,000
Care and grant fund	476,000	-	(64,206)	-	-	411,794
	4,295,388	-	(83,069)	73,564	-	4,285,883
General funds						
Charitable funds	2,915,796	624,795	(1,202,345)	510,087	368,998	3,217,331
Trading company funds	-	391,072	(391,072)	-	-	-
	2,915,796	1,015,867	(1,593,417)	510,087	368,998	3,217,331
Total unrestricted funds	12,515,825	1,015,867	(1,840,627)	583,651	368,998	12,643,714
Total funds	27,717,436	1,653,582	(2,058,190)	-	1,411,996	28,724,824

Purpose of endowment funds

The endowment fund represents endowments made to the fund since its inception together with the unapplied total return on those funds. The endowments were permanent endowments and their core value is to be retained indefinitely in the fund. The unapplied total return comprises income and gains generated by investment of the funds that the trustees have chosen to retain in the fund. A transfer of £583,651 was made from the unapplied total return to general funds to provide working capital for St Luke's charitable activities.

Purpose of restricted funds

Over 55s services

Various grants and donations to support over 55s services and activities from the London Borough of Islington, Cloudesley, the Dulwich Almshouse Charity, the Henry Smith Foundation, Transport for London and other supporters of St Luke's.

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2020

19 a Movements in funds (current year, continued)

Lunch service

Grants from the London Borough of Islington, the London Community Response Fund and other supporters to provide a daily lunch club service for people over 55 years of age.

Food Connections

A grant from the Coronavirus Community Support Fund to provide food and meals for households experiencing disadvantage in the area.

Food Hub

A grant from the London Community Response Fund and donations from other supporters to provide food for households living in poverty in the area.

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

Donations from Hogan Lovell LLP, Slaughter and May and CMS Law to support the work of the Business Engagement Team.

Business Engagement hub

Support from Kreston Reeves and Wagstaff for the fit-out of the new venue designated for the employment hub .

Firm Futures

A grant from Slaughter and May 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

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

Community events

A grant from the Derwent London Community Fund to create permanent public artwork in EC1. The unspent balance was transferred, with the funder's permission, to the Engaging gardens fund at year end.

Welfare grants

A grant from Cloudesley 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 2020

19 b Movements in funds (prior year)

	Balance at 1 Jan 2019 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	Balance at 31 Dec 2019 £
Permanent Endowment	13,325,659	-	(41,289)	-	1,833,914	15,118,284
Restricted funds						
Community Centre						
Premises development	5,365	-	(343)	(5,022)	-	-
Community Services						
Over 55s services	10,417	87,800	(78,727)	-	-	19,490
Women's activities	450	1,500	(570)	-	-	1,380
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
Total restricted funds	91,404	192,356	(195,411)	(5,022)	-	83,327

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19 b Movements in funds (prior year, continued)

	Balance at 1 Jan 2019 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	Balance at 31 Dec 2019 £
Unrestricted funds						
Designated tangible fixed assets fund	5,339,391	-	(164,142)	129,392	-	5,304,641
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)	-	-
	4,507,913	-	(159,231)	(53,294)	-	4,295,388
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)	-	-	-
	1,926,984	1,970,041	(1,878,422)	(71,076)	968,269	2,915,796
Total unrestricted funds	11,774,288	1,970,041	(2,201,795)	5,022	968,269	12,515,825
Total funds	25,191,351	2,162,397	(2,438,495)	-	2,802,183	27,717,436

St Luke's Parochial Trust
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20 Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net movement in funds	1,007,388	2,526,085
Depreciation	164,141	164,142
Interest, rent and dividends from investments	(664,289)	(850,013)
Gains on investments	(1,521,024)	(2,802,183)
(Increase)/decrease in debtors	129,345	(10,921)
(Decrease)/increase in creditors	(201,348)	(117,154)
Net cash (used in)/provided by operating activities	<u>(1,085,787)</u>	<u>(1,090,044)</u>

21 Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	473,052	354,736
Cash held by investment managers	222,534	183,500
Total cash and cash equivalents	<u>695,586</u>	<u>538,236</u>

22 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 £13,000 to the charity during the year (2019: £12,000).

23 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 2020 (2019: none).

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 (2019: £19,000).

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

St Luke's received grant and contract income from LBI totalling £85,198 during the year (2019: £100,403).

EMPLOYEES (at date of publication)

Fiker Anliey (Care Support Worker)	Joanne King (Cookery School Co-ordinator)
Paul Bambury (Reception and Facilities' teams' Manager)	Thomas Lans (Director of Operations)
Deniz Bellikli (Reception Team Leader)	Carol-Ann McCardle (Community Engagement Manager)
Marco Bottignole (Community Gardening Project Manager)	Tsedal Menghistu (Health & Wellbeing Officer)
Lisa Burrell (Communications' Manager)	Jose Mendes (Kitchen Porter)
Kelley Byrne (Receptionist)	Daniel Nitzani (Kitchen Porter)
Cathy Carpenter (Deputy Director of Services)	Graham Reeves (Older Men's Development Officer)
Sarah Caldwell-Watson (Events and Activities Co-ordinator)	Michael Ryan (Chief Executive)
Herschel Charles (Facilities Co-ordinator)	Maiya Sabapathy-Andrews (Barista)
Sarah Choudhury (Barista)	Ben Saxon (Finance Manager – from Nov 9 th)
Daniel Cseh (Café Supervisor)	Patrick Simpson (Facilities Assistant)
Amy Ennis (Catering Manager)	Nezahat Simsek (Cookery School Assistant)
Colleen Ettridge (Head of Corporate Partnerships)	Jane Spong (Business Engagement Officer)
Marlo Fox (Care Support Worker)	Gary Tregent (Driver/assistant)
Kishor Gadhia (Minibus Driver/Care Assistant)	Lizzy Woods (Senior Communications' Officer)
John Garces (Business Engagement Manager)	Katherine Ulloa (Finance Assistant)
Fiona Holliday (Finance Manager – to Dec 31)	Sarah Verrinder (Executive Assistant)
Fiona Horigan (Deputy Director of Services)	Ying Wang (Finance 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 2020.

Adparo Group	Leyland Paints
Allford, Hall, Monaghan, Morris Architects	Linklaters LLP
Allianz Global Investors	London Borough of Islington
APR Group Tod	London Community Response Fund
Arsenal Foundation	Mace Group
Artwell Films	McCormacks Law
B Consultancy	Meals with Compassion
Barbican	Mer IT
Behavioural Architects	Muso TNT Ltd
Britannia Pub	NMPi Digital by Incubea
City University	Nurnberg Gen
Cloudesley	Old Street District Partnership
CMS Law	Partners Islington
Coronavirus Community Support Fund	Pristine London Construction Group
Cowcross Yards	Quarterre studio Ltd
Culture Mile	Raphael Contracting
Dulwich Almshouses Charities	RGA UK Services Limited
East London Business Alliance (ELBA)	Shearman and Sterling LLP
Elixir Pictures	Sir Robert McAlpine Limited
Fareshare	Slaughter and May
Felix Project	South London timber Co Ltd
Fireclad Ltd	Spark 44 LDN
Haberdashers' Company	Sport Islington
Helical PLC	St Sepulchre United Charities
Henry Smith Charity	Tandem Property Asset Management LLP
Hogan Lovells LLP	Tesco Bags of Help
Hotel Beds Group	The National Lottery Community Fund
Hy-Ten Group Ltd	Thirty Three
J Coffey Construction	Transport for London
Kreston Reeves	Volta Data Centres
Laing O'Rourke	The Worrall and Fuller Exhibition Fund