



Annual Report and Accounts of

St Luke's Parochial Trust

For the year ended 31 December 2021

Registered Charity 207497

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

St Luke's Parochial Trust
Trustees' annual report
For the year ended 31 December 2021

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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 18 and, in 2022, the Directors agreed to appoint to all 18 places. 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 resigned on March 11 th 2022
Don Kehoe	Co-optative
Debra Mendes	Co-optative
Alex Norris	Nominated by PCC St Giles' Cripplegate with St Luke's Old Street; resigned as of 8 th June 2022
Ray O'Halloran	Co-optative
Crispin Rapinet	Co-optative
Penny Seal	Co-optative resigned on December 31 st 2021
Joe Trotter	Co-optative resigned on December 31 st 2021
David Vasserman	Co-optative
Kieran Wadia	Co-optative
Cllr Phil Graham	Nominated by L.B of Islington: resigned on November 24 th 2021
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: resigned on August 13 th 2021
Cllr Valerie Bossman-Quarshie	Nominated by L.B. of Islington appointed on August 13 th 2021
Wee Kii Teh	Nominative: appointed on June 8 th 2022
Tolga Kizil	Nominative: appointed on June 8 th 2022
Charmaine Yap	Nominative: appointed on June 8 th 2002
Gemma Pimlott	Nominative: appointed on June 8 th 2022
Joseph Pak	Co-optative: appointed on June 8 th 2022
Fr Jack Noble	Nominated on June 8 th 2022 by PCC St Giles' Cripplegate with St Luke's Old Street

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

Charity Registration No. 207497

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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

For me, St. Luke's community centre can only be described as an oasis in a sea of constant change in south Islington. We provide so many important community services to all our members and local community with events ranging from kids' clubs to mindful Mondays, from Art for Everyone to LGBTQ+ Cooking with Pride.

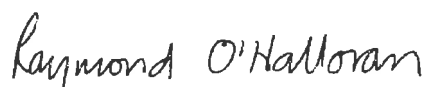
As Chair of the wonderful community centre providing activities and services at the heart of the south Islington Community, to me is both a privilege and a pleasure. 2021 has once again turned into a year of 'fits and starts' for the whole of the UK, but St. Luke's has been a beacon within this community, always providing the necessary support to the people of south Islington and a wonderful refuge to those who need community interaction to improve their quality of life.

We now look forward to a hopeful future where we will all be able to get back to some semblance of normality and safety where we can meet and greet each other with the freedom we once had before the pandemic. This must be done in a controlled and measured way and, as always, St Luke's has provided this route for most of the last 12 months and is ready, willing and able to support our local community in moving forward. Tomorrow looks to be bright and joyful and I am excited to be part of this journey.

I want to pay special tribute to our many donors and corporate sponsors. As ever, they have been truly remarkable during a difficult time. It is through their support that we have been able to achieve a healthy financial position at the end of the year as we expected to have a larger operating deficit. In view of the stresses on the local area which the pandemic has increased, and the current macroeconomic outlook, the trustees have taken a deliberate decision to commit to fund a large deficit from reserves for the next three years. This is to support the community through the immediate anxious period and to assure donors that all external funds received will go to front line services for those in greatest need.

From an organisational point of view, my co-Trustees and I have provided the support, guidance and experience to allow the leadership team of St. Luke's to deliver the best-in-class services we expect from them. At our Away Day in September, we were able to set a clear vision going forward to continue to offer essential support and assistance to our local community. As a Trustee Board, we will continue to support St. Luke's and look to improve where possible, adapt where necessary and resume if required, all the support that St. Luke's and the team want to offer.

I would like to take this opportunity to thank everyone involved with St. Luke's community centre for their hard work and dedication to our community over 2021. I would like to say a special 'Thank you' to my colleagues on the Trustee Board who gave so much time to the centre during the year. We could not have achieved our goals without their enthusiasm, motivation and practical support. I express particular gratitude to those colleagues whose terms of office came to an end in 2021 – Penny Seal and Joe Trotter. I am confident that we have an excellent and dedicated group of individuals who will continue to make a difference to our local community in 2022.



Raymond O'Halloran, Chair of the board

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 and continued right through 2021. 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

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Community

6. Embed St Luke's community centre as the hub of neighbourhood activity
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 2021, the charity implemented its action points under a work plan based on its strategic plan implemented in 2018. These actions were implemented at a time of continuing uncertainty due to the Covid-19 pandemic. A number of action points were dropped as we responded to the ever-changing environment of lockdowns, restrictions and new variants. However, those actions which were dropped, were replaced by other, more pressing priorities which arose as a result of the pandemic.

Looking forward to 2022 and beyond, we are hopeful of a return to a pre-pandemic environment. In relation to this, we are planning on a restoration of full services once again. From May 2022, the centre will open seven days per week and with longer weekday opening times. As a result of our Away Day in September 2021, we have also some ambitious plans.

Our focus will be a simple vision of continuing to support our local community. This will involve organising more services and activities for all our residents. It will involve offering assistance in areas such as poverty, isolation, mental health and employment. Our business plan and activities reflect this renewed focus, as well as our longer opening hours as the year progresses.

During 2022, we will continue with our plans for the centre to become more carbon neutral. Successful steps in this regard have been taking place since 2019 resulting in a reduction of our carbon footprint by an impressive 58%. We will build on this and will do everything we can to achieve a near neutral carbon footprint by the end of 2022. Beyond 2022, we aim to make further changes to our operations to build on this achievement.

St Luke's will recruit new trustees to fill the four vacancies existing at the end of 2021. The board will appeal for as diverse a trustee board as possible in order to reflect the local demographics of the area. Potential candidates will be sought from local community groups, organisations and individuals. A priority will be to appeal to candidates who will be a voice for people from minority groups.

St Luke's is over six hundred years old and its continued success in supporting local people is paramount to the organisation and to the community. However, during 2022, we will celebrate another anniversary – the opening of our community centre on Central Street in 1982, by her Majesty, the Queen. We intend to hold a number of events to mark this wonderful occasion and landmark for the Trust.

From an organisational point of view, St Luke's will continue to support its staff who have been a lifeline to the local community during the past year. Staff have given one hundred percent of themselves in 'journeying' with our service users. At times, staff have been faced with significant challenges in their own lives because of ill health due to the virus, family concerns, uncertainty and bravely facing the unknown in the future. They have responded brilliantly and St Luke's is committed to ensure the working environment is supportive, helpful and empowering.

We will continue to be a London Living Wage accredited organisation to ensure staff receive an appropriate wage in order to live in a vibrant and diverse city.

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By the end of 2022, we will have completed the Greater London Authority good work practice to benefit our staff. We will also complete the Trusted Charity quality mark which will provide added value to our services benefitting service users, volunteers and members of staff.

We will take forward a number of new initiatives raised at our Away Day in September 2021. This will involve providing support to local entrepreneurs in starting up their own businesses, providing welfare grants for families in need, and exploring the possibility of setting up independent charities to ensure some of our services are sustainable. We will investigate the benefits of this approach in relation to our Health and Wellbeing hub and our Cookery School.

User involvement is crucial to the workings of St Luke's and during 2022, we will set up a new users' committee whereby our service users from all age ranges, will have a direct influence in planning, implementing and organising the services being provided at the centre.

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.

During 2020, we believed that the pandemic would end by the end of the year. This did not happen and, in 2021, we hoped that we would see the end of the pandemic by the end of 2021. We are more hopeful now that this is the case and we look forward in anticipation and hope as we go into 2022.

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

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One trustee is ex-officio. Eight trustees are described as nominative 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 and even though the right to appoint was waived by mutual agreement with the appointing bodies in 2006, the trustees agreed to appoint to these positions in early 2022 in order to increase the resilience of the board going forward.

Seven 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.

During 2021, one nominative position remains vacant. The appointing body to this role is the parish council of St Giles' Cripplegate. Cllr Matt Nathan and Cllr Phil Graham, both nominative trustees, appointed by the London Borough of Islington, resigned from the board. Cllr Nathan was replaced by Cllr Valerie Bossman-Quarshie in August 2021. One nominative role with the appointing body of the London Borough of Islington, remains vacant. Two co-optative trustees, Penny Seal and Joe Trotter, came to the end of their terms of office in December 2021.

Organisation structure, committees, and decision-making

During 2021, the board of trustees held four meetings and an Away Day with staff. The role of the board is to take decisions to govern and guide the charity's future strategy, and keep the regular activities of St. Luke's under review. Executive powers are delegated to the chief executive and the senior management team.

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

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 in line with that paid for similar roles in other charities.

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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, once again, adapted its activities to support the local community. However, the public benefit principle continues to be 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 the impact of services on its members and service users. Impact reports have continued to be produced for trustees through 2021.

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 2021 show that 38% of people aged 16-74 are in full-time employment compared with 42% across Islington. 3.9% of the Bunhill ward claim Job Seekers' allowance or Universal Credit. This is compared to 5% of people claiming these benefits across Islington (source: Department for Work and Pensions - DWP). In December 2020, applications for Universal Credit increased by 100%. Furthermore, the number of people receiving health-related benefits in October 2021 was 4.7% compared with an Islington average of 5.8% (source: DWP). 46.1% of families with dependent children are lone parent families (Islington average is 41.1%). There is a high level of residents renting properties from the Local Authority and Registered Social Landlords (46.9%). 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; 20,000 visited in 2020 (due to the coronavirus) and 16,000 visited during 2021. A number of companies and firms hired rooms from the centre and brought 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. This made an important difference to our income. 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.

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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 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 and 2021.

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 also occupies a 1,600 square foot modern annex located next door which, in 2021, became the base for St Luke's Wellbeing Hub.

During 2021, the community centre was underused due to the various restrictions in place, but this turned out to be an 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 providing services for local residents.

Footfall 2021

Due to a third lockdown and Covid-19 restrictions, St Luke's operated well below capacity for the first five months of the year. From June, services began to open up (although with limited numbers of people in order to contain any spread of the virus) and between June and December St Luke's recorded over 16,000 visits. During a "normal year", St Luke's would welcome over 70,000 visitors to the centre.

St Luke's catering service

During the first part of 2021, St Luke's catering services were seriously affected by Government imposed restrictions and lockdown. This impacted significantly on our catering services and, by May 2021, it was necessary to close the community café due to the level of losses it was producing. Our in-house catering service was also affected as room bookings plummeted. However, a revival of the lunch club began towards the end of the year with almost pre-pandemic levels of customers.

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

A main priority for St Luke's during 2021, has been to keep service users, volunteers, staff and visitors safe. The centre has continued to encourage use of facemasks, dividing screens, hand washing and hand sanitiser, social distancing and ventilation. A dedicated daytime cleaner continues to be engaged to help keep the building Covid-safe and to ensure a safe environment for people attending activities and services.

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Environmental

A lot of work has been spent on helping St Luke's become a more eco-sustainable organisation (please also see reference to St Luke's ESG investment policy on page 16 of this report). In 2019, the centre was fortunate to be awarded a grant to have two external Eco-Audits conducted by an external consultant. The first one took place in September 2019, which concluded that the St Luke's was doing well as an organisation to address sustainability. The report also provided a list of further improvements that could be considered. Most of these recommendations were implemented during 2020 and 2021. A second audit compared the issues raised in the 2019 audit and the report states:

"We are pleased to see the positive progress across a range of fronts at the Centre and we are especially delighted to see the depth of enthusiasm for not only radically reducing the centre's own carbon and ecological impact but also for taking this out into the community with various new projects." Acorn Eco-Audits.

The report found that St Luke's had reduced the headline reduction in CO2 emissions by 58% between 2019 and the end of 2021. Even when considering the Covid-19 pandemic, when the centre has been less busy, this is still a laudable improvement.

Going forward, St Luke's is going to continue looking into potential solutions to reduce its carbon footprint. For example, research will be done to explore alternatives to cooking facilities and heating. The plan will be to change gas ovens, boilers and radiators. The centre will also research the alternatives to its diesel-run minibus.

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 the past two years 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 needs of the community. The following headings provide highlights for some of the more significant services delivered during 2021:

Over 55s Service

St Luke's has 935 registered members aged 55+ who have access to an extensive programme of support and activities improving health and wellbeing and building social connections including classes, outings and social events. We also provide an escorted transport service and a helping hand around the centre for frailer members ensuring those affected by age or health conditions remain active and engaged in their community.

We continued to prioritise the needs of vulnerable older residents during the 2021 lockdown with daily lunch deliveries, a take-away service, regular wellbeing calls, telephone befriending, assistance with shopping and lifts to attend vaccination appointments. As restrictions began to ease in April we introduced daily outdoor gatherings for groups of six and, in July, we welcomed back all furloughed staff to resume a fuller, Covid-safe, programme of activities and support.

Since July we have engaged in some particularly successful older people's partnerships including a creative inter-generational music project with LSO St Luke's, a men's art project with the British Museum

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and a lunch event with Islington Age UK. In September we hosted farewell parties for the retirement of our driver, Kishor, and our longest serving Trustee, Joe Trotter. In addition, we were pleased to be able to go ahead with our traditional Christmas celebrations and a Christmas Day lunch event and the greater social distancing didn't detract from the great community spirit.

"You have been nothing short of a life-line to us during this difficult period and I am really, really grateful."
Over 55s Lunch Cub Member

Health and Well-Being

The focus during the year has been to continue delivering a much-needed food donation service ensuring residents living in poverty not only receive emergency food supplies but also have access to other forms of support that address underlying issues including benefits advice, employment support and signposting.

As our Coronavirus Community Support funding for the Food Connections project came to an end in March, we were pleased to be awarded a grant from the London Borough of Islington in June to turn a training space into a Wellbeing Hub incorporating the food donation service. The Wellbeing Hub, officially opened by the Mayor of Islington in September, operates two days a week with an appointment system plus a separate drop in day. We also arrange for food to be collected from our local partners to distribute to their own service users. In 2021 we distributed 64 tonnes of food to 177 local households which has benefitted 472 residents.

The Wellbeing Hub, supported by a very committed team of local volunteers, hosts an Age UK Specialist Information and Advice Case Worker, it distributes Cloudesley welfare grants and also delivers a range of wellbeing activities and groups including mindfulness sessions for older people and trio-bike rides for all.

"Every time I come to the centre I'm inspired by everyone that works and volunteers and I'm so grateful I can be a part of it" – Food Hub volunteer

Central Street Cookery School

A highlight from the cookery school has been the development of a new after school club, 'Junior Chefs', for local young people aged 11-15 years old which started in May. This talented and committed group of young people, under the leadership of their tutor, shared the skills they are learning when they volunteered to cook free meals for local residents as part of HIT Training's celebration of Hospitality Day and made 150 pizzas at our Summer Family Fun Day. As part of our celebration of Islington's Greener Together Festival, the group also came together to prepare and serve lunch for Wellbeing Hub families and representatives of the food waste organisations who donate food to us.

During the year, the cookery school successfully completed a structural review and the private hire function is now being led by St Luke's catering team and a community chef has been appointed to manage and deliver the community cookery programme. Community groups who have engaged with cookery activities since lockdown restrictions eased, include St Luke's Older Men's Shed, Wellbeing Hub users and Key Changes.

Despite the Covid-19 restrictions the cookery school completed delivery of our Community Cooks programme delivering a total of 24 classes and 2 day cookery workshops at the Whitecross Street Party with a total footfall of 330 participants from a diversity of ethnic groups and ages.

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"... it was so lovely to see the great work you do and the lunch cooked by your Junior Chefs was amazing. Very talented young people indeed!" – a representative from City Harvest

Community Gardening

Despite lockdown restrictions, all St Luke's outdoor spaces continued to grow and thrive throughout the year thanks to the continued support from local volunteer, Andrew Nolan. Special mention was made of Andrew's commitment from the London in Bloom judges who awarded us with Outstanding for 'It's your neighbourhood' award and Gold for the 'Our Community' award.

The 'Growing Gardeners', our new after school gardening club, have been involved in a range of outdoor activities including planting, composting and nature crafts fun. The group has also taken the lead in looking after the chickens and have been very helpful in welcoming and caring for our rescued ex-battery hens who have very quickly settled and grown in confidence as well as feathers!

Our new Community Gardener joined in September and began work on an 'Engaging Communities' estates' gardening project, starting with an uncared-for space next to temporary housing accommodation for local families. She also worked with older members who enjoyed table-top gardening activities and began delivering weekly workshops and drop-in sessions in the Edible Yard for local residents with an interest in gardening, food growing and staying active.

"I first judged this project some years ago and was very impressed to see the changes, especially to the lower garden. I was amazed to learn that ONE VOLUNTEER ONLY had kept the gardens going throughout lockdown." – London in Bloom Judge

Business Engagement

In response to the national 'work from home' directive, much of the support provided by corporate partners continued to be successfully delivered remotely during 2021. Firm Futures, our start-up project, supported new businesses with bursaries, workshops, mentoring and marketing. St Luke's Job Club provided residents looking for employment with individual assistance, training, securing paid apprenticeships and meaningful volunteering roles. PC Pals, our digital inclusion programme, provided weekly IT support sessions in addition to supporting isolated older people, families and job seekers to connect online with donated equipment and internet dongle/connectivity plans. During March we worked in partnership with the Office for National Statistics and City University ensuring residents had support to complete the new online Census 2021 form.

Despite another challenging year, our corporate partners continued to support St Luke's financially and we are particularly grateful to those who increased their annual contributions. Corporate partners have generously supported the work of the Business Engagement Team and the Food Hub, they funded the business start-up bursaries, raised over £7,000 towards our annual Christmas appeal and bought gifts to the value of £6,000, provided pro-bono advice and donated a wide range of furniture and equipment.

In 2021 we supported 42 unemployed residents to find work, we worked with 11 new business start-ups, 30 residents received IT training and corporate volunteers donated a total of 930 voluntary hours.

"Many thanks to St Luke's and your team for allowing me to have such a life-enhancing experience. In the end, life is all about human interactions and being kind and supportive to each other" – corporate volunteer befriender

St Luke's Parochial Trust
Trustees' annual report
For the year ended 31 December 2021

Community Engagement

Due to the lockdown, social distancing restrictions and local needs, our community engagement focus in the first six months was engaging and supporting families living in food poverty. In addition to distributing food, we also collected clothes, books and toys and encouraged the children to attend free after school clubs which started up in May. These clubs include table tennis, dance, family arts & craft, gardening and cooking.

Since July we have been able to successfully develop innovative partnership projects engaging with new residents including the Relish Embellish Café, an Octopus collaboration encouraging people to get involved in 'textile transformations' workshops to reduce clothes waste and the Bunhill Heritage Project, a 3 year project in collaboration with Islington Heritage Services, which aims to creatively increase community cohesion using the history of the local area.

In August we held a Family Fun Day which welcomed 170 guests who enjoyed a programme of fun and sociable activities. We were also able to open the new Family Hub, a modern, child-friendly meeting space, being used by partner agencies to deliver local services such as under 5s play time and storytelling.

In October we successfully recruited a group of 'Youth Ambassadors' aged 11-16 to provide a 'user voice' supporting the delivery of existing and new services. We look forward to the impact this development will have on future children and youth services.

"I love St Luke's because it feels like home. Everyone is very supportive and amazing ... [you] have been empathetic, loving and caring and the smallest chat lifts the mood." – feedback from a St Luke's newsletter recipient

Volunteering

We are always grateful to the volunteers who support our community, particularly during 2021 which was a challenging and worrying time. When Covid-19 infection rates were particularly high we took the difficult decision to stop all volunteering but appreciated their gradual return from March. In July we held a special 'Thank You' event for volunteers with guests including Islington Deputy Mayor, Emily Thornberry MP, Cllr Una O'Halloran and Chair, Ray O'Halloran who gave thanks for their support during the pandemic.

Volunteering offers local residents the opportunity to socialise, share skills and gain experience and confidence and volunteers make a significant contribution to the delivery of our services and events. During 2021 we benefited from the support of 64 volunteers who donated 2,331 hours of their time in a variety of activities including supporting the Food Hub and Over 55s service and helping to deliver community events.

"Everyone looks and smiles when you pass by on the trio bike! It's a fantastic way to get both young and old involved and to promote active travel" – trio bike volunteer rider

Finsbury Wards' partnership

St Luke's works with the local Wards' partnership on hosting and publicising meetings on a variety of themes. Because of the pandemic, two meetings took place online during the year.

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FINANCIAL REVIEW

The Covid-19 pandemic continued to have a significant impact on St Luke's ability to generate income through its trading subsidiary with the result that total income for the group decreased for the second consecutive year, from £2.2 million in 2019 to £1.7m in 2020 and then £1.3m in 2021. The principal sources of income, at 84% of the total (2020: 80%), were dividends from investments, grants from central and local government and trading income from facility hire and catering.

Despite the reduced income, trustees, recognising the continuing and often new and different needs of the local community, retained their commitment to maintain as many services as possible. Consequently, although expenditure was reduced from £2.1m to £1.9m, a net loss of £623,665 (2020: £405k loss) was made before gains in investment values. That was the loss resulting from operational activity.

Fortunately for St Luke's investment markets performed strongly through the year and investment values increased substantially, generating total gains of £2.3m (2020: £1.5m). Those gains more than made good the loss from operations, transforming it into a £1.6m (2020: £1.1m) positive movement on all funds and, importantly for SLPT's sustainability, a £462k (2020: £128k) increase in unrestricted funds for the year.

A key component of that ultimate surplus on unrestricted funds was £600k taken to general funds from the endowment funds. Such transfers, from returns on endowment funds to provide working capital for operations, are permitted under the total return accounting policy adopted in 2020.

At the year end, all funds totalled £30,367,897 (2020: £28,724,824) of which £4,940,598 (2020: £5,140,500) took the form of tangible fixed assets (St Luke's premises and equipment) and £25,538,934 were investments (2020: £23,997,469). Of the investments, £17,115,829 (2020: £15,893,330) were permanent endowment funds. Net current assets (including cash), being St Luke's funds available for spending, totalled £508,465 (2020: £372,315).

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 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, continues to give much needed stability to the finances, and specifically the cash flow, of the organisation throughout the year.

The policy applying in 2021 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.

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During 2021, 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 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. The annual inflationary uplifts had increased the value of the core endowment to £11.328m at 31 March 2022.

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 averaged £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 (£17.16m), restricted funds (£100k) and unrestricted funds (£13.11m). Of the unrestricted funds, £4.94m are represented by fixed assets comprising mostly the community centre.

The majority of the remainder has been designated as follows:

Cyclical Maintenance Fund (£1.18m). 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 is used to pay for forecast building lifecycle expenditure. During the year, £23,411 was spent from the fund on essential maintenance works (2020 balance = £1.16m).

Extraordinary Repair Fund (£0.77m). 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. £7,000 was spent from the fund during the year (2020 balance = £0.75m).

Planning Deed Fund (£1.96m). This fund will meet an obligation to pay a commuted housing sum to Islington Council over the next 21 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

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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 (£0.34m). This fund has been set aside to ensure that the charity can always meet the long-term commitment it makes to a number of the most vulnerable older users of the charity's services – about 80 individuals. These individuals would suffer the most if the charity was suddenly forced to withdraw its services to them. The support is given in the form of pensions, grants and help with care costs. The amount has been calculated on the basis of 10 years' annual present-day costs. During the year, £68k was spent on maintaining services to vulnerable clients (2020 balance = £0.41m).

General Fund. This fund, totalling £3.87 million (2020: £3.22m), 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, £507,794 (2020: £366,252) 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 18 (2020: 15) 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 2021, the trustees consider the risks listed below as the main risks faced by the charity. However, the overriding risk during 2021 has once again been the impact of Covid-19. The risks listed below are similar to previous years, but they are still major considerations. In response to risk 4 which the trustees closely monitored during the year, it was decided to close the café due to ongoing losses on the activity. As part of the management of the remaining 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 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. During 2021, St Luke's also benefited from the Government's Work Retention Scheme. Restrictions on services 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

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effective in this aim. St Luke's looks forward with hope, to the future and the eradication of the virus.

- 2) Income from investments is seen as a key risk, particularly in light of the changed world since the beginning of the pandemic. 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 the investments and follow the investment policy as agreed by trustees. In 2019, Investment Quorum were given discretionary powers over the portfolio on the allocation of investment assets and the income from them. During 2021, global markets have continued to be volatile. However, unrealised gains during 2021 must be understood in the context of the volatility of the markets.
- 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 continued to monitor the level of resources being expended on the café which opened in 2015. With the onset of the pandemic, the café was affected by the general slow-down in the hospitality industry and did not meet set sales' goals. During 2021, this was even more pronounced. Income from the café continued to fall. As a result, trustees made the difficult decision to close the café at the end of May 2021.
- 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 staff roles in other similar sized charities. During 2021, a report was commissioned to test this and it was found that St Luke's offers competitive rates compared with similar charities.
- 6) The liability arising from deficit payments to the defined benefit pension scheme (addressed in note 16 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 it was during the previous 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, which is due to end in 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.

St Luke's Parochial Trust
Trustees' annual report
For the year ended 31 December 2021

STATEMENT OF TRUSTEE'S RESPONSIBILITIES IN RELATION TO THE ACCOUNTS

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

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

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

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

Approved by the trustees on: 8th June 2022



Raymond O'Halloran, Chair of the Board of Trustee

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

Opinion

We have audited the financial statements of St Luke's Parochial Trust (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2021 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 2021 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

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

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.

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

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.

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

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

28 June 2022

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 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total £	2020 Total £
Income from:						
Donations and legacies	2	34,783	25,077	-	59,860	42,879
Charitable activities	3					
Community centre		20,000	-	-	20,000	20,200
Community services		68,587	203,039	-	271,626	248,445
Other trading activities	4					
St Luke's Trading Limited		298,584	-	-	298,584	391,072
Investment income	5	160,231	-	320,701	480,932	664,289
Other income	6	129,745	-	-	129,745	286,697
Total income		711,930	228,116	320,701	1,260,747	1,653,582
Expenditure on:						
Raising funds	7					
St Luke's Trading Limited		215,462	-	-	215,462	287,883
Investment management costs		24,514	-	49,723	74,237	67,458
Fundraising		46,178	-	-	46,178	47,085
Charitable activities	7					
Community centre		739,776	-	-	739,776	765,298
Community services		573,921	234,838	-	808,759	890,466
Total expenditure		1,599,851	234,838	49,723	1,884,412	2,058,190
Net (expenditure) income before net gains on investments	8	(887,921)	(6,722)	270,978	(623,665)	(404,608)
Net gains on investments	11	750,352	-	1,516,386	2,266,738	1,521,024
Net (expenditure) income for the year		(137,569)	(6,722)	1,787,364	1,643,073	1,116,416
Transfers between funds	12	600,000	-	(600,000)	-	-
Net income (expenditure) before other recognised gains and losses		462,431	(6,722)	1,187,364	1,643,073	1,116,416
Actuarial losses on defined benefit pension scheme	16	-	-	-	-	(109,028)
Net movement in funds		462,431	(6,722)	1,187,364	1,643,073	1,007,388
Reconciliation of funds						
Total funds brought forward	19	12,643,714	106,800	15,974,310	28,724,824	27,717,436
Total funds carried forward		13,106,145	100,078	17,161,674	30,367,897	28,724,824

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 27 to 46 form part of these financial statements.

St Luke's Parochial Trust
Balance sheets
For the year ended 31 December 2021

	Notes	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Fixed assets					
Tangible assets	10	4,940,598	5,140,500	4,940,598	5,140,500
Investments	11	25,538,934	23,997,469	25,538,935	23,997,470
		30,479,532	29,137,969	30,479,533	29,137,970
Current assets					
Debtors	13	137,965	181,607	179,220	200,830
Cash at bank and in hand		607,872	473,052	505,039	363,475
		745,837	654,659	684,259	564,305
Liabilities					
Creditors: amounts falling due within one year	14	(237,372)	(282,344)	(175,795)	(191,991)
Net current assets		508,465	372,315	508,464	372,314
Total assets less current liabilities		30,987,997	29,510,284	30,987,997	29,510,284
Defined benefit pension scheme liability	16	(620,100)	(785,460)	(620,100)	(785,460)
Net assets		30,367,897	28,724,824	30,367,897	28,724,824
Represented by:					
Funds and reserves	19				
Endowment fund		17,161,674	15,974,310	17,161,674	15,974,310
Restricted funds		100,078	106,800	100,078	106,800
Unrestricted funds					
Designated tangible fixed assets fund		4,940,598	5,140,500	4,940,598	5,140,500
Designated revenue funds		4,263,611	4,285,883	4,263,611	4,285,883
General funds		3,901,936	3,217,331	3,901,936	3,217,331
		13,106,145	12,643,714	13,106,145	12,643,714
		30,367,897	28,724,824	30,367,897	28,724,824

Approved by the Trustees on 8 June 2022 and signed on their behalf by:

Raymond O'Halloran

Raymond O'Halloran
Chairman of the Board of Trustees

The notes on pages 27 to 46 form part of these financial statements.

St Luke's Parochial Trust
Consolidated statement of cash flows
For the year ended 31 December 2021

	Notes	2021 £	2020 £
Net cash (used in) provided by operating activities	20	(1,071,385)	(1,085,787)
Cash flows from investing activities:			
Interest, rent and dividends from investments		480,932	664,289
Purchase of investments		(5,394,423)	(4,250,931)
Proceeds from the disposal of investments		6,791,013	4,829,779
Cash provided by investing activities		1,877,522	1,243,137
Change in cash and cash equivalents in the year		806,137	157,350
Cash and cash equivalents at the beginning of the year		695,586	538,236
Cash and cash equivalents at the end of the year	21	1,501,723	695,586

The notes on pages 27 to 46 form part of these financial statements.

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2021

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 2019) - (Charities SORP)

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 2021 was £1,255,851 (2020: £1,646,465) and net movement in funds was £1,643,073 (2020: net £1,007,388).

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 is likely to generate negative cash flows as a result of reduced income from room hire, catering operations and investments. 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.

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2021

1 Accounting policies (continued)

d Funds structure

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

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

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

e Income

Donations and the £5 fee for life membership of St Luke's are credited to the statement of financial activities in the year in which they are received. Distributions from 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.

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2021

1 Accounting policies (continued)

i Volunteers and placement students

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

j Staff pension commitments

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

k Fixed assets - property, equipment and vehicles

Fixed assets are included at cost. All assets costing more than £5,000 and with an expected useful life exceeding one year are capitalised. Depreciation has been calculated on a straight-line basis on cost in order to write off each asset over its estimated useful life which is shown below.

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

Freehold land is not depreciated.

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

l Fixed asset investments

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

The trustees adopted total return accounting for investments on 1 January 2020. From that date unrestricted and endowment funds have been held in separate portfolios with investment managers' fees and revaluation gains being 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 2021

2 Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Donations	34,783	25,077	59,860	42,879
Total income from donations and legacies	34,783	25,077	59,860	42,879
Total income from donations and legacies 2020	29,419	13,460		

3 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Community centre				
Facility hire and development	-	-	-	200
L. B. Islington	20,000	-	20,000	20,000
Total community centre	20,000	-	20,000	20,200
Total community centre 2020	20,200	-		
Community services				
Older people's services	10,874	70,000	80,874	30,503
Meals and food hub	500	14,400	14,900	92,434
Business engagement	46,500	48,000	94,500	89,250
Gardening	126	-	126	503
Cookery school	155	-	155	262
All ages activities	432	35,540	35,972	5,493
Grant giving	-	25,099	25,099	10,000
Other income	10,000	-	10,000	10,000
Henry Smith grant	-	10,000	10,000	10,000
Total community services	68,587	203,039	271,626	248,445
Total community services 2020	65,874	182,571		
Total income from charitable activities	88,587	203,039	291,626	268,645
Total income from charitable activities 2020	86,074	182,571		

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2021

4 Income from other trading activities

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
St Luke's Trading Limited	298,584	-	298,584	391,072
Total income from other trading activities	298,584	-	298,584	391,072
Total income from other trading activities 2020	391,072	-		

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:

	2021 £	2020 £
Turnover	298,584	391,072
Cost of sales	(11,825)	(36,362)
Gross profit	286,759	354,710
Administrative expenses	(203,637)	(251,521)
Operating profit	83,122	103,189
Amount paid to parent under deed of covenant	(83,122)	(103,189)
Retained in the subsidiary	-	-
The assets and liabilities of the subsidiary were:		
Current assets	156,424	120,809
Current liabilities	(156,423)	(120,808)
Total net assets	1	1
Share capital and reserves	1	1

5 Income from investments

	Unrestricted £	Endowment £	2021 Total £	2020 Total £
Investment income	160,231	320,701	480,932	664,289
Total income from investments	160,231	320,701	480,932	664,289
Total income from investments 2020	222,605	441,684		

6 Other income

The Trust received £129,745 under the government's Coronavirus Job Retention Scheme in the year (2020: £286,697).

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2021

7 Analysis of expenditure

	Cost of raising funds			Charitable activities					2021 Total £	2020 Total £
	St Luke's Trading Ltd £	Investment management £	Fundraising £	Community Centre £	Community services £	Governance costs £	Support costs £			
Salaries, NI, pensions, life assurance	156,532	-	46,178	168,267	402,455	-	345,673	1,119,105	1,343,358	
Agency and freelance staff	4,428	-	-	10,036	6,434	-	23,832	44,730	41,708	
Other staff costs	5,506	-	-	1,344	265	-	9,315	16,430	23,849	
Programme costs	550	-	-	13,711	54,381	-	20,445	89,087	46,729	
Payments to pensioners	-	-	-	-	4,777	-	-	4,777	6,463	
Office overheads	1,964	-	-	6,223	3,483	-	43,928	55,598	56,675	
Premises	31,202	-	-	174,800	122	-	17,672	223,796	188,143	
Depreciation	-	-	-	158,155	5,986	-	-	164,141	164,141	
Cost of sales	11,949	-	-	-	64,457	-	-	76,406	99,828	
Audit and accountancy	3,331	-	-	-	-	12,485	-	15,816	15,470	
Trustees expenses and meetings	-	-	-	-	-	46	-	46	1,136	
Investment management	-	74,237	-	-	-	-	-	74,237	67,458	
Legal and statutory	-	-	-	-	-	243	-	243	3,232	
Support costs	215,462	74,237	46,178	532,536	542,360	12,774	460,865	1,884,412	2,058,190	
Governance costs	-	-	-	186,419	245,579	28,867	(460,865)	-	-	
Total expenditure	215,462	74,237	46,178	739,776	808,759	-	-	1,884,412	2,058,190	
Expenditure 2020										
Unrestricted expenditure	287,883	22,453	47,085	765,298	717,908	1,840,627				
Restricted expenditure	-	-	-	-	172,558	172,558				
Endowment expenditure	-	45,005	-	-	-	45,005				
Total expenditure 2020	287,883	67,458	47,085	765,298	890,466	2,058,190				

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2021

8 Net (expenditure) income before net gains on investments

This is stated after charging	2021	2020
	£	£
Depreciation	164,141	164,141
Loss on disposal of fixed assets	35,761	-
Auditor's remuneration:		
Audit fees	14,545	14,120
Other	1,271	1,260

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

Staff costs were as follows:	2021	2020
	£	£
Salaries and wages	952,659	1,143,234
Social security costs	80,920	100,549
Employer's contribution to defined contribution pension schemes	66,505	76,992
Redundancy and termination costs	3,857	6,402
Life assurance	15,164	16,181
	1,119,105	1,343,358
Agency costs	44,730	41,708
	1,163,835	1,385,066

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

	2021	2020
	No.	No.
£60,000 - £69,999	2	2
£80,000 - £89,999	1	1

The total employee benefits including employers' national insurance and pension contributions of the key management personnel were £247,043 (2020: £252,709).

The charity trustees were not paid and did not receive any other benefits from employment with the Trust or its subsidiary in the year (2020: £nil). No charity trustees received payment for professional or other services supplied to the charity (2020: £nil) and none were reimbursed expenses during the year (2020: £nil).

Professional Indemnity insurance was taken out, at a cost of £1,024 (2020: £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 37 (2020: 57).

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2021

10 Tangible fixed assets

Group and charity	Freehold land and buildings £	Leasehold £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
Balance at 1 January 2021	6,623,581	280,303	201,881	29,930	7,135,695
Additions in year	-	-	-	-	-
Disposals in year	(37,464)	-	(12,090)	-	(49,554)
Balance at 31 December 2021	<u>6,586,117</u>	<u>280,303</u>	<u>189,791</u>	<u>29,930</u>	<u>7,086,141</u>
Depreciation					
Balance at 1 January 2021	1,885,865	24,292	73,066	11,972	1,995,195
Charge for the year	132,472	5,606	20,077	5,986	164,141
Eliminated on disposal	(6,399)	-	(7,394)	-	(13,793)
Balance at 31 December 2021	<u>2,011,938</u>	<u>29,898</u>	<u>85,749</u>	<u>17,958</u>	<u>2,145,543</u>
Net book value					
At 31 December 2021	<u>4,574,179</u>	<u>250,405</u>	<u>104,042</u>	<u>11,972</u>	<u>4,940,598</u>
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>

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 2021

11 Fixed asset investments

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Listed investments (note a)	25,488,934	23,947,469	25,488,934	23,947,469
Social investment (note b)	50,000	50,000	50,000	50,000
Investment in subsidiary company (note c)	-	-	1	1
	25,538,934	23,997,469	25,538,935	23,997,470

a Listed investments

	Unrestricted	Endowment	2021	2020
	£	£	£	£
Analysis of movement of investments				
Opening market value at start of year	7,831,605	15,893,330	23,724,935	22,782,759
Additions at cost	1,865,244	3,529,179	5,394,423	4,250,931
Disposal proceeds	(2,308,911)	(4,482,102)	(6,791,013)	(4,829,779)
Realised (losses) gains	73,132	134,619	207,751	(346,592)
Unrealised gains (losses)	677,220	1,381,767	2,058,987	1,867,616
	8,138,290	16,456,793	24,595,083	23,724,935
Cash instruments and cash held for reinvestment	234,815	659,036	893,851	222,534
	8,373,105	17,115,829	25,488,934	23,947,469
Historical cost			18,547,248	17,959,279

The investments comprise twenty-four UK mutual funds and one UK exchange traded fund (2020: twenty UK mutual funds and one UK exchange traded fund).

	Unrestricted	Endowment	2021	2020
	£	£	£	£
Movement in cash instruments and cash held for reinvestment				
Opening balance	222,534	-	222,534	183,500
Net additions (withdrawals)	36,666	708,509	745,175	106,234
Investment management fees	(24,385)	(49,473)	(73,858)	(67,200)
	234,815	659,036	893,851	222,534

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 2021

12 Permanent endowment fund

	Core endowment £	Unapplied total return £	2021 £	2020 £
Balance brought forward	10,746,890	5,227,420	15,974,310	15,118,284
Movement in year				
Investment returns				
Dividends and interest	-	320,701	320,701	441,684
Realised gains (losses)	-	134,619	134,619	(225,463)
Unrealised gains (losses)	-	1,381,767	1,381,767	1,268,461
Less: Investment management costs	-	(49,723)	(49,723)	(45,005)
Net movement before allocations	-	1,787,364	1,787,364	1,439,677
Allocations				
To general funds for income	-	(600,000)	(600,000)	(583,651)
To permanent endowment for inflation	580,647	(580,647)	-	-
Net movement in year after transfer	580,647	606,717	1,187,364	856,026
Funds carried forward	11,327,537	5,834,137	17,161,674	15,974,310
Represented by:				
Investments (note 11)	11,327,537	5,788,292	17,115,829	15,893,330
Current assets	-	45,845	45,845	80,980
Total	11,327,537	5,834,137	17,161,674	15,974,310

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 2021 a transfer of £580,647 was made from the unapplied total return to the core endowment to maintain its real value (2020: £68,890)

£600,000 was transferred to general funds from the unapplied total return in the year (2020: £583,651).

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2021

13 Debtors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	56,528	11,637	2,938	405
Prepayments and accrued income	80,946	169,319	80,946	169,319
Other debtors	491	651	491	651
Amount owed by trading subsidiary	-	-	94,845	30,455
	<u>137,965</u>	<u>181,607</u>	<u>179,220</u>	<u>200,830</u>

14 Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	91,094	138,327	46,382	62,354
Taxation and social security	25,020	25,209	25,020	25,209
Accruals and deferred income	78,720	89,447	64,323	75,567
Other creditors	42,538	29,361	40,070	28,861
	<u>237,372</u>	<u>282,344</u>	<u>175,795</u>	<u>191,991</u>

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 2021

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 remained at £165,360 per annum. The total payable by St Luke's under the recovery plan is £895,700 and at 31 December 2021, the remaining balance payable was £620,100 (2020: £785,460). 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	-	4,940,598	-	-	4,940,598
Investments	4,159,494	4,263,611	-	17,115,829	25,538,934
Cash at bank and in hand	507,794	-	100,078	-	607,872
Net current (liabilities) assets	(145,252)	-	-	45,845	(99,407)
Defined benefit pension liability	(620,100)	-	-	-	(620,100)
Net assets at the end of the year	3,901,936	9,204,209	100,078	17,161,674	30,367,897

b Prior 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

St Luke's Parochial Trust
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For the year ended 31 December 2021

18 Unrealised gains

The total unrealised gains (losses) as at 31 December 2021 and included in note 11 constitutes movements on revaluation and are as follows:

	2021 £	2020 £
Unrealised gains included above:		
On investments	<u>6,047,835</u>	5,765,656
Total unrealised gains at 31 December	<u>6,047,835</u>	<u>5,765,656</u>
Reconciliation of movements in unrealised gains (losses)		
Unrealised gains at 1 January	5,765,656	4,552,781
Less: in respect to disposals in the year	<u>(1,776,808)</u>	<u>(654,741)</u>
	3,988,848	3,898,040
Add: net gains arising on revaluation arising in the year	<u>2,058,987</u>	<u>1,867,616</u>
Total unrealised gains at 31 December	<u><u>6,047,835</u></u>	<u><u>5,765,656</u></u>

St Luke's Parochial Trust
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19 Movements in funds

19 a Movements in funds (current year)

	Balance at 1 Jan 2021 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	Balance at 31 Dec 2021 £
Permanent Endowment	15,974,310	320,701	(49,723)	(600,000)	1,516,386	17,161,674
Restricted funds						
Community Services						
Over 55s services	7,500	58,000	(58,000)	-	-	7,500
Meals and food hub						
Lunch service	-	16,148	(16,148)	-	-	-
Food Connections	28,289	-	(28,289)	-	-	-
Food hub	1,700	9,529	(8,057)	-	-	3,172
Community engagement						
Wellbeing hub	-	35,000	(17,500)	-	-	17,500
Activities	-	1,340	(1,340)	-	-	-
Women's activities	580	-	-	-	-	580
Business Engagement						
Business Engagement team	10,201	44,000	(45,869)	-	-	8,332
Business Engagement hub	5,595	-	(1,280)	-	-	4,315
Firm Futures	2,000	20,000	(13,000)	-	-	9,000
Steps to Success	-	4,000	(4,000)	-	-	-
Cookery School						
Community cooks	6,907	-	(6,907)	-	-	-
Horticulture/Gardening						
Community gardening	-	35,000	(17,500)	-	-	17,500
Engaging gardens for residents and children	41,000	-	(9,683)	-	-	31,317
Welfare grants	3,028	5,099	(7,265)	-	-	862
Total restricted funds	106,800	228,116	(234,838)	-	-	100,078

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2021

19 a Movements in funds (current year, continued)

	Balance at 1 Jan 2021 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	Balance at 31 Dec 2021 £
Unrestricted funds	5,140,500	-	(164,141)	(35,761)	-	4,940,598
Designated tangible fixed assets fund						
Designated revenue funds						
Cyclical maintenance	1,161,302	-	(23,411)	46,926	-	1,184,817
Extraordinary repair	748,787	-	(7,000)	29,213	-	771,000
Planning deed	1,964,000	-	-	-	-	1,964,000
Care and grant fund	411,794	-	(68,000)	-	-	343,794
	4,285,883	-	(98,411)	76,139	-	4,263,611
General funds						
Charitable funds	3,217,331	413,346	(1,038,715)	559,622	750,352	3,901,936
Trading company funds	-	298,584	(298,584)	-	-	-
	3,217,331	711,930	(1,337,299)	559,622	750,352	3,901,936
Total unrestricted funds	12,643,714	711,930	(1,599,851)	600,000	750,352	13,106,145
Total funds	28,724,824	1,260,747	(1,884,412)	-	2,266,738	30,367,897

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 £600,000 was made from the unapplied total return to general funds to provide working capital for St Luke's charitable activities (2020: £583,561).

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 2021

19 a Movements in funds (current year, continued)

Lunch service	
Grants from the London Borough of Islington 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	
Donations from supporters to provide food for households living in poverty in the area.	
Wellbeing hub	
A grant from the London Borough of Islington to fund the provision of Health and Wellbeing to the local community.	
Community engagement activities	
Donations to support activities under SLPT's community engagement initiative.	
Women's activities	
A grant from Sport Islington towards the costs of women's table tennis sessions.	
Business Engagement team	
Donations from Hogan Lovell LLP and Slaughter and May to support the work of the Business Engagement Team.	
Business Engagement hub	
Support from Kreston Reeves and Wagstaff, received in 2020, for the fit-out of the new 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, awarded in 2019, to support classes enabling local residents to learn cookery skills and gain a better understanding of healthy eating.	
Community gardening	
A grant from the London Borough of Islington to fund a community gardening project for people over 55 years of age.	
Engaging gardens for residents and children	
Grants from the London Borough of Islington and the Derwent London Community Fund, received prior to 2021, to support work to engage local residents and children in gardening and food growing activities.	
Welfare grants	
A grant from Cloudesley to provide welfare grants to Islington residents.	

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2021

19 a Movements in funds (current year, continued)

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.

19 b Movements in funds (prior 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 for residents and children	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 2021

19 b Movements in funds (prior year, continued)

	Balance at 1 Jan 2020 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	Balance at 31 Dec 2020 £
Unrestricted funds	5,304,641	-	(164,141)	-	-	5,140,500
Designated tangible fixed assets fund						
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

St Luke's Parochial Trust
Notes to the accounts
For the year ended 31 December 2021

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

	2021 £	2020 £
Net movement in funds	1,643,073	1,007,388
Depreciation	164,141	164,141
Interest, rent and dividends from investments	(480,932)	(664,289)
Gains on investments	(2,266,738)	(1,521,024)
Loss on the disposal of fixed assets	35,761	-
Decrease in debtors	43,642	129,345
(Decrease) increase in creditors	(210,332)	(201,348)
Net cash (used in)/provided by operating activities	(1,071,385)	(1,085,787)

21 Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	607,872	473,052
Cash held by investment managers	893,851	222,534
Total cash and cash equivalents	1,501,723	695,586

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 (2020: £13,000).

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 2021 (2020: 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.

Don Kehoe is also a trustee of Help On Your Doorstep (HOYD).

HOYD rents office space from St Luke's at reduced charity rates.

St Luke's Parochial Trust
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23 Related party transactions (continued)

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

Hogan Lovells donated £18,000 and provided volunteer support to the charity during the year (2020: £19,000).

Valerie Bossman-Quarshie, Troy Gallagher, Phil Graham and Matt Nathan are London Borough of Islington (LBI) councillors and were trustees of St Luke's Parochial Trust in 2021.

St Luke's received grant and contract income from LBI totalling £154,508 during the year (2020: £85,198).

EMPLOYEES (at date of publication)

Fiker Anliey (Care Support Worker)	Carol-Ann McCardle (Community Engagement Manager)
Paul Bambury (Reception and Facilities Teams Manager)	Tsedal Menghistu (Health and Wellbeing Officer)
Deniz Bellikli (Reception Team Leader)	Jose Mendes (Kitchen Assistant)
Lisa Burrell (Senior Communications Manager)	Daniel Nitzani (Kitchen Assistant)
Kelley Byrne (Receptionist)	Graham Reeves (Older Men's Development Officer)
Cathy Carpenter (Deputy Director of Services)	Michael Ryan (Chief Executive)
Sarah Caldwell-Watson (Administration Officer)	Ben Saxon (Finance Manager)
Amy Ennis (Catering Manager)	Nezahat Simsek (Kitchen Assistant)
Marlo Fox (Care Support Worker)	Jane Spong (Business Engagement Officer)
John Garces (Business Engagement Manager)	Katherine Ulloa (Finance Assistant)
Fiona Horigan (Deputy Director of Services)	Sarah Verrinder (Executive Assistant)
Joanne King (Temporary Administration Officer)	Ying Wang (Finance Assistant)
Thomas Lans (Director of Operations)	Aziz Watili (Chef)
Sam Lewis (Community Gardener)	Keren Wiltshire (Director of Services)
Maurizio Morelli (Community Chef)	Matthew Kimberly (Facilities Co-ordinator)
Agnieszka Wcislo (Chef)	
Luke Polie (Facilities Assistant)	

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 2021.

Allford, Hall, Monaghan, Morris Architects	Kreston Reeves
Allianz Global Investors	Laing O'Rourke
Arnold Clark community fund	Linklaters LLP
B Consultancy	London Borough of Islington
Big Alliance	Mace Group
Britannia Pub	McCormacks Law
Canvas8	Mer IT
City Harvest	NMPi Digital by Incubea
City University	Old Street District Partnership
Cloudesley	Pollard, Thomas, Edwards LLP
CMS Law	Quarterre studio Ltd
CVC Advisors Limited	RGA UK Services Limited
Dulwich Almshouses Charities	RHT Group
East London Business Alliance (ELBA)	Shearman and Sterling LLP
Expedia Group	Sir Robert McAlpine Limited
Fareshare	Slaughter and May
Felix Project	Sport Islington
Furniture Practice	Tandem Property Asset Management LLP
Goswell Road Coffee	TaP Music
Haberdashers' Company	The National Lottery Community Fund
Hawkins/Brown	The Worrall and Fuller Exhibition Fund
Helical PLC	Thirty Three
Henry Smith Charity	Transport for London
Higgins Partnerships	Volunteers in the World - VITW
Hogan Lovells LLP	Worshipful Company of Basketmakers
J Coffey Construction	Yes Outdoors
Kogan Page Limited	