

Company Number: 03638571

Charity Number: 1078945

**PRAXIS COMMUNITY PROJECTS**

**TRUSTEES' ANNUAL REPORT & FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2022**

**PRAXIS COMMUNITY PROJECTS**  
**TRUSTEES' ANNUAL REPORT**  
**For the year ended 31 March 2022**

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The Trustees present their report and financial statements of Praxis Community Projects ("Praxis") for the year ended 31 March 2022.

**REFERENCE & ADMINISTRATIVE DETAILS**

**Trustees serving during the year:**

The Trustees of the Charity, who are also the Directors of the Company, have held office since 1 April 2021 as follows:

Barbara Roche	<i>(Chair) (Retired November 2021)</i>
Dr Debbie Weekes-Bernard	<i>(Chair) (Appointed 10 February 2022)</i>
Pasha Michaelsen	<i>(Vice Chair) (Acting Chair from Nov 2021-Feb 2022)</i>
Raphael Perret	<i>(Treasurer)</i>
Tom Brand	
Martin Cosarinsky Campos	<i>(Retired 8 December 2022)</i>
Constance Cullen	
Ruby Giblin	
Dylan Matthews	
Kemi Ogunlana	
Jumana Rahman	
Satbir Singh	<i>(Appointed 12 October 2022)</i>

**Chief Executive:**

Sally Daghlian OBE

**Principal Office:**

Pott Street, London, E2 0EF

**Charity Number:**

1078945

**Auditors:**

Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG

**Bankers:**

HSBC plc, 465 Bethnal Green Road, London, E2 9QW

## **OUR CHARITABLE OBJECTS**

Praxis' charitable objects are to:

- (a) advance the education and relieve the poverty, sickness and distress of members of the public, particularly refugees, migrants and asylum seekers (the beneficial class) in particular but not exclusively by:
  - (1) the provision of counselling, translating and interpreting services regarding matters of importance to the beneficiaries of the charity, including the matter of detention and related issues;
  - (2) the provision of advice regarding financial matters, welfare benefits, housing, health, education, training and employment;
  - (3) the provision of ESOL classes and vocational training; and
  - (4) the carrying out of research to assess the needs of the beneficial class.
- (b) provide facilities for recreation or other leisure time occupation with the object of improving the conditions of life of those members of the beneficial class who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances.
- (c) advance the education of the public, in particular the beneficial class, of different cultures of the beneficial class through, but not exclusively, the provision of art and drama workshops and other similar cultural and educational activities.
- (d) promote racial harmony by undertaking workshops which help people understand the causes and effects of racist attitudes and how individuals may learn to live with and overcome them.

### **Praxis' Vision**

People who have migrated to the UK will not be marginalised or mistreated because of their immigration status. They will live safely, free from poverty, discrimination, and exclusion, and be treated with compassion and respect.

### **Praxis' mission**

Our mission is to create positive change for and with individuals and communities who are marginalised because of their immigration status.

We deliver our vision by working on three levels:

**Delivering direct services:** providing specialist legal advice and holistic welfare support to help people to live securely and safely.

**Building the capacity of other services across the UK:** using our expertise to provide innovative solutions and sharing our knowledge through training and partnership working.

**Campaigning for systemic change:** building alliances and working in partnership with experts by experience to create positive, long-term changes to the policy and practice that cause exclusion and destitution.

Our direct services are pan-London but we share our expertise and influence nationally and internationally.

**Our four strategic objectives as set out in our 2021-2026 strategic plan build on the objects of the charity and the current context and set the framework for our activities.**

### **Objective1**

People navigating the immigration system or subject to immigration controls have access to the support they need to live safely and escape poverty.

To achieve this Praxis will increase access to support by delivering frontline services which provide the legal advice, and holistic support and guidance people need to leave crisis and begin to live in safety. We will work in partnership to increase access to support for those most in need, and champion user-led work to build community and strengthen lived experience voices.

### **Objective 2**

Statutory and voluntary service providers are better able to identify and address needs of people who have migrated or have family migration histories.

To achieve this Praxis will expand our training and capacity building programme, supporting good practice, and enabling others to respond positively to the needs of people who have migrated.

### **Objective 3**

Positive changes in national policy and practice are secured through public campaigning, influencing, advocacy and strategic litigation.

To achieve this Praxis will advocate with and on behalf of people who have migrated, creating systemic improvements, and acting as a catalyst for long term change.

### **Objective 4**

Praxis will be a resilient, agile, flexible organisation that can respond effectively to changing needs and circumstances.

To achieve this Praxis will build on the learning from Covid-19 to ensure that we remain an organisation which can flex and adapt quickly while continuing to meet the needs of the staff and service users.

## **ACHIEVEMENTS AND PERFORMANCE**

With the invaluable support of funders and partners, and by working in partnership and united with migrants and refugees, Praxis has met its organisational objectives this year against a backdrop of ongoing rapid changes in the UK's approach to migration.

This financial year continued the trend of fast paced and challenging changes, many disproportionately affecting communities and individuals who have migrated to the UK. We continued to challenge the exclusion from mainstream support many migrants and refugees experience; being denied secure status, and at the mercy of a complex and dysfunctional administrative and legislative system. Our holistic and integrated service model and focus on influencing systemic change, centres the voices of experts by experience and has continued to drive our impact throughout this rapidly changing time. We have developed, piloted and embedded innovative and responsive approaches in collaboration with new partners across several sectors during the year, and have also seen the successful closure of our temporary housing project which delivered safe accommodation and help to find sustainable pathways to safety and belonging.

We won our first campaign on 'Free School Meals' for children who need them, regardless of their parents' immigration status, and worked with our partners to oppose and challenge the Nationality and Borders Bill as it passed through parliament. We also worked with local authorities to help inform their responses to the Afghan and Ukrainian refugee crises based on evidence and learning garnered from our frontline services.

The following section details our activities and impact in 2021-2022.

### **Objective 1**

People navigating the immigration system or subject to immigration controls have access to the support they need to live safely and escape poverty.

*"Praxis has been saviour to me when I didn't know what to do"*

During the year Praxis Advice services of 20 specialist caseworkers **supported more people than ever before.**

**2441 people accessed expert advice** on immigration to help them understand their options and make informed choices. The advice team's support included helping people to understand their rights and entitlements, advocate for themselves and build resilience.

- **77% accessing our advice and case support strongly agreed that Praxis had made their life more 'safe and stable'.**

**537** people were supported to progress their immigration case by submitting immigration applications to the Home Office and **664** people we had helped had their application granted (the time frame for decisions does not align with the application submission timeframes).

In total **£754,032 in financial support was won or accessed** for people in urgent need, many battling the '**No Recourse to Public Funds**' (NRPF) visa condition increasingly imposed on those seeking leave to remain. This condition attached to many people's visas denies access to the welfare safety net, regardless of circumstance or need and can push those affected into extreme financial hardship. The financial support included help to secure fee waivers for applications to the Home Office, and grants to pay for basic necessities, access to welfare benefits and other entitlements, where possible.

We supported people to leave crisis and find pathways to long-term safety.

- **97% said that the overall service they received was very good.**
- **75% strongly agreed that Praxis had improved their life**

*"My family and I congratulate Praxis on the excellent services Praxis have provided and have change our lives and for us to be able to move forward there is no words to express our thanks and gratitude to your team"*

## **Housing:**

This year saw the award-winning housing project come to an end slightly earlier than planned due to the impact of Covid. This innovative project was a partnership with Commonweal Housing underpinned by social investment from City Bridge, Esmée Fairbairn Foundation, Trust for London and Big Society Capital.

The project demonstrated the benefits of providing a combination of legal advice and casework and a supported housing environment to help people overcome the barriers to independence caused by their immigration status.

We set out to address the challenge of accommodating homeless migrants who were excluded from general support such as hostel accommodation and other homelessness support systems by their immigration status and the no recourse to public funds visa condition. Operating a cross subsidy model we were able to house some single people by accommodating families referred to us by local authorities and funded as part of their duties to support children under Section 17 of the Children's Act. The social support and legal casework provided by Praxis meant that families were able to move on after an average of 365 days, compared to an average of 552 days based on Local authority figures provided by NRPF Connect. We estimate that our model may have saved up to £8m in local authority costs over the life of the project and significantly reduced the time that families and individuals were destitute and prevented from living a normal life.

In addition to significant cost savings, the project produced extensive learning on good practice, highlighting the benefits of good quality accommodation, and a holistic support package including immigration advice. Influenced by this work many Local Authorities and London Councils are now commissioning immigration advice for families and individuals at risk of homelessness and destitution because of their immigration status.

This project also informed and enabled us to campaign against the impact of the No Recourse to Public Funds policy on the lives of adults and children. The project provided successful outcomes for families with children and single women subject to the NRPF condition; 72 positive decisions were achieved by the time they left the project.

## **Objective 2**

Statutory and voluntary service providers are better able to identify and address needs of people who have migrated or have family migration histories.

We continued to model innovative solutions and share knowledge and good practice with other services, supporting professionals and organisations to understand the complex and frequently changing landscape of services and entitlements. The move to online delivery during the Covid pandemic offered some unforeseen advantages; it helped make our training accessible to participants across the UK, greatly increasing the geographical spread of professionals and organisations benefitting from our courses. Online delivery has therefore become embedded as delivery option within the training portfolio.

During the year we delivered **20** training sessions attended by **329** attendees, and two presentations at events run by partner organisations attended by **70** people. We also provided training to frontline workers across **11** London councils. As a result, the barriers that affect people subject to immigration controls are becoming more recognised by a range of non-migrant organisations, which in turn leads to greater positive outcomes for individuals as organisations refer people on for expert support earlier to avoid or deescalate their crisis.

In March 2022 we delivered four workshops in partnership with local authorities and the Greater London Authority (GLA). Praxis provided information on the rights and entitlements of those arriving under the new government schemes for people fleeing Ukraine and outlined legal options for those who arrived independently. The workshops were attended by 50 people and 26 individuals were provided with advice.

Praxis ran the Pan-London Migrant Frontline Network funded by St Martin-in-the-Fields charity. It offered support to frontline staff who work with people experiencing homelessness in London and explored migrant experiences of homelessness. The PLM Network facilitated quarterly events, which provided a regular opportunity to bring together frontline workers in London to network, share expertise and experience, and link to decision makers.

- *“Thank you again to you and your colleagues from Praxis for such a good event...it was so great that people could receive advice and support.” – delivery partner.*

### **Objective 3**

Positive changes in national policy and practice are secured through public campaigning, influencing, advocacy and strategic litigation.

This year was the first year for our new policy and campaigns team which co-produced and delivered a campaign with Praxis' No Recourse to Public Funds action group. The work got off to a highly successful start, winning our very first campaign ensuring **Free School Meals** for children who need them, regardless of their parents' immigration status.

This campaign was launched in February and we used extensive outreach and relationship building to reinvigorate a loose coalition of organisations that had previously worked on this issue, including The Children's Society, Citizens UK, Food Foundation and Child Poverty Action Group, for a renewed push on this issue. We organised **meetings with a number of MPs and peers from a range of political parties**, which helped us to build support, gather intelligence and inform the design of the campaign.

On hearing the success of the campaign Anna, an action group member, said:

*“We are tremendously happy to hear today's good news. This promising development gives us hope. It is so important to safeguard children. This is a step further on our quest: we are closer to ensuring that one of the most basic rights of children, to be well nourished, are being met. We are not resting on our laurels, there are more battles to fight. We are glad to see the government is listening to us and our voices are being heard. We are looking forward to achieving more of our aims.”*

Supported by Praxis, the NRPf action group has been speaking out on other issues that affect them whilst building campaigning and organising skills and developing a campaign strategy. This work is instrumental in building leaders with lived experience and ensuring that those affected by policy are central in efforts to challenge it. To mark Human Rights Day in December, the group organized an event to celebrate human rights and provide an opportunity for conversation with MP's on the real-life impacts of being denied access to a safety net.

With the new policy and campaigns team coming into place, we have been working on building structures and practices so that our communications have a good foundation. In addition, we have significantly increased social media content production across every platform and produced expert policy briefings.

- Praxis media work expanded this year. We increased pro-active approaches, pitching stories and responding to requests for comment. The range of coverage included; several pieces including a feature piece in My London, a letter to the editor in the Times, op eds in the Tribune, the Independent and a ghost written one in Politics Home. We had several campaign features in Children and Young People Now, The Independent and the Big Issue. We were particularly proud of an interview with 2 young people who used our services in a BBC Panorama Documentary.

<https://www.mylondon.news/news/news-opinion/people-seeking-asylum-should-allowed-22548716>

This year saw Praxis enter a new national partnership with the Institute for Public Policy Research (IPPR) and the Greater Manchester Immigration Aid Unit. Bringing together policy and research expertise, community engagement and immigration expertise the partnership is working together to create positive policy change. This innovative partnership is funded by the Justice Together Initiative. The partnership focussed its initial work on lobbying to secure improvements to the Nationality and Borders Bill as it went through the parliamentary process. Whilst 30 amendments were secured in the House of Lords these were all over-turned in the House of Commons and we now face the challenge of supporting the many people whose rights have been overturned or reduced by the Act. Nonetheless, positive working relationships and alliances have been developed for the future and the next campaign focus.

#### **Objective 4**

Praxis will be a resilient, agile, flexible organisation that can respond effectively to changing needs and circumstances.

This year saw the successful recruitment of a new chair and Dr Debbie Weekes Bernard was appointed as Chair of the Board in February 2022. Debbie brings significant professional experience, networks and commitment to the board. She is the Deputy Mayor for Communities and Social Justice in London, chairs the Mayor's Equality, Diversity and Inclusion Advisory group, as well as London's Strategic Migration Panel and is co-chair of the Diversity in the Public Realm Commission. She is also a member of the TUC Anti-Racism Taskforce and the World Economic Forum Global Future Council on Systemic Inequalities and Social Cohesion.

As a human rights' organisation Praxis has a long history of challenging racism and discrimination and, following an organisational learning programme in 2020, we have challenged ourselves to systematically examine our obligations and behaviours to ensure that we have an anti-racist approach across all our work. As part of this we have developed new values which are being embedded throughout the organisation.

We continued to build the infrastructure of the charity to strengthen our governance, building on the reviews of the management structure in 2020 and review of fundraising and communications in 2021. We appointed a new head of fundraising and communications in 2021 and created a new role to support digital engagement in both campaigning and fundraising. We revised the team structure so that the new campaigns' function is led directly by the CEO reflecting its importance in the strategic plan.

An in-depth Financial Analysis was completed by the Interim Head of Finance and Resources (covering maternity leave) leading to the financial coding system being redesigned and the Chart of Accounts being overhauled ready for 2022-23. This change involved re-organising departmental structure of the accounts to improve granular financial information and inform financial analysis and planning, this significantly improves our ability to identify income gaps and secure full costed grants and contracts to build a sustainable organisation.

Following the digital transformation undertaken in 2020, we continued to evolve our ability to work effectively, securely and fluidly within the emerging hybrid landscape combining remote and in-person work. Digital applications supporting our employment and professional development processes were implemented this year to support improved human resource functions.

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Health and safety and supporting staff and volunteer wellbeing and resilience has continued to be a priority. This year saw us achieve accreditation as a Living Wage Employer and achieve re-accreditation by Investors in People. We underwent and passed an Advice Quality Standard audit and an audit by the Office of the Immigration Services Commissioner (OISC) which regulates immigration advice provision. We received very positive feedback regarding our client-centred approach, a development which helps cement our reputation as a high-quality advice provider working alongside people who have migrated.

## **CHARITY STRUCTURE, GOVERNANCE & MANAGEMENT**

### **Status**

Praxis Community Projects is a registered charity and a company limited by guarantee, not having share capital. Every member undertakes to contribute an amount not exceeding £10 to the assets of the charity in the event of the charity being wound up during the period of membership, or within one year thereafter.

The members of the company comprise individuals, who are the trustees of the charity and the directors of the company, and certain groups that have a specific interest in the charitable activities of Praxis. The current members groups are: Arewa Association, SACC – Salvador Allende Cultural Centre, Vamos Juntos, Diaspora Support Network and the Uganda Social Justice Arena.

### **Constitution**

The company was incorporated on 25 September 1998 and is registered at Companies House under number 03638571. It took over the assets, liabilities and activities of The Robert Kemble Christian Institute ("RKCI") from 1 April 1999. It was registered as an incorporated charity with the Charity Commissioners under registration number 1078945 on 13 January 2000.

RKCI was originally established by a Deed of Declaration of Trust dated 6 June 1983 following the premature death of the Reverend Robert Kemble, a minister of the United Reformed Church, who had worked extensively with displaced people in Central London. Initial funding for the charity came from a bequest in Reverend Kemble's will. There were no restrictions attached to the use of this legacy.

The incorporated charity is now governed by the rules and regulations set down in its company Memorandum and Articles of Association which were originally dated 25 September 1998 and were subsequently amended on 29 November 1999 and 13 July 2006. In March 2018 the Memorandum of Articles and Association were amended to bring them into line with current legislation and the current context of the charity's work. The Memorandum and Articles of Association were further amended at the AGM in May 2022 to enable trustees to be reappointed for a further short period in exceptional circumstances when critical for good governance.

### **Organisational structure, governance and management**

The overall strategic direction of the charity is determined by the trustees who meet formally six times a year for quarterly board meetings, an AGM and a strategy away day. The trustees agree the strategic and operational priorities and annual budget. They also establish policies and procedures for the running of the charity. There are two sub-groups, the Finance and Resources Committee which meets six times a year and reports to each of the main board meetings and a Premises Committee, formed to assist the organisation to find new premises in advance of the end of its lease in 2025. The finance and resources committee takes responsibility for monitoring and reporting to the Board on key areas including financial planning and management, fundraising, human resources and risk management. From time to time, small groups of trustees and staff work together to consider relevant strategic or operational issues. In addition to attending board meetings the board deploys the expertise of individual trustees as champions to support the chief executive and senior staff and provide for more oversight for specific activities or issues, for example safeguarding. The organisation has a Service User Forum designed to engage service users in the planning and governance of the organisation and give feedback on services. Two of the trustees attend the service-user forum and two service-user representatives attend trustee meetings in an advisory capacity.



In 2021 Praxis completed a review of governance using the Governance Code as a reference point and is undertaking development actions to strengthen governance where required.

The day-to-day management of Praxis is delegated to the Chief Executive and the senior management team. The Chief Executive presents an overview report to each board meeting, along with reports on service delivery, quality assurance and performance. The trustees receive quarterly financial reports and management accounts, including cash flows.

### **Method of recruitment, appointment, induction and training of trustees**

#### ***Recruitment***

Trustees are selected based on criteria established by the Board, comprising relevant skills and experience, knowledge of the areas of work in which the charity is engaged, understanding of governance and an understanding of the communities with which the charity works. Trustees are normally selected through an open recruitment and search process led by a trustee recruitment panel which includes the chair and chief executive. In some cases, potential trustees are recommended and then considered by the recruitment panel which makes recommendations to the board for appointment. In July 2021, in anticipation of the retirement from the board of the chair Barbara Roche, after serving three terms, Praxis launched a public recruitment using experienced consultants to identify a new chair with the required competencies and profile to lead the organisation. This process was led by the vice-chair.

#### ***Appointment***

Trustees hold office for a period of three years from the date of appointment (or such shorter period as the Trustees may agree) and, if qualified, are eligible for reappointment for further terms of three years. Three terms of three years is the normal maximum time that any trustee can serve. A trustee may be reappointed after the normal maximum term of nine years if a majority constituting at least 75% of the remaining trustees pass a resolution that such a reappointment is critical to the good governance of Praxis. When considering whether to pass such a resolution the remaining trustees are required to take into account the need for progressive refreshing of the board of trustees, and any such reappointment must be reported in the trustee's annual report for that year.

#### ***Induction and training***

New trustees receive formal induction, including meetings with the CEO and chair, key documents including the Memorandum and Articles of Association, the strategic plan, and opportunities to meet staff and shadow work. Individual trustees are eligible for governance related training courses and are encouraged to attend. The board reviews its own performance, skills and composition annually at the strategic review day.

#### ***Diversity***

The Board is diverse, in terms of gender, age, nationality and ethnicity and maintaining diversity is a factor in board recruitment. The board currently comprises 60% women and 40% men, 50% of trustees are people of colour with varied backgrounds including Asian British, black African and Caribbean, 50% of trustees have migrant backgrounds. The age profile is mixed. There is stakeholder representation on the Board and a service-user champion trustee was appointed to develop stronger engagement of beneficiaries in governance; two service user representatives attend board meetings and feed in from wider service user discussions. Trustees participated in facilitated sessions with a consultant as part of an organisation-wide anti-racist learning programme and are committed to maintaining and promoting diversity, inclusion and equality principles.

### **Related parties and related party transactions**

- 1 Robert Kemble Trustees Limited hold the head lease on the premises for which the landlord is the Thames North Trust, a body controlled by the United Reformed Church.
- 2 Rent of £25,000 is payable annually in respect of the Pott Street premises to the United Reformed Church.

### **Remuneration policy for key management personnel.**

Trustees are responsible for setting remuneration levels for the charity's senior staff; the Chief Executive, Head of Operations and Business Development, Head of Fundraising and Communications and Head of Finance and Resources.

In setting their remuneration, the trustees consider the skills, experiences and competencies required for the post; salary levels for comparable roles elsewhere in the sector; the charity's ability to pay and its track record in attracting and retaining committed and motivated employees. Salary levels are reviewed periodically by the trustees using independent advice.

### **Grant making policy**

Praxis does not give grants directly as a method of furthering its charitable objectives. The charity applies for and distributes hardship payments according to need and the criteria of the donors. We are particularly grateful to London Catalyst and Arnold Clark Community Fund. In 2021/22 Praxis distributed £21,503 in hardship payments.

### **PUBLIC BENEFIT**

The charitable purposes, objectives and activities, which Praxis undertakes for the public benefit, and achievement in delivering these are set out in the relevant sections of this report. The Trustees ensure that the services delivered by Praxis are not unreasonably restricted and are relevant to the needs of our beneficiaries, thereby enabling them to settle effectively in the UK and contribute positively to society. The Trustees have complied with their duty to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

### **FUNDRAISING**

A significant proportion of Praxis's funds come from charitable trusts and foundations. In recent years we have received a growing number of donations from individuals and are working to increase our individual donor base. We are registered with the Fundraising Regulator and abide by their Fundraising Promise and the Code of Fundraising Practice. We comply with the General Data Protection Regulation which became law in 2018. We do not contact people unknown to us or without their permission. We do not use any commercial participators or professional fundraisers. We do not use any intrusive or persistent approaches. We have not received any complaints about our fundraising.

### **RISK & CORPORATE GOVERNANCE MATTERS**

Praxis trustee board normally meets six times a year, including a strategic review day and AGM. We have regular meetings of the Finance and Resources Committee, normally prior to every full board meeting, and trustees monitor the financial position, including cash flow, and reports on risk and income generation at every meeting. During the pandemic all trustee meetings were held over Zoom these have now reverted to in-person, with committees held remotely.

Praxis continues to face building related risks, particularly in relation to potential repair costs arising from working in an old building where we have a two thirds liability for repairs. Our current lease ends mid 2025 and we have revised our future building needs given changing working patterns. We have appointed professional consultants to help find a new affordable home for Praxis. Praxis has a premises committee to consider this important issue and trustees have invested in a premises reserve to help us with the costs of a future move. The Robert Kemble Trust Limited continues to hold the lease on the Pott Street premises as Trustee for Praxis.

In July 2021 trustees launched a public recruitment for a new chair in anticipation of the retiral in November 2021 of our long-standing chair Barbara Roche. The vice-chair Pasha Michaelsen led this process, and an inclusive selection process was carried out with the support of professional recruitment consultants Perrett Laver. Trustees were delighted to appoint Dr Debbie Weekes Bernard as chair in February 2022.

One of the most significant risks facing Praxis is long-term financial sustainability given the changes wrought by Covid19 in the fundraising landscape and the challenging headwinds buffeting the economy as we move through 2022. In 2021, Praxis began work on a three-year income strategy to help us achieve long-term financial stability

and resilience and ensure we can deliver on our organisational strategy. This work explores Praxis's strategic ambitions, impact approach and financial foundations in the context of income generation aspirations. The income strategy will include a set of recommendations that can form the basis for an action plan. This work is in progress and due to be completed over the summer of 2022.

## **FINANCIAL REVIEW**

The total income of the Charity for the year was £2,088,746 (2021: £2,378,165) and total expenditure amounted to £2,228,247 (2021: £2,203,126). Overall, the charity delivered a net loss of £139,501 across the 2021-22 financial year. While such a loss is not ideal, the majority of it came from spending down restricted and designated funds, which are held for specific purposes, and there was a much smaller reduction of £24,647 on general reserves. Following two years of significant disruption and challenge caused by the Covid-19 pandemic, the Trustees are satisfied that the Charity has managed to maintain a relatively resilient financial position. As at 31 March 2022, the charity held £601,515 in general reserves (2021: 626,162), with an additional £165,381 unrestricted reserves designated for specific purposes.

We are very grateful for all the support we receive, both financial and non-financial. We would like to thank the following supporters in particular as well as those who wish to remain anonymous:

A&B Charitable Trust, BBC Children in Need, Ben & Jerry's Tides Foundation, Justice Together Initiative, Dischma, Southwark Cathedral, Souter Charitable Trust, London Legal Support Trust, Milton Damerel Trust, The Oak Foundation, Paul Hamlyn Foundation, Respond and Adapt, Southwark Cathedral, The Arpad & Alena Rosner Foundation, The Aurum Charitable Trust, The Henry Smith Charity, The National Lottery Community Fund, The Mercer's Company, The Souter Charitable Trust, Trust for London, 29<sup>th</sup> May 1961 CT, Metropolitan Migration Foundation, Greater London Authority, London Councils, St Mungo's, St Martin in the Field Front Line Network, LB Hackney, LB Tower Hamlets, LB of Newham and Homeless Link. SKY Media Foundation, St Matthews Church Bethnal Green, Open University.

We would also like to thank the organisations, local authorities, charities and companies who collaborated with us.

Allen and Overy  
Crisis  
Babel's Blessing  
Greater Manchester Immigration Aid Unit  
Homeless link  
Hackney Migrant's Centre  
IPPR  
JCWI  
Kazzum Arts  
Members of Praxis groups  
Members of NRPF  
LB Hackney  
LB City London  
LB Newham  
LB Tower Hamlets  
Pathways  
Praxis Service User Forum Members  
Praxis Service User Representatives  
Public Law Centre  
Refugee Action  
Refugee Kitchen  
Shelter  
St Martin-in-the-fields – Charity  
St Mungo's  
United Reform Church

## **Reserves Policy**

The Policy is to maintain sufficient reserves to enable operating activities to continue over a reasonable period should a shortfall in income occur and to take account of potential risks and contingencies that may arise. These included the following elements:

- Projects which Praxis is obliged to deliver, but where there is some risk of funding not covering the full cost of delivery
- Financial capacity to enable Praxis to manage staff levels in accordance with its policies and legal obligations
- The working capital needed to operate
- Some capacity to manage operational expenditure at a time of unforeseen uncertainty in income streams
- A general margin for unexpected events

Trustees have reviewed the level of reserves required to mitigate these risks, using the same methodology as the prior year. The target level of reserves now stands at £655,395, which is equivalent to 3.46 months' running costs.

The actual general reserves at 31 March 2022 stood at £601,515 (3.17 months' operating costs). While this is £53,880 below the target level, the Trustees consider that in light of the challenges of coming through the Covid-19 pandemic, Praxis remains on a stable financial footing. They are mindful that the Charity will need to pay close attention to unrestricted fundraising in future years to ensure that this deficit does not become systemic and the reserves will recover to target level.

During 2021-22, some £24,750 of designated funds were spent from the business development reserve to support the growth and development of the charity. These stood at £25,250 at year end, with plans to utilise the remainder during 2022-23. The designated property reserve, which stands at £140,131, was not utilised during the year. These will support the organisation in costs associated with the search for new premises and the end of the current lease agreement, which will end by 2025, and reflect the fact that current annual rent paid by the charity is significantly below market rate for the area. None of these future contingencies has changed, and it is the Trustees prudent view that this designation remains appropriate and necessary.

Cash balances at 31 March 2022 represent just under 4 months of expenditure. The reserves are considered to be adequate based on current levels of activity, and the charity continues to operate as a going concern, with robust forward planning in place for the medium and long term.

## **PLANS FOR FUTURE PERIODS**

The number of people facing challenges with the immigration system which put them at risk of exclusion, homelessness and poverty is growing exponentially. The Nationality and Borders Act passed in 2022 will add to the number of people living insecurely and facing significant challenges to their health, welfare and safety, all exacerbated by the cost of living crisis. We are seeing growing numbers of people without secure status or without documents facing a hostile and dysfunctional Home Office system. Many EU citizens are struggling now with issues related to status and Ukrainian refugees face homelessness, as there is no planned support as the Homes for Ukrainians voluntary scheme ends. The Windrush scandal is far from over with many people dying before receiving any compensation. Government rhetoric continues to fuel hostility towards migrants as witnessed in the passing of the Nationality and Borders Act and the response to small boat arrivals.

In April 2021 Praxis launched [a new five-year strategy](#) to guide us through this challenging external context. It is clear that the scale of need is beyond the capacity not only of Praxis but of the sector as a whole and our new strategy will focus on securing wider impact and policy change, working in partnership with others.

We will continue to deliver direct services with a focus on immigration advice and the complex inter-play with social and welfare law; our work on the frontline gives us the knowledge and evidence to influence and push for systemic change. We will continue to build the capacity of others, through training and partnerships, to improve wider access to services and to build alliances for change.

**PRAXIS COMMUNITY PROJECTS**  
**TRUSTEES' ANNUAL REPORT**  
**For the year ended 31 March 2022**

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We are building our communications and campaigning capacity and are committed to being a catalyst for systemic national change. We recognise that this is a long-term aspiration, however, we are setting incremental goals. We are dedicated to work in partnership with service-users, co-producing our campaigns, ensuring that people with lived experience of the immigration system have a strong voice and are at the centre of all that we do.

We will continue our efforts to find a suitable new home for Praxis given that our lease ends in 2025. Whilst we hope to retain an East London base, property prices mean that we must widen our search. We are also exploring the delivery of services from other premises to increase access points and reduce travel for service users.

## **TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The charity trustees are responsible for preparing a Trustees' Annual Report and financial statements 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the trustees on **19 December 2022** and signed on their behalf by:

*R. Perret*

Raphael Perret  
TREASURER

### **Opinion**

We have audited the financial statements of Praxis Community Projects for the year ended 31 March 2022 which comprise of the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of the charitable company's net movement in funds, including the 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 requirements of the Companies Act 2006.

### **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 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Trustees Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the 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 financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

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

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.

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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Charity Law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such the Companies Act 2006 and the Charities Act 2011, and consider other factors such as relevant taxation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the charity to ensure these were in place throughout the year;



**PRAXIS COMMUNITY PROJECTS**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRAXIS COMMUNITY PROJECTS**  
**For the year ended 31 March 2022**

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- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Murtaza Jessa (Senior Statutory Auditor)  
10 Queen Street Place  
For and on behalf of Haysmacintyre LLP, Statutory Auditor

London  
EC4R 1AG

Date 20 December 2022

**PRAXIS COMMUNITY PROJECTS**

Financial Statements for the year ending 31 March 2022

**STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)****STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
<b>Donations and Legacies</b>	1	497,294	-	497,294	380,725
<b>Investments</b>		127	-	127	3,380
<b>Raising funds:</b>					
Income from lettings	2	-	-	-	-
<b>Charitable activities:</b>					
Advice Services & Group Activities	3	-	941,093	941,093	975,926
Housing & Homelessness	3	59,573	292,768	352,341	726,404
Interpreting	3	297,891	-	297,891	291,730
<b>TOTAL INCOME:</b>		<b>854,885</b>	<b>1,233,861</b>	<b>2,088,746</b>	<b>2,378,165</b>
<b>Expenditure on:</b>					
<b>Charitable Expenditure:</b>					
Advice Services & Group Activities	4,7	356,449	1,031,197	1,387,646	1,072,925
Housing & Homelessness	4,7	177,921	292,768	470,689	877,247
Interpreting	4,7	369,912	-	369,912	252,954
<b>TOTAL EXPENDITURE:</b>		<b>904,282</b>	<b>1,323,965</b>	<b>2,228,247</b>	<b>2,203,126</b>
<b>NET INCOME/(EXPENDITURE):</b>		<b>(49,397)</b>	<b>(90,104)</b>	<b>(139,501)</b>	<b>175,039</b>
Transfer between funds		-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(49,397)</b>	<b>(90,104)</b>	<b>(139,501)</b>	<b>175,039</b>
<b>RECONCILIATION OF FUNDS</b>					
Fund balances brought forward at 1 April 2021		816,293	194,903	1,011,196	836,157
<b>FUND BALANCES BROUGHT FORWARD AT 31 MARCH 2022</b>		<b>766,896</b>	<b>104,799</b>	<b>871,695</b>	<b>1,011,196</b>

All activities are from continuing operations.

The notes on pages 21 to 32 form part of these financial statements.

**PRAXIS COMMUNITY PROJECTS**  
**Financial Statements for the year ending 31 March 2022**  
**BALANCE SHEET AS AT 31 MARCH 2022**

**BALANCE SHEET AS AT 31 MARCH 2022**

**Company Number: 03638571**

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible Assets	9	27,899	35,625
		<u>27,899</u>	<u>35,625</u>
<b>CURRENT ASSETS</b>			
Debtors	10	328,980	568,632
Cash at bank and in hand		654,317	739,264
		<u>983,297</u>	<u>1,307,896</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	(132,938)	(300,030)
		<u>850,359</u>	<u>1,007,866</u>
<b>NET CURRENT ASSETS</b>			
		<u>878,258</u>	<u>1,043,491</u>
<b>CREDITORS</b>			
Amounts falling due after one year	12	(6,563)	(32,295)
		<u>871,695</u>	<u>1,011,196</u>
<b>FUNDS</b>			
Restricted Reserves	13	104,799	194,903
Unrestricted Reserves:			
General Reserves	13	601,515	626,162
Designated Reserves	13	165,381	190,131
		<u>871,695</u>	<u>1,011,196</u>
<b>TOTAL FUNDS</b>			
		<u>871,695</u>	<u>1,011,196</u>

The financial statements have been prepared in accordance with the special provision relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the trustees and authorised for issue on **19 December 2022** and signed on their behalf by:

*R. Perret*

..... Raphael Perret, Treasurer

The notes on pages 21 to 32 form part of these financial statements

**PRAXIS COMMUNITY PROJECTS**  
**Financial Statements for the year ending 31 March 2022**  
**STATEMENT OF CASH FLOWS**

**STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 MARCH 2022

	<b>2022</b>	<b>2021</b>
	£	£
Cash flows from operating activities:		
<b>Net Cash provided by operating activities</b>	<b>(76,615)</b>	<b>21,251</b>
Cash flows from investing activities:		
Dividends & Interest	127	3,381
Purchase of fixed assets	(8,460)	(16,247)
<b>Net Cash from investing activities</b>	<b>(8,333)</b>	<b>(12,866)</b>
<b>Cash flows from financing activities</b>		
Change in cash & cash equivalents in the reporting period	(84,948)	8,384
Cash & cash equivalents at 1 April 2021	739,264	730,880
<b>Cash &amp; cash equivalents at 31 March 2021</b>	<b>654,316</b>	<b>739,264</b>

**Reconciliation of net income to net cash flow from operating activities**

Net income as per SOFA	(139,501)	175,039
<b>Adjustments</b>		
Depreciation	16,185	14,442
Dividends and Interest	(127)	(3,380)
(increase)/decrease in debtors	239,652	(289,791)
Increase in creditors	(192,824)	124,941
Less pensions non-cash expenditure	-	-
Net cash provided by operating activities	<b>(76,615)</b>	<b>21,251</b>

**Analysis of cash & cash equivalents**

Cash in hand	561,594	637,683
Notice deposits (less than 3 months)	92,723	93,197
Total cash & cash equivalents	<b>654,317</b>	<b>730,880</b>

The notes on pages 21 to 32 form part of these financial statements

**PRAXIS COMMUNITY PROJECTS**  
**Financial Statements for the year ending 31 March 2022**  
**ACCOUNTING POLICIES**

---

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of financial statements are as follows:

**a) Basis of Accounting**

The financial statements 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 to the UK and Republic of Ireland (FRS 102)(effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Praxis Community Projects 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 notes(s).

**b) Preparation of the accounts on a going concern basis**

Having considered future budgets and cash flows, the trustees confirm that they have no material uncertainties about the entity's ability to continue as a going concern for the foreseeable future.

**c) Fixed assets**

Expenditure on fixed assets is capitalised where the cost (or the value if donated) is in excess of £5,000; otherwise it is written off through the Statement of Financial Activities. Costs of replacements of major equipment may be charged to designated funds set aside for that purpose by appropriations from Revenue.

Tangible fixed assets are depreciated at rates calculated to write off the cost, less estimated residual value of each asset evenly over its expected life, as follows:

- Furniture, fittings and equipment to be written off over four years

**d) Funds**

The different funds are defined as follows:

- Restricted funds are those funds which are to be used in accordance with specific instructions imposed by the donor or trust deed.
- Unrestricted funds are those funds available to the charity for its general purposes.
- Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. The aim and use of designated funds is set out in page 10 in the Reserves Policy.

It is the policy of the trustees to retain unrestricted funds, amounts in which in their judgement, can help to mitigate the short term effect of income volatility and retain funds to generate sufficient income to meet current and future operational activities of the charity.

**e) Income recognition**

This comprises fees receivable from the various activities and investment income. All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income can be measured reliably.

**PRAXIS COMMUNITY PROJECTS**  
**Financial Statements for the year ending 31 March 2022**  
**ACCOUNTING POLICIES**

---

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are recognised on a case-by-case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy with the title of the asset having been transferred to the charity.

Income from government and other grants, whether 'capital' or 'revenue' grants. Is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Investment income is credited to income when it is receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

**f) Expenditure**

Liabilities are recognised as expenditure as soon as there is legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Expenditure is recognised on an accruals basis as a liability is incurred, inclusive of VAT, which cannot be recovered.

Charitable activities comprise mainly of the provision of accommodation including welfare and catering, premises and administrative costs.

Support costs have been allocated to charitable activities. Governance activities comprise organisational administration and compliance with constitutional and statutory requirements. Costs include direct costs of external audit, legal fees and other professional advice

**g) 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.

**h) Cash at bank and in hand**

Cash at bank and in hand includes bank accounts, cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**i) 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.

**j) Pension Scheme**

The charity makes contributions into a defined contribution scheme on behalf of all employees who have enrolled in the scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The amount charged to the statement of financial activities in respect of pension costs is the total contribution payable for the year.

**k) Estimation uncertainty**

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

**l) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basis financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**PRAXIS COMMUNITY PROJECTS**  
**Financial Statements for the year ending 31 March 2022**  
**NOTES TO THE ACCOUNTS**

	Total funds 2022	Total funds 2021
	£	£
<b>1 Donations &amp; Legacies</b>		
Donations from individuals, trusts and c	<u>497,294</u>	<u>380,725</u>
<b>2 Income from Lettings</b>		
Rent receivable under operating leases	<u>-</u>	<u>-</u>
<b>3 Grants &amp; Contract Income</b>		
Grants & Contract income	<u>1,591,325</u>	<u>1,994,060</u>
<b>4 Advice &amp; Group Activities</b>		
<b>Direct Costs</b>		
Staff Costs (note 8)	979,061	730,802
Other Costs	<u>86,678</u>	<u>141,705</u>
	1,065,739	872,507
Support costs (note 7)	<u>321,907</u>	<u>200,418</u>
	<u>1,387,646</u>	<u>1,072,925</u>
<b>5 Housing &amp; Homelessness</b>		
<b>Direct Costs</b>		
Staff Costs (note 8)	279,732	566,023
Other Costs	<u>32,171</u>	<u>155,996</u>
	311,903	722,019
Support costs (note 7)	<u>158,786</u>	<u>155,228</u>
	<u>470,689</u>	<u>877,247</u>
<b>6 Interpreting</b>		
<b>Direct Costs</b>		
Staff Costs (note 8)	139,866	195,381
Other Costs	<u>31,453</u>	<u>3,991</u>
	171,319	199,372
Support costs (note 7)	<u>198,592</u>	<u>53,582</u>
	<u>369,911</u>	<u>252,954</u>



**PRAXIS COMMUNITY PROJECTS**  
**Financial Statements for the year ending 31 March 2022**  
**NOTES TO THE ACCOUNTS**

**7 Support Costs 2022**

	Advice	Housing	Interpreting	Total 2022	Total 2021
	£	£	£	£	£
Staff Costs	157,349	52,450	139,866	349,665	131,019
Premises Costs	37,860	25,498	13,907	77,265	88,909
Depreciation - owned assets	7,932	5,342	2,914	16,187	14,442
Audit Fee	4,856	3,270	1,784	9,910	12,720
Governance Costs	12,986	4,257	3,048	20,291	870
Other Costs	100,924	67,969	37,074	205,967	161,267
	<u>321,907</u>	<u>158,786</u>	<u>198,592</u>	<u>679,285</u>	<u>409,227</u>

**Support Costs 2021**

	Advice	Housing	Interpreting	Total 2021
	£	£	£	£
Staff Costs	64,166	49,698	17,155	131,019
Premises Costs	43,543	33,725	11,641	88,909
Depreciation - owned assets	7,073	5,478	1,891	14,442
Audit Fee	6,230	4,825	1,665	12,720
Governance Costs	426	330	114	870
Other Costs	78,980	61,172	21,115	161,267
	<u>200,418</u>	<u>155,228</u>	<u>53,581</u>	<u>409,227</u>

Support costs consist of premises and office costs, and are distributed by staff ratio

Net incoming resources for the year are stated after charging:

	Total funds 2022	Total funds 2021
	£	£
Fees payable to the charity's auditor for the audit of the annual accounts:	9,910	12,720
Depreciation:	<u>16,187</u>	<u>14,442</u>
	26,097	27,162

**8 Staff Costs**

	2022	2021
The average monthly number of employees employed during the year was:		
Charitable Activities	38	36
Support & Governance	12	10
	<u>50</u>	<u>46</u>

Staff costs for the above persons:

	2022	2021
	£	£
Wages and Salaries	1,505,031	1,388,888
Social Security Costs	148,668	131,777
Pension Costs	46,179	41,916
Temporary Staff Costs	48,445	60,644
	<u>1,748,323</u>	<u>1,623,225</u>

Staff Costs by service area:

Advice & Group Activities	786,745	730,802
Housing & Homelessness	332,181	566,023
Interpreting	279,732	195,381
Support	349,665	131,019
	<u>1,748,323</u>	<u>1,623,225</u>

Of which attributable to key management personnel (excluding consultancy fees)	<u>265,530</u>	<u>219,683</u>
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**PRAXIS COMMUNITY PROJECTS**  
**Financial Statements for the year ending 31 March 2022**  
**NOTES TO THE ACCOUNTS**

**8 Staff Costs (continued)**

One Employee received emoluments between £70,000 and £80,000 in the current year (2020-201 one). No employees received emoluments between £60,000 and £70,000 in the current year (2020-21, one)

The Trustees neither received nor waived any emoluments for their services to the Charity and were not reimbursed for any expenses incurred on behalf of the Charity during the current or previous year.

The Charity holds an insurance policy that provides professional insurance cover for the Trustees.

**9 Tangible Fixed Assets - Furniture, Fixtures & Equipment**

	<b>2022</b>	<b>2021</b>
<b>Cost:</b>	£	£
Balance brought forward as at 1 April	130,886	114,639
Additions	8,460	16,247
<b>Value at 31 March</b>	<b>139,346</b>	<b>130,886</b>
<b>Depreciation:</b>		
Balance brought forward at 1 April	95,261	80,819
Provided in year	16,185	14,442
<b>Depreciation at 31 March</b>	<b>111,446</b>	<b>95,261</b>
<b>Net Book Value at 31 March</b>	<b>27,899</b>	<b>35,625</b>
Net Book Value at 1 April	35,625	33,820

**10 Debtors**

	<b>2022</b>	<b>2021</b>
	£	£
Trade Debtors	211,873	568,632
Prepayments and accruals	103,564	-
Other Debtors	13,543	-
	<b>328,980</b>	<b>568,632</b>

**11 Creditors due within one year**

	<b>2022</b>	<b>2021</b>
	£	£
<b>Amounts due within one year:</b>		
Trade Creditors	32,657	57,377
Other taxes & social security	49,532	32,479
Defined Benefit Pension Plan deficit	3,263	10,515
Accruals, including provisions	36,890	66,326
Deferred Income	10,597	133,333
	<b>132,938</b>	<b>300,030</b>

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**12 Creditors due after one year**

	<b>2022</b>	<b>2021</b>
	£	£
Defined Benefit Pension plan deficit	6,563	32,295

**13 Funds**

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
	£	£	£	£	£
<b>Restricted income funds</b>					
Advice Services & Group Activities	151,327	941,093	(1,031,197)	-	61,223
Housing & Homelessness	43,576	292,768	(292,768)	-	43,576
Interpreting	-	-	-	-	-
Central Costs	-	-	-	-	-
<b>Total Restricted funds</b>	<b>194,903</b>	<b>1,233,861</b>	<b>(1,323,965)</b>	<b>-</b>	<b>104,799</b>

**13 Funds**

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
	£	£	£	£	£
<b>Restricted Income Funds</b>					
London Borough of Tower Hamlets	-	291,715	(284,985)	-	6,730
Oak Foundation	-	160,000	(160,000)	-	-
St Mungos	-	132,768	(132,768)	-	-
The Big Lottery	19,047	78,948	(97,995)	-	-
Paul Hamlyn Foundation	101,229	31,000	(72,371)	-	59,858
The Act for Change	20,311	-	(20,311)	-	-
Henry Smith Foundation	5,236	59,399	(49,784)	-	14,851
London Borough of Hackney	-	164,989	(164,989)	-	-
BBC Children in Need	-	25,546	(25,546)	-	-
St Martins in the Fields	-	19,011	(19,011)	-	-
London Borough of Newham	-	90,047	(90,047)	-	-
Shelter	-	104,078	(104,078)	-	-
Trust for London	18,414	50,000	(50,054)	-	18,360
Ben & Jerrys (TIDES) Foundation	19,002	-	(19,002)	-	-
Ben & Jerrys COVID Welfare	-	5,000	-	-	5,000
The Pilgrim Trust	3,966	-	(3,966)	-	-
Other Trusts	1,393	-	(1,393)	-	-
Other Income	6,305	21,360	(27,665)	-	-
<b>Total Restricted Funds</b>	<b>194,903</b>	<b>1,233,861</b>	<b>(1,323,965)</b>	<b>-</b>	<b>104,799</b>
<b>Unrestricted Income Funds</b>					
Designated Funds	190,131	-	-	(24,750)	165,381
General Reserves	626,162	854,885	(904,282)	24,750	601,515
<b>Total Unrestricted Funds</b>	<b>816,293</b>	<b>854,885</b>	<b>(904,282)</b>	<b>-</b>	<b>766,896</b>
<b>Total Charity Funds</b>	<b>1,011,196</b>	<b>2,088,746</b>	<b>(2,228,247)</b>	<b>-</b>	<b>871,695</b>

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**13 Funds (continued)**

**Funds 2021**

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
<b>Restricted income funds</b>					
Advice Services & Group Activities	113,818	964,051	(1,072,506)	145,963	151,327
Housing & Homelessness	7,243	525,477	(630,105)	140,962	43,576
Interpreting	-	-	-	-	-
Central Costs	-	-	-	-	-
<b>Total Restricted funds</b>	<b>121,061</b>	<b>1,489,528</b>	<b>(1,702,611)</b>	<b>286,925</b>	<b>194,903</b>

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
<b>Restricted Income Funds</b>					
London Borough of Tower Hamlets	-	-	(4,748)	4,748	-
Homless Link	42,200	30,804	(73,004)	-	-
Migration Foundation	-	10,000	(10,000)	-	-
Oak Foundation	-	39,942	(92,082)	52,140	-
East End CAB (LBTH-MSG)	-	37,810	(59,663)	21,853	-
St Mungos	-	232,962	(282,250)	49,288	-
The Big Lottery	-	259,622	(237,584)	2,992	19,047
Paul Hamlyn Foundation	63,833	129,000	(91,603)	-	101,229
The Act for Change	-	62,100	(41,789)	-	20,311
Henry Smith Foundation	-	59,200	(53,963)	-	5,237
London Borough of Hackney	4,753	55,064	(72,591)	12,774	-
BBC Children in Need	-	17,872	(19,787)	1,915	-
St Martins in the Fields	-	36,815	(69,201)	32,386	-
Greater London Authority	-	33,040	(33,040)	-	-
London Borough of Newham	7,243	191,728	(238,505)	39,534	-
Crisis	-	47,036	(78,449)	31,413	-
Shelter	-	104,077	(124,768)	20,691	-
Trust for London	-	51,000	(32,586)	-	18,414
Ben & Jerrys (TIDES) Foundation	-	19,002	-	-	19,002
The Pilgrim Trust	-	24,129	(20,164)	-	3,966
Globe Trust	-	8,874	(28,621)	19,747	-
Refugee Action - Respond & Adapt	-	30,000	(33,429)	3,429	-
other trusts	-	1,500	(107)	-	1,392
Other Income	3,032	7,950	(4,677)	-	6,305
<b>Total Restricted Funds</b>	<b>121,061</b>	<b>1,489,527</b>	<b>(1,702,611)</b>	<b>286,926</b>	<b>194,903</b>

**Unrestricted Income Funds**

Designated Funds	190,131	-	0	-	190,131
General Reserves	524,966	888,637	(500,515)	(286,926)	626,162
<b>Total Unrestricted Funds</b>	<b>715,097</b>	<b>888,637</b>	<b>(500,515)</b>	<b>(286,926)</b>	<b>816,293</b>
<b>Total Charity Funds</b>	<b>836,158</b>	<b>2,378,164</b>	<b>(2,203,126)</b>	<b>-</b>	<b>1,011,196</b>

As explained in the Accounting Policies, the Restricted Funds represent grants and donations given to the charity for specific projects on which it is accountable to the donors. During the course of the year, all projects have been reviewed to determine the appropriate status with regard to their treatment as restricted or unrestricted reserves and adjustments made as necessary. Central shared costs are recovered from each project on the basis of staff time, and where this has resulted in a deficit in a restricted project funds have been transferred from general reserves. Remaining balances carried forward as restricted reserves represent ongoing commitments to complete works outstanding as at 31 March 2022 or where any remaining

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funds are restricted to the purposes for which they were received. Transfers to restricted funds represent that part of unrestricted funds spent on the various projects.

As explained in the Reserves Policy, the Trustees have designated £165,381 of unrestricted funds to help with a potential property move and to invest in business development.

**14 Analysis of Net Assets Between Funds**

<b>31 March 2022</b>	Restricted Funds	Designated Funds	General Reserves	Total 2022
	£	£	£	£
Tangible Fixed Assets	9,207	-	18,692	27,899
Net Current Assets	95,592	165,381	589,386	850,359
Long-term Creditors	-	-	(6,563)	(6,563)
<b>Total Net Assets</b>	<b>104,799</b>	<b>165,381</b>	<b>601,515</b>	<b>871,695</b>

<b>31 March 2021</b>	Restricted Funds	Designated Funds	General Reserves	Total 2021
	£	£	£	£
Tangible Fixed Assets	11,810	-	23,816	35,626
Net Current Assets	183,093	190,131	634,641	1,007,865
Long-term Creditors	-	-	(32,295)	(32,295)
<b>Total Net Assets</b>	<b>194,903</b>	<b>190,131</b>	<b>626,162</b>	<b>1,011,196</b>

**15 PENSION COMMITMENTS**  
**GP4 Pension Scheme (operated by the Pensions Trust)**

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

**16 PENSION COMMITMENTS**

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

From 1 April 2022 to 31 January 2025:	£3,312,000 per annum	(payable monthly)
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**PRAXIS COMMUNITY PROJECTS**  
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Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

From 1 April 2019 to 30 September 2025:	£11,243,000 per annum	(payable monthly and increasing by 3% each on 1st April)
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The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

**PRESENT VALUES OF PROVISION**

	31 March 2022 (£s)	31 March 2021 (£s)	31 March 2020 (£s)
Present value of provision	9,826	43,223	51,213

**RECONCILIATION OF OPENING AND CLOSING PROVISIONS**

	Period Ending 31 March 2022 (£s)	Period Ending 31 March 2021 (£s)
Provision at start of period	43,223	51,213
Unwinding of the discount factor (interest expense)	249	1,151
Deficit contribution paid	(10,938)	(10,619)
Remeasurements - impact of any change in assumptions	(226)	1,478
Remeasurements - amendments to the contribution schedule	(22,482)	-
Provision at end of period	9,826	43,223

**INCOME AND EXPENDITURE IMPACT**

	Period Ending 31 March 2022 (£s)	Period Ending 31 March 2021 (£s)
Interest expense	249	1,151
Remeasurements – impact of any change in assumptions	(226)	1,478

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Remeasurements – amendments to the contribution schedule	(22,482)	-
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

\*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

**ASSUMPTIONS**

	31 March 2022 % per annum	31 March 2021 % per annum	31 March 2020 % per annum
Rate of discount	2.35	0.66	2.53

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

**16 Financial Instruments**

	<b>2,022</b>	<b>2,021</b>
	£	£
Financial Assets measured by amortised cost	<u>328,980</u>	<u>568,632</u>
Financial Liabilities measured by amortised cost	<u>32,657</u>	<u>57,376</u>

Financial Assets include trade debtors and staff loans. Financial liabilities include trade and sundry creditors

**17 RELATED PARTY TRANSACTIONS**

There were no related party transactions to be reported in the financial year or prior year

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<b>18 Statement of Financial Activity 2021</b>	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
<b>Income from:</b>			
<b>Donations and Legacies</b>	380,725	-	380,725
<b>Investments</b>	3,380	-	3,380
<b>Raising funds:</b>			
Income from lettings	-	-	-
<b>Charitable activities:</b>			
Advice & Group Activities	11,875	964,051	975,926
Housing & Homelessness	200,927	525,477	726,404
Interpreting	291,730		291,730
<b>TOTAL INCOME:</b>	<b>888,637</b>	<b>1,489,528</b>	<b>2,378,165</b>
<b>Expenditure on:</b>			
<b>Charitable Expenditure:</b>			
Advice Services & Group Activities	419	1,072,506	1,072,925
Housing & Homelessness	247,142	630,105	877,247
Interpreting	252,954	-	252,954
<b>TOTAL EXPENDITURE:</b>	<b>500,515</b>	<b>1,702,611</b>	<b>2,203,126</b>
<b>NET INCOME/(EXPENDITURE):</b>	<b>388,122</b>	<b>(213,083)</b>	<b>175,039</b>
Transfer between funds	(286,925)	286,925	-
<b>NET MOVEMENT IN FUNDS</b>	<b>101,197</b>	<b>73,842</b>	<b>175,039</b>
<b>RECONCILIATION OF FUNDS</b>			
Fund balances brought forward at 1 April 2020	715,096	121,061	836,157
<b>FUND BALANCES BROUGHT FORWARD AT 31 MAI</b>	<b>816,293</b>	<b>194,903</b>	<b>1,011,196</b>