

Company Number: 03638571

Charity Number: 1078945

PRAXIS COMMUNITY PROJECTS

TRUSTEES' ANNUAL REPORT & FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

The trustees present their report and the financial statements of Praxis Community Projects ("Praxis") for the year ended 31 March 2018.

REFERENCE AND ADMINISTRATIVE DETAILS

The trustees of the charity, who are also the directors of the company, have held office since 1 April 2015, as follows:

Barbara Roche	<i>Chair</i>
Perico Rodriguez	<i>Vice Chair (retired 8 March 2018)</i>
David Carrigan	
Elijah Sambo	
Pasha Michaelsen	
Clare Doube	<i>(retired 28 September 2017)</i>
Jumana Rahman	
Nick Pilkington	
Colin Cormack	
Tony Wright	
Raphael Perret	<i>(Treasurer and Chair Finance and Resources Committee)</i>
Dylan Matthews	<i>(appointed 25 January 2018)</i>
Martin Cosarinsky Campos	<i>(appointed 18 November 2017)</i>

The principal address of the charity and the registered office of the company is the offices of Praxis at Pott Street, London E2 0EF

The following act for the charity in the capacity of:

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

Auditor: haysmacintyre, 10 Queen Street Place, London EC4R 1AG

The senior staff of Praxis are:

Sally Daghlian OBE	Chief Executive and Company Secretary
Les Dittrich	Head of Finance & Resources <i>(appointed July 18)</i>
Maria Iglesias	Head of Services

STRUCTURE, GOVERNANCE AND 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 £1 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.

Organisational structure, governance and management

The overall strategic direction of the charity is determined by the trustees who meet formally six times a year. The trustees agree an annual work plan and budget. They also establish policies and procedures for the running of the charity. There is one sub-group, the Finance and resources sub-committee which meets six times a year and reports to each of the main board meetings. The committee adopted new terms of reference in 2017; it takes responsibility for monitoring and reporting to the Board on key areas including financial planning and management, fundraising and risk management. From time to time, small groups of trustees and staff work together to consider relevant strategic or operational issues. The board hold an annual strategy away day. The board deploys the expertise and interest of individual trustees to support the chief executive in agreed ways. The organisation has been working to strengthen the engagement of service users in the planning and governance of the organisation. One of the trustees attends the service-user forum, and is actively supporting the development of mechanisms to involve service users more effectively in our governance. From 2018 service user representatives will attend trustee meetings in an advisory capacity. We continue to have a member group representative on the board.

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.

Organisational structure, governance and management

Method of recruitment, appointment, election, induction and training of trustees

Recruitment

Trustees are normally selected through an open search process led by the chair and a trustee recruitment panel, supported by the chief executive. They are selected on the basis of criteria, established by the Board, comprising relevant skills and experience, knowledge of the areas of work in which the charity is engaged, and an understanding of the communities with which the charity works.

Appointment and election

Trustees hold office for a period of three years from the date of appointment (or such shorter period as the Trustee may agree) and, if qualified, are eligible for reappointment for further terms of three years, not exceeding three terms in total. Board places are reserved for individuals nominated by member groups.

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 and composition annually at the strategic review day.

Diversity

The Board has not set diversity targets, but is diverse, in terms of gender, age, nationality and ethnicity and maintaining diversity is a factor in board recruitment. There is stakeholder representation on the Board and the board is supporting the new service –user Forum to develop stronger engagement in governance.

Related parties and related party transactions

- 1 From time-to-time member groups make use of Praxis facilities. One trustee is a member of one of these groups and represents their views at Board meetings.
- 2 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.
- 3 Rent of £20,000 is payable annually in respect of the Pott Street premises to the United Reform 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 Services 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.

OBJECTIVES AND ACTIVITIES

Charitable objectives

The charitable objectives 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.

Charitable activities

In 2017 Praxis undertook a review to develop a new strategy to guide its work for the period 2018-21, in light of the progress made against the 2015-18 strategy and the changing context of migration in the UK. We refreshed our vision and core purpose as part of that.

Praxis' Vision is for *a world where people are not defined by their immigration status; a world where people who have migrated are treated with dignity and respect.*

Our core purpose is to work with migrants in crisis or at risk, to ensure that they can live in safety, overcome the barriers they face and have control over their own destinies. We provide specialist services, build community, challenge exclusion and inspire solidarity with migrants.

We focus our activities on three main areas: advice and support; homelessness and destitution; and group work to build community and resilience. We target our advice and group work services at the people most at risk, with the greatest need, and where we can achieve the most impact. Our beneficiaries include people with insecure status or without documentation to prove their status, those who have experienced trafficking or enslavement, asylum seekers and refugees, homeless and destitute migrants and victims of exploitation and gender violence.

OBJECTIVES AND ACTIVITIES (continued)

We seek ways to use the evidence from our service delivery to influence policy, improve service provision and build a more welcoming community in which people can integrate and thrive. Supporting people to speak for themselves is an integral part of this strategy.

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

In pursuance of the overall goals of its charitable objectives, Praxis undertook the following activities:

Praxis provided **an advice and casework service** specialising in the inter-relationships between immigration and other social policy areas, especially housing, health and employment. We maintain registration with the Office of the Immigration Services Commissioner (OISC) to provide regulated immigration advice up to Level Two.

We worked in various ways to tackle **migrant destitution and homelessness**, by finding sustainable **solutions** for individuals and pushing for systemic and policy change. We have provided **specialist advice and casework for homeless migrants** with complex immigration needs through the Street Legal project, a partnership with Refugee Action and St Mungos. We have provided **accommodation and support** for destitute migrants, mainly women and children, in an innovative social investment backed partnership with Commonweal Housing.

Group work – Praxis runs a number of groups designed to build peer support, increase confidence and resilience, as well as enabling migrants to have a voice on matters of concern. We have developed a wide range of partnerships, so that other organisations and professionals can deliver complementary services to our clients from our premises including English classes and therapeutic group work.

Praxis **interpreting service** provided face to face interpreting within ten GP practices in Tower Hamlets, enabling people who need language support to have effective health consultations.

Praxis **advocates for its beneficiaries** in multi-agency forums and more widely. We participate in many pan-London, UK and European forums and networks focussing on issues of relevance from the strategic alliance on migrant destitution, to anti-trafficking and slavery to asylum and refugee policy matters. Where possible we support people to advocate for themselves.

We have developed our advocacy and communications capacity to have more impact for our beneficiaries. In 2017/18 we achieved considerable progress and change by using the evidence from our service provision to highlight the difficulties faced by long-term residents. This work was public and high profile, securing significant change for Windrush and other long-term residents who had been pushed into homelessness and destitution and denied access to vital services by the government's 'hostile environment' policies

These activities clearly benefit our stated beneficiaries without undue restriction. No charge is made to our beneficiaries for the services received. These activities do not cause any identified issues of detriment or harm to the beneficiaries.

Grant making policy

Praxis does not give grants directly as a method of furthering its charitable objectives. The charity applies for and distributes welfare payments according to need and the criteria of the donors. We are particularly grateful to The Vicars Relief Fund (St Martin in the Fields), London Catalyst Samaritan Grant and the London Churches Refugee Fund. We also provide hardship payments to destitute residents in our housing projects. In 2018 Praxis distributed £35,071 in welfare 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

The majority of Praxis's funds come from charitable trusts and foundations. In recent years we have received a growing number of spontaneous donations from individuals by cheque or online donation and are now seeking to develop our fundraising from individuals. We are building our base of supporters through social media and email engagement all in line with GDPR. 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. We are in the process of registering with the fundraising regulator and will ensure that we conform to the standards set out as we develop our fundraising

ACHIEVEMENTS AND PERFORMANCE

Advice

Praxis' advice team has delivered specialist advice services to migrants at risk, in addition to second-tier advice and training to frontline staff and other professionals. We provided advice to 1,139 people and conducted ongoing casework in 1,662 cases, of which 52% related to immigration. Despite increasing need and demand for services, we are able to provide services to fewer people than in previous years given the increasing complexity of casework, together with the holistic and longer-term nature of the support we are providing. Advisers may have several cases open for one service user and cases can remain open for over a year. From time to time we have to close our referrals system in order to maintain safe caseloads for advisers. Demand for Praxis services continues to rise, particularly from people with no recourse to public funds. Our success in supporting so-called Windrush cases has also increased demand.

In 2017-18, our advice team worked on 117 immigration applications of which 106 were successful; we helped people to obtain long-term settlement or citizenship, to gain limited leave to remain, to have their 'no recourse to public funds' (NRPF) condition lifted (32), and to obtain travel documents or replacement papers. Many others are awaiting Home Office decisions. We also helped people to secure funds to pay Home Office fees or where possible apply for fee waivers, itself a time consuming process..

We provided housing advice to 156 people, and secured positive outcomes for 92 people – from preventing homelessness to securing longer term accommodation. During the year we secured a total of £48,503 for service users through grants, benefit payments and debt write-off. Of these, £13,790 were hardship payments including to housing residents.

We have continued to develop our integrated and holistic approach, and we continue to review and improve our services in consultation with staff and service users. We have built on our partnership work and we are pleased to be developing much-needed immigration advice services in hospital discharge departments alongside our work with housing and homelessness agencies. We have also obtained funding to expand our work with women who have survived gender-based violence, destitution, no recourse to public funds and homelessness.

ACHIEVEMENTS AND PERFORMANCE (continued)

Advice (continued)

"I have changed and I feel more confident now. Now at least my immigration case is being handled and I am in a safer place and I get hope. I feel that things can become better. I feel stronger now and less stressed." (Service user, Praxis' Gender-Based Violence programme funded by The City Bridge Trust, April 2017).

Housing and homelessness

This year Praxis provided a total of 17,254 nights of safe accommodation, an increase of 25.7% on the previous year. We housed residents whose countries of origin include: Trinidad, Nigeria, India, Ghana, Mauritius, Bangladesh, Ivory Coast, Jamaica, Ethiopia, Eritrea, Uganda, DRC, Pakistan and Albania. All of the residents were destitute and without recourse to public funds. The project provides safe accommodation and support whilst we seek to resolve immigration status issues and provide people with a pathway out of destitution. The length of stay is usually determined by the length of the Home Office decision making processes. Twelve families moved on due to a positive resolution of their case.

Over this period we accepted referrals for families from seven London boroughs (an increase by two from the previous year); Islington, Redbridge, Havering, Croydon, Waltham Forest, Westminster and Richmond. The single women who occupied cross-subsidised beds were referred from Praxis and British Red Cross.

Street Legal, a project developed in partnership with St. Mungos and Refugee Action and financed by the Big Lottery Fund has provided advice and/or in-depth casework to 156 street homeless non-EU migrants, and has housed 41 people and successfully resolved 13 immigration cases this year. The project has achieved an expansion in the number of bed spaces available. Client survey results show the positive impact on their lives of this project. The low resolution rate for immigration cases largely reflects the slow Home Office decision making process. This project has enabled us to identify and help a number of 'Windrush' clients.

Interpreting

In 2017-18 Praxis Interpreting+ continued to provide a high quality interpreting service across. During the year, we provided 5,175 hours of interpreting in over 20 languages. We provided interpreting across 9 GP surgeries and interpreted for over 10,000 GP service users in Tower Hamlets, plus for other Praxis services and external organisations.

Group work

Our community building work has grown over this year; engaging nearly 500 people in our programme of groups, workshops and events in 2017-2018, representing around a quarter of our service user base. We have run 12 groups, 9 information-based workshops, 3 certified training programmes and 2 community events. According to our largest ever cross-project evaluation, 84% of group members experienced a reduction in isolation and 64% experienced a significant improvement in resilience. In December 2017 we held our annual Rhythm and Rights event for International Human Rights Day, hosted for the first time by 2 service users.

Members of Brighter Futures, our user-led group of young undocumented migrants, have continued to provide expert-by-experience guidance to other organisations and have begun developing a series of podcasts designed to challenge negative stereotypes of young migrants. Our WINGS group for mums and babies wrote and performed their own lullabies in a project with the Royal Philharmonic Orchestra and were featured on BBC Women's Hour, highlighting issues facing women with No Recourse to Public Funds. Our Service User Forum continues to support our work and contributed to the development of our new strategic plan.

'Brighter Futures is the family I never had - thank you Praxis for being a great part of my life. I have become motivated I am more proud of myself now than I was two years ago thank you.' -Group member.

ACHIEVEMENTS AND PERFORMANCE (continued)

Influencing

Over the last two years Praxis has begun to develop its communications capacity to enable us to communicate the difficulties faced by our beneficiaries and to advocate more effectively for policy change. Praxis had identified growing numbers of long term residents experiencing total exclusion – losing employment, being made homeless and denied vital health care because they were unable to prove their status to the Home Office. Individuals were also threatened with detention and deportation. In early 2018 Praxis started to share its knowledge and experience of what came to be known as the Windrush scandal. We worked with national and international media outlets and key partner agencies to reveal the extent of the Windrush Scandal and to show how Home Office policies were negatively affecting the lives of thousands of long-term residents. We participated in parliamentary meetings, we promoted solutions and we supported Praxis' service users to tell their stories. The impact of this work was significant policy and legislative change and a dedicated task force set up by the Home Office to resolve the immigration cases of thousands of long-term residents. There will also be a compensation scheme for those affected. Praxis has been nominated for a Third Sector Charity partnership award for this work, alongside partners JCWI, Runnymede Trust, Imix and the Refugee and Migrant Centre in Wolverhampton. This work shows the importance of public advocacy alongside service delivery and attracted significant support from members of the public who were shocked by the devastating impact of Home Office policies on individual lives.

Praxis has shared its expertise and knowledge on migrant homelessness and destitution and other issues to improve services for our beneficiaries. We provided expert training on immigration matters to a range of organisations and groups. Our front-line work through Street Legal, has gained recognition in the homelessness sector as a model of good practice, now recognised and promoted by the GLA and Homeless link. We are working with a number of organisations to improve the provision of services to homeless migrants, including St Martin's Frontline Network, St Mungos and Crisis. We are members of and active participants in a variety of organisations and networks locally, across London, the UK wide and Europe. We are members of Advice UK and the Immigration Law Practitioners' Association (ILPA), PICUM (Platform for International Co-operation on Undocumented Migrants), FEANTSA (the European Federation of Organisations working with homeless people), the St Martin's Network, the No Accommodation Network (NACCOM) and other local, pan-London and national organisations.

Indicators, milestones and benchmarks

All projects and services contribute to meeting the strategic plan and have clear targets, outcomes and milestones set out in operational plans. Regular performance reports are received by the board. The charity's database records the number and characteristics of people advised and their case records and regular file reviews assess the quality of the advice given. An annual client feedback survey is carried out.

Projects are independently evaluated wherever possible. External verifiers include the Advice Quality Standard, and the Office of the Immigration Service Commissioner (OISC). Praxis has Investors in People status.

Risk and corporate governance matters

We hold regular board meetings (six times per year) and meetings of the finance and resources committee; monitoring the financial position, including cash flow and fundraising at every meeting. We identify, review and manage risk on a regular basis. Building unrestricted income continues to be a priority as project funding does not always cover core costs. Individual donations have increased as our public profile has increased and we are seeking ways to develop this source of income. Once a year, we hold a full day strategic review meeting where trustees reflect on the external environment, progress against the strategy and key strategic questions. The board also use this opportunity for self-appraisal and skills audit.

We continue to face building related risks, particularly in relation to potential repair costs arising from working in an old building that is no longer suitable for our needs. Our landlord, the United Reform Church, has declared its intention to demolish and rebuild the premises and so we are exploring options to find a new home for Praxis. We have established a premises committee to work with the CEO on this. The Robert Kemble Trust Limited continues to hold the lease on the Pott Street premises as Trustee for Praxis. Doctors of the World offer services on the premises with support from Praxis. After several years based with Praxis, Right to Remain secured new office accommodation and left Pott St in 2018.

FINANCIAL REVIEW

Total income of the Charity for the year was £1,591,232 (2017: £1,601,507) and total expenditure amounted to £1,439,094 (2017: £1,443,462). Overall there was a surplus for the charity of £152,138 in 2018 (2017: £158,045). Our financial recovery plan continues to be successful and this year we have again made an operating surplus, this has made a significant contribution towards rebuilding our reserves.

Our main sources of income are fundraising, and income for services (interpreting and provision of accommodation). Our earned income came from a variety of sources, including local authority funding for interpreting services and housing.

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: AB Charitable Trust, Anton Jurgens Charitable Trust, Attlee Foundation, BBC-Children in Need, Big Lottery Fund, Bridge House Trust, British Red Cross, Comic Relief, Commonweal Housing, Cruach Foundation, East End CAB, Esmee Fairbairn, Henry Smith Charity, Irene Taylor Trust, London Borough of Hackney, London Borough of Tower Hamlets, Leigh Trust, London Churches Refugee Fund, London Legal Support, Metropolitan H A (Migration Foundation), Oak Foundation, ORP Foundation, Paul Hamlyn Foundation, Schroder Charity Trust, Souter Trust, St Martin's Network, St Mungos, Tower Hamlets GP CCG, 29th May 1961.

Including overhead costs, our charitable expenditure was Advice Services and Group activities £515k (2017: £552k), Housing and Street Legal £630k (2017: £580k) and Interpreting £294k (2017: £311k).

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.

Based on current information, the reserves required at 31 March 2018 were £354k compared to actual funds of £357k. Cash balances at 31 March 2018 represent 3.7 months of expenditure. The reserves are considered to be adequate based on current levels of activity.

PLANS FOR FUTURE PERIODS

The external environment continues to be challenging with increasing numbers of migrants excluded from mainstream services either as a deliberate result of policy or because of bureaucratic errors. The rise in the award of “no recourse to public funds” (NRPF) as a condition of stay in the UK means that people who fall on hard times through illness, relationship breakdown or job loss have no access to a welfare safety net. Homelessness, hunger, poverty and destitution are growing problems both for newly arrived migrants and those who, whilst long settled, have a migrant background and are caught in the complex webs of immigration legislation, social welfare law and restrictions on access to services. The exposure of the Windrush scandal whereby long term residents were suddenly unable to meet new demands for documentation showed the injustice and hardship faced by individuals. It also reveals the need to strengthen our ability to use the evidence from our service delivery to create change. Praxis’ new three year strategy has been built in the light of this context. We anticipate that Brexit will substantially increase the number of people facing status related difficulties in the future, despite long residence.

Objectives and Priorities for 2018-2021

(1) Migrants at-risk will be able to access services recognising their human rights and needs.

We will offer specialist immigration advice and a range of welfare services and interventions targeted at those facing the highest risks, including homelessness, ensuring pathways out of destitution. Acting in collaboration with other charities and service providers, we will improve access to legal advice and support services for migrants in need.

(2) Destitute migrants will be able to access safe accommodation and support.

Praxis will continue providing safe, temporary homes and support to migrants at-risk with ‘no recourse to public funds’ (NRPF) through our housing projects; at the same time, we will use our experience and expertise to influence local authorities and the homelessness sector to improve the wider provision of accommodation and support for NRPF families and single migrants.

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for the year ended 31 March 2018****(3) The challenges faced by undocumented, destitute migrants and those with uncertain immigration status will be more widely understood**

We will share our knowledge and expertise through training, networking, alliance building and events. We will use the evidence gathered through our front-line work to lead, influence and create change at local and national level and will contribute to improving the public narrative on migration and fostering support for migrants.

(4) Service users find resilience, voice and a sense of belonging

Praxis will help create community and social connectedness through our peer support groups, providing opportunities to develop confidence, skills, knowledge and potential. We will support our service users to speak up about the issues that affect them and contribute to public and policy debates, and to shaping our own work.

(5) A robust and sustainable charity, able to champion the needs of our beneficiaries

Praxis will ensure it has safe, secure, affordable premises for the future, providing a comfortable environment for staff and service users, while managing our resources efficiently. We will seek to build our reserves and develop our unrestricted income and projects to strengthen the charity for the future.

FUNDS HELD AS CUSTODIAN

Although the charity maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders, Praxis does not currently hold, and the Trustees do not intend that it will in the future hold, any funds as custodian for any third party.

During the year Praxis held funds donated by St Martin's in the Field (Vicar's Relief Fund), London Churches Refugee Fund, London Catalyst (Samaritans) and the Newby Trust to be distributed to destitute clients in accordance with the funds rules.

Statement of trustees' responsibilities

The trustees (who are also directors for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**TRUSTEES' ANNUAL REPORT
for the year ended 31 March 2018**

Statement of trustees' responsibilities (continued)

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Auditors

The auditors, haysmacintyre, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

In preparing this report the Trustees have taken advantage of the small companies exemptions provided by Part 15 of the Companies Act 2006.

This report was approved by the Trustees on 17 November 2018 and was signed for and on behalf of the Board by:

R.M. Roche
..... Barbara Roche - Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRAXIS COMMUNITY PROJECTS**Opinion**

We have audited the financial statements of Praxis Community Projects] for the year ended 31 March 2018 which comprise [the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows 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 2018 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on pages 11 to 12, 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.

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.

Conclusions relating to going concern

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRAXIS COMMUNITY PROJECTS(continued)**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual 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' Annual Report (which includes 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' Annual 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' Annual Report (which incorporates 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

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)
For and on behalf of haysmacintyre, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 17 November 2018.

PRAXIS COMMUNITY PROJECTS
STATEMENT OF FINANCIAL ACTIVITIES
(Including Income and Expenditure Account)
For the year ended 31 March 2018

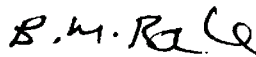
	Notes	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Total Funds 2017 £
INCOME FROM:					
Donations & Legacies	1	177,240	16,000	193,240	200,668
Investments		78	-	78	34
Raising funds:					
Income from lettings	2	4,785	-	4,785	3,919
Charitable activities:					
Advice & Group Activities	3	19,595	436,765	456,360	476,317
Housing & Homelessness	3	284,286	355,705	639,991	618,966
Interpreting	3	296,778	-	296,778	301,603
TOTAL INCOME		782,762	808,470	1,591,232	1,601,507
EXPENDITURE ON:					
Charitable expenditure:					
Advice Services & Group Activities	4,7	406	514,617	515,023	552,973
Housing & Homelessness	5,7	222,519	407,483	630,002	579,760
Interpreting	6.7	294,069	-	294,069	310,729
TOTAL EXPENDITURE		516,994	922,100	1,439,094	1,443,462
NET INCOME/(EXPENDITURE)		265,768	(113,630)	152,138	158,045
Transfer between funds		(142,317)	142,317	-	-
NET MOVEMENT IN FUNDS		123,451	28,687	152,138	158,045
RECONCILIATION OF FUNDS					
Fund balances brought forward at 1 April 2017	14	137,922	67,493	205,415	47,370
FUND BALANCES CARRIED FORWARD 31 MARCH 2018		261,373	96,180	357,553	205,415

The notes on pages 17 to 29 form part of these financial statements.

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	9	13,034	10,172
CURRENT ASSETS			
Debtors	10,12	191,106	192,065
Cash in hand and in bank		441,716	241,385
		632,822	433,450
CREDITORS			
amounts falling due within one year	11	(225,580)	(166,158)
NET CURRENT ASSETS			
		407,242	267,292
TOTAL ASSETS LESS CURRENT LIABILITIES			
		420,276	277,464
CREDITORS			
amounts falling due after one year	13	(62,723)	(72,049)
NET ASSETS			
		357,553	205,415
FUNDS			
Restricted Funds	15	96,180	67,493
Unrestricted Funds	15	261,373	137,922
TOTAL FUNDS			
		357,553	205,415

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 17 November 2018 and signed on their behalf by

 Barbara Roche, Chair

 Raphael Perret, Treasurer

The notes on pages 17 to 29 form part of these financial statements.

PRAXIS COMMUNITY PROJECTS
Financial statements for the year ended 31 March 2018
STATEMENT OF CASH FLOWS

Page 17

	2018	2017
	£	£
Statement of cash flows		
Net Cash flow from operating activities (see below)	210,969	66,519
Cash flows from investing activities		
Dividends & interest	78	34
Purchase of fixed assets	(10,716)	-
Net cash (used in)/provided by investing activities	(10,638)	-
Cash flows from financing activities	-	-
Change in cash & cash equivalents in the reporting period	200,331	66,553
Cash & cash equivalents at the beginning of the reporting period	241,385	174,832
Cash & cash equivalents at the end of the reporting period	441,716	241,385
Reconciliation of net income (expenditure) to net cash flow from operating activities		
Net income as per SOFA	152,138	158,045
Adjustments		
Depreciation	7,854	5,085
Dividends & interest	(78)	(34)
(increase)/decrease in debtors	959	(64,977)
Increase (decrease) in creditors	59,151	(27,049)
Add back pensions non-cash expenditure	(47)	4,195
Less pensions deficit plan cash paid	(9,008)	(8,746)
Net Cash flow from operating activities	210,969	66,519
Analysis of cash & cash equivalents		
Cash in hand	434,015	233,712
Notice deposits (less than 3 months)	7,701	7,673
Total cash & cash equivalents	441,716	241,385

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of financial statements is 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 2015) – (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 and pianos are 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.

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.

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.

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Total Funds 2017 £
1. DONATIONS & LEGACIES				
Donations from individuals, trusts and other similar institutions	177,240	16,000	193,240	200,668
2. FUNDRAISING INCOME				
Rent receivable under operating Leases	4,785	-	4,785	3,919
	4,785	-	4,785	3,919
3. CHARITABLE ACTIVITIES				
Grants and contract income	600,659	729,470	1,393,129	1,396,886
4. ADVICE & GROUP ACTIVITIES				
Direct Costs:				
Staff Costs (note 9)	-	339,992	339,992	336,299
Other costs	406	93,199	93,605	122,777
	406	433,191	433,597	459,076
Support costs (note 7)	-	81,426	81,426	93,897
	406	514,617	515,023	552,973
5. HOUSING & HOMELESSNESS				
Direct Costs:				
Staff Costs (note 9)	85,729	182,026	267,755	276,219
Other costs	116,258	181,863	298,121	226,419
	201,987	363,889	565,876	502,638
Support costs (note 7)	20,532	43,594	64,126	77,122
	222,519	407,483	630,002	579,760

6. INTERPRETING

	Unrestricted Funds 2018	Restricted Funds 2018	Total Funds 2018	Total Funds 2017
Direct Costs:				
Staff Costs (note 9)	237,009	-	237,009	242,194
Other costs	298	-	298	913
	<u>237,307</u>	<u>-</u>	<u>237,307</u>	<u>243,107</u>
Support costs (note 7)	56,762	-	56,762	67,622
	<u>294,069</u>	<u>-</u>	<u>294,069</u>	<u>310,729</u>

7. SUPPORT COSTS

	Advice	Housing	Interpreting	Total 2018	Total 2017
	£	£	£	£	£
Staff Costs (note 9)	17,520	13,798	12,213	43,531	41,294
Premises Costs	23,640	18,618	16,480	58,738	58,595
Depreciation- Owned Assets	3,161	2,490	2,203	7,854	5,085
Other Costs	37,105	29,220	25,866	92,191	133,666
	<u>81,426</u>	<u>64,126</u>	<u>56,762</u>	<u>202,314</u>	<u>238,641</u>

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

8 STAFF COSTS	2018	2017
The average monthly number of employees employed by the charity during the year (excluding trustees) was:-	No.	No.
Charitable activities	20	19
Support & governance	4	4
	<u>24</u>	<u>23</u>
	=====	=====
Staff costs for the above persons:	£	£
Wages and salaries	752,810	736,673
Social security costs	64,329	69,333
Pension costs	13,307	12,753
Temporary staff costs	57,841	77,247
	<u>888,287</u>	<u>896,006</u>
	=====	=====
Staff costs by service area	2018	2017
Staff costs by service area:	£	£
Advice & Group Activities	339,992	336,299
Housing & Homelessness	267,755	276,219
Interpreting	237,009	242,194
Support	43,531	41,294
	<u>888,287</u>	<u>896,006</u>
	=====	=====
Of which attributable to key management personnel (excluding consultancy fees)	143,896	137,629
	<u>143,896</u>	<u>137,629</u>
	=====	=====

One employee received emoluments between £60,000 and £70,000 in the current year.

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 has taken out an insurance policy that provides professional insurance cover for the trustees.

	2018	2017
	£	£
9. TANGIBLE FIXED ASSETS – FURNITURE, FIXTURES AND EQUIPMENT		
Cost:		
1 April 2017	66,111	66,111
Additions	10,716	-
	<u>76,827</u>	<u>66,111</u>
Balance at 31 March 2018		
Depreciation:		
1 April 2017	55,939	50,854
Charge for the period	7,854	5,085
	<u>63,793</u>	<u>55,939</u>
Balance at 31 March 2018		
Net Book Value at 31 March 2018	<u>13,034</u>	<u>10,172</u>
10. DEBTORS		
Trade Debtors	175,649	115,018
Accrued Income	14,957	76,293
Prepayments	-	254
Loans to Staff	500	500
	<u>191,106</u>	<u>192,065</u>
11. CREDITORS		
Amounts due within one year:		
Trade Creditors	156,249	42,331
Other taxes & social security	41,642	34,577
Defined Benefit Pension plan deficit	9,279	9,008
Sundry Creditors	828	271
Accruals	17,582	26,965
Deferred Income	-	53,006
	<u>225,580</u>	<u>166,158</u>
12. DEFERRED INCOME		
Deferred income movements are as follows:		
Deferred income at the start of the year	53,006	69,101
Released in the year	(53,006)	(69,101)
Deferred in the year	-	53,006
	<u>-</u>	<u>53,006</u>
Deferred income at the end of the year	<u>-</u>	<u>53,006</u>

Deferred income consists of grants received in advance.

			2018 £	2017 £	
13. CREDITORS DUE AFTER ONE YEAR					
Defined Benefit Pension plan deficit			62,723	72,049	
			<u>62,723</u>	<u>72,049</u>	
14. FUNDS					
	As at 1 April 2017 £	Income £	Expenditure £	Transfers £	As at 31 March 2018 £
Restricted income funds					
London Borough of Tower Hamlets	-	56,502	(67,034)	10,532	-
Comic Relief	-	12,673	(13,509)	836	-
Migration Foundation	6,220	24,970	(32,522)	11,737	10,405
Oak Foundation	7,020	53,006	(71,481)	11,456	-
Henry Smith Foundation	-	40,700	(34,611)	4,086	10,175
London Borough of Hackney	-	45,529	(51,675)	6,146	-
Bridge House Trust	-	66,000	(57,246)	6,913	15,667
East End CAB (LBTH MSG)	-	28,858	(39,993)	11,135	-
St Mungos	-	95,596	(133,866)	40,770	2,500
British Red Cross	-	16,525	(16,525)	-	-
The Big Lottery	33,300	242,785	(277,184)	28,234	27,135
BBC Children in Need	-	17,346	(17,964)	618	-
Paul Hamlyn Foundation	-	62,808	(53,257)	7,782	17,333
Tudor Trust	12,500	12,500	(25,000)	-	-
The Attlee Foundation (LBTH MSG)	-	6,186	(7,203)	1,017	-
Vicars Relief Fund-St Martin in the Fields	6,097	-	(6,097)	-	-
Other Trusts	2,356	26,486	(16,932)	1,055	12,965
Total restricted funds	<u>67,493</u>	<u>808,470</u>	<u>(922,100)</u>	<u>142,317</u>	<u>96,180</u>
Unrestricted income funds					
General fund	137,922	782,762	(516,994)	(142,317)	261,373
Total Charity Funds	<u>205,415</u>	<u>1,591,232</u>	<u>(1,439,094)</u>	<u>-</u>	<u>357,553</u>

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 2017 or where any remaining funds are restricted to the purposes for which they were received. Transfers represent that part of unrestricted funds spent on the various projects.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed assets	Net current assets	Creditors after one year	Total
	£	£	£	£
Restricted funds:	-	96,180	-	96,180
Unrestricted funds:	13,034	311,062	(62,723)	261,373
NET ASSETS	13,034	407,242	(62,723)	357,553

16. 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 1,300 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.

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 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m.

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. 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 2016 to 30 September 2025:	£12,945,440 per annum	(payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum	(payable monthly and increasing by 3% each on 1st April)

Unless a concession has been agreed with the Trustee the term to 30 September 2025 applies.

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.

16. PENSION COMMITMENTS (continued)
Deficit Contributions

	2018	2017
	£	£
Reconciliation of opening and closing provisions:		
Provision at start of period	81,057	85,608
Unwinding of discount factor (interest expense)	1,005	1,674
Deficit contribution paid	(9,008)	(8,746)
Remeasurements – impact of any change in assumptions	(1,052)	33,932
	<u>£72,002</u>	<u>£81,057</u>
Split as follows:		
Due within one year	9,279	9,008
Due after one year	62,723	72,049
	<u>£72,002</u>	<u>£81,057</u>

Income and expenditure Impact	£	£
Interest expense	1,005	1,674
Remeasurements – impact of any change in assumptions	(1,052)	2,521
Remeasurements – amendments to the contribution schedule	-	-
Contributions paid in respect of future services *	-	-
Cost recognition in income & 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 2018	31 March 2017	31 March 2016
Rate of discount - % per annum	1.71	1.32	2.07

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.

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises. It is these contributions that have been used to derive the company's balance sheet liability

17. STATEMENT OF FINANCIAL ACTIVITY 2017

	Unrestricted	Restricted	Total
	2017	2017	2017
	£	£	£
INCOME FROM			
Donations and Legacies	138,168	62,500	200,668
Investments	34	-	34
Raising Funds:			
Fundraising	3,919	-	3,919
Charitable activities:			
Advice & Group Activities	39,316	437,001	476,317
Housing & Homelessness	234,169	384,797	618,966
Interpreting	301,603	-	301,603
TOTAL INCOME	717,209	884,298	1,601,507
EXPENDITURE ON:			
Charitable Expenditure:			
Advice & Group Activities	11,306	541,667	552,973
Housing & Homelessness	209,739	370,021	579,760
Interpreting	310,729	-	310,729
TOTAL EXPENDITURE	531,774	911,688	1,443,462
NET INCOME (EXPENDITURE)	185,435	(27,390)	158,045
Transfer between funds	(79,501)	79,501	-
NET MOVEMENT IN FUNDS	105,934	52,111	158,045
RECONCILIATION OF FUNDS			
Fund balances brought forward at 1 April 2016	31,988	15,382	47,370
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2017	137,922	67,493	205,415

18 FINANCIAL INSTRUMENTS	Total	Total
	2018	2017
	£	£
Financial assets measured by amortised cost	176,149	115,518
Financial liabilities measured by amortised cost	157,077	42,602

Financial assets include trade debtors and staff loans.

Financial liabilities include trade and sundry creditors.