

Company Number: 03638571  
Charity Number: 1078945

**PRAXIS COMMUNITY PROJECTS**

**TRUSTEES' ANNUAL REPORT & FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

The trustees present their report and the financial statements of Praxis Community Projects ("Praxis") for the year ended 31 March 2019.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

The trustees of the charity, who are also the directors of the company, have held office since 1 April 2018, as follows:

Barbara Roche	<i>Chair</i>
David Carrigan	<i>(retired 13/09/2018)</i>
Elijah Sambo	
Pasha Michaelsen	<i>(vice chair)</i>
Jumana Rahman	
Nick Pilkington	<i>(retired 13/09/2018)</i>
Colin Cormack	<i>(retired 31/07/2019)</i>
Tony Wright	<i>(retired 17/11/2018)</i>
Raphael Perret	<i>(Treasurer and Chair Finance and Resources Committee)</i>
Dylan Matthews	
Martin Cosarinsky Campos	
Constance Cullen	<i>(appointed 18 July 2019)</i>
Shashi Giblin	<i>(appointed 18 July 2019)</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 LLP, 10 Queen Street Place, London EC4R 1AG

The senior staff of Praxis are:

Sally Daghlian OBE	Chief Executive and Company Secretary
Maria Iglesias	Head of Services

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## **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 for quarterly board meetings, an AGM and a strategy away day. The trustees agree an annual work plan and budget. They also establish policies and procedures for the running of the charity. There are two sub-groups, the Finance and resources sub-committee which meets six times a year and reports to each of the main board meetings and a newly established 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 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 and interest of individual trustees to support the chief executive and staff 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. Service user representatives attend trustee meetings in an advisory capacity. We have one member group representative on the trustee 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.

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**Organisational structure, governance and management  
Method of recruitment, appointment, induction and training of trustees**

*Recruitment*

Trustees are normally selected through a search process led by the chair and a trustee recruitment panel which includes 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, understanding of governance and an understanding of the communities with which the charity works.

*Appointment*

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.

*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 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 Finance director services.

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.

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## 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

Praxis work and priorities are set out by the trustees in the Strategic Plan 2018-21 as summarised below.

**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.

**Praxis' 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, resilience and voice. 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.

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 influence nationally and internationally.

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## OBJECTIVES AND ACTIVITIES (continued)

**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) are regulated to level three and 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 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 2018 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.

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## **OBJECTIVES AND ACTIVITIES (continued)**

### **FUNDRAISING**

A significant proportion of Praxis's funds come from charitable trusts and foundations. In recent years we have received a growing number of spontaneous donations from individuals and are working to increase our individual donor base. Our public profile has been raised, particularly through our advocacy work on Windrush and as a chosen charity for the Observer and Guardian Appeal in 2018 and this is increasing individual donations. We are developing an integrated fundraising and communications infrastructure to build on this work and ensure GDPR compliance. We are growing our base of supporters through social media and email engagement. 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 registered 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 delivers specialist advice services to migrants at risk, in addition to second-tier advice and training to frontline staff and other professionals. Demand for the service remains high, and the team has grown during the year, with new projects providing crucial advice to address migrant rough sleeping.

During the year, the team worked on 1,988 cases (2017-18: 1,662), supporting 1,168 people (2017-18: 1,139). Of 212 immigration applications submitted, 195 were successful, helping people to obtain long-term settlement or citizenship, gain limited leave to remain, to have their 'no recourse to public funds' (NRPF) condition lifted, or to obtain travel documents or replacement papers. We also supported a number of individuals securing funds to pay Home Office fees or applying to fee waivers, as well as in making appeals.

Demand for the service continues to outstrip capacity, though new posts have been created to support the delivery of new projects providing advice to address migrant homelessness.

Internally, the team have implemented a new casework management database enabling the collection of more detailed information on cases and outcomes and thereby improving our understanding of the impact of our services. We will continue to build on this work throughout 2019-20.

During the year, over £200,000 has been raised directly for beneficiaries in the form of grants or by identifying backdated, new or additional benefits available to them. This amount has increased substantially due to support from a Benefits Adviser from ARHAG working at our drop-in as part of a Tampon Tax Community Fund programme.

Homelessness continues to be a major problem for the people we support – this year advisers found temporary accommodation for 104 people (including hosting, night shelters, hostels etc.). We supported 33 individuals in lifting the No Recourse to Public Fund condition by submitting Change of Condition applications, and we assisted 13 in obtaining section 17 accommodation and subsistence support from the local authority. In addition to our in-house advice work, Praxis now has contracts with Hackney, Tower Hamlets and Newham to provide immigration advice to people in their homelessness services.

#### **Housing and Homelessness**

In November 2018 Praxis housing project was a finalist in the World Habitat awards in recognition of its ground breaking approach. An external evaluation found the project had a significant impact on the residents' wellbeing, their capacity to plan for the future and how their cases were progressed quicker than for those housed by Local

## **ACHIEVEMENTS AND PERFORMANCE (continued)**

Authorities in other type of accommodation. The “No Recourse to Public Funds” project, a partnership with Commonweal Housing was also awarded the Homeless Link Award for “Innovation in Housing” in July 2019.

In total this year Praxis provided 16,124 nights of safe accommodation, a decrease of 6.5% over the previous year partly as some accommodation was unavailable due to repair issues. We accommodated 45 children and 41 adults - of whom 39 were women. Residents’ countries of origin include: Nigeria, India, Ghana, Mauritius, Bangladesh, Ivory Coast, Jamaica, Eritrea, Ethiopia, Uganda, Morocco, Lebanon, Pakistan, Sierra Leone, Senegal, and Kenya. Seventeen individuals or families moved on due to a positive resolution of their case.

Over this time period we housed families from eight London boroughs: Islington, Croydon, Redbridge, Havering, Sandwell, Merton, Waltham Forest, and Westminster.

2018-19 marked the final year of Street Legal, a 3 year project developed in partnership with St. Mungos and Refugee Action and financed by the National Lottery Community Fund, offering homeless non EU migrants support with both housing and immigration advice to help them move out of destitution. Over 3 years, the project has provided access to immigration advice to 307 non-EU migrants with a history of rough sleeping, helping people resolve long-standing problems and move off the streets.

Praxis and St Mungos have developed a new Street Legal model which will continue offering a service to homeless migrants at St Mungos shelters across London from July 2019. In addition to Street Legal, St Mungos has extended and increased the provision of Praxis’s immigration advice under other programmes.

### **Group Work and service user involvement**

Over the last year we have continued to build and expand our community work, with a focus on improving wellbeing, reducing isolation and providing platforms for our group members to have a voice and influence positive change for migrants. We have supported 600 participants in 16 groups, 9 information-based workshops, 1 certified training programme, 3 celebratory events and 2 trips outside London, to an estimated 600 participants. Our Eid and Human Rights Day events brought in over 300 people from our communities, and our Children’s Christmas party and Legoland trip were enjoyed by over 40 families.

We have provided more service users than ever opportunities to speak up and have their voices heard - platforms have included panels at youth events, media engagement, schools, conferences, podcasts, parliamentary events as well as an interview with the UN special rapporteur for extreme poverty.

We have expanded our user involvement mechanism, and have recruited our first ever Service User Representatives who have provided a feedback loop between the board of trustees and service user forum. We have continued to listen and learn from our service users- this year we started a participatory research group which spent 16 weeks collecting data on the relationship between migration and mental health.



### **Influencing (continued)**

Praxis' public profile and recognition grew considerably in the 2018-19 period as a consequence of our work helping to uncover and campaign on what became known as the Windrush scandal whereby thousands of long-standing lawful residents were denied or lost employment, were made homeless, refused essential medical treatment and threatened with detention and deportation because of the implementation of certain Home Office policies and a refusal of the administration to recognise and rectify the problems it had created. Praxis had become increasingly aware of this problem through its casework, particularly the homelessness and destitution services. We worked in partnership with a small number of charities, parliamentarians and national and international media outlets to reveal the extent of the problem and to show how 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. By July 2019 some 6,000 people have had their status issues resolved by the task force and the Home Office has established a compensation scheme.

Praxis supported service users to make representations to the independent adviser to the Home Office Review and to the QC charged with designing the compensation scheme set up following our campaigning. Praxis also convened practitioners' meetings to feed into the reviews. This work demonstrates 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 was shortlisted for a Third Sector Charity Partnership Award for this work in collaboration with iMix, JCWI, Runnymede Trust and The Refugee and Migrant Centre in Wolverhampton. We were also shortlisted by PR Week Awards in the Best Cause-Led Campaign category and received a highly commended award. This work culminated in Praxis being selected as one of the beneficiaries of The Guardian and Observer Charity Appeal: in the period going from December 2018 to January 2019 the two outlets published a number of articles featuring Praxis' work, the stories of our service users and the injustices of aspects of the current immigration system. Following the appeal, Praxis has received sustained offers of help and interest from donors, volunteers and funders.

Our broader advocacy and influencing work in relation to migrant destitution and homelessness continues to grow. We have worked strategically with the homelessness charity Crisis, which sits on the Government's rough sleeping advisory group, maximising our opportunities to inform and influence policy. We provided evidence on migrant destitution by contributing to briefings and reports, including the All Party Parliamentary Group (APPG) on Ending Homelessness. Our Street Legal project features in the APPG report as an example of good practice and innovation in tackling migrant destitution.

We are members of and active participants in a variety of organisations and networks locally, across London, the UK wide and Europe. This includes 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), Homeless Link, the St Martin's Network, the No Accommodation Network (NACCOM) and other local, pan-London and national organisations.

### **Influencing (continued)**

To share our knowledge and influence practise we provided a number of workshops and training sessions to frontline homeless and migrant organisations, as well as local authorities. In October 2018 we hosted a conference, 'Ending Migrant Homelessness', attended by people from 41 organisations including 5 local authorities. The purpose of the conference was to highlight the recommendations of the APPG report on migrant homelessness within the context of the government's new Rough Sleeping Strategy. Representatives from government, the London Councils, GLA, Crisis and members of affected communities took part.

### **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 further 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 Reformed Church, has declared its intention to demolish and redevelop the site at the end of our lease in 2025. As a result, 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.

## **FINANCIAL REVIEW**

Total income of the Charity for the year was £1,902,163 (2018: £1,591,232) and total expenditure amounted to £1,596,799 (2018: £1,439,094). Overall there was a surplus for the charity of £305,364 in 2019 (2018: £152,138). This was a successful year for the charity, with a significant donation of £220,000 received from the Guardian as part of their annual appeal and a consequent increase in individual giving as a result of the publicity this generated.

The growth in income has led to a consequent increase in reserves, with the charity holding £611,396 in unrestricted funds at 31 March 2019 (2018: £261,373).

Our main sources of income are service specific contract income and fundraising via applications to grant giving trusts and foundations.

### **FINANCIAL REVIEW (continued)**

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: Allen & Overy, ARHAG, Attlee Foundation, BBC-Children in Need, The National Lottery Community Fund, British Red Cross, Cruach Foundation, Dischma Trust, East End CAB, Feminist Review, Garden Court, GLA, Henry Smith Charity, ISD, Kind UK, Lamas in Pyjamas, London Borough of Hackney, London Borough of Newham, London Borough of Tower Hamlets, Leigh Trust, London Churches Refugee Fund, London Legal Support, Metropolitan H A (Migration Foundation), Oak Foundation, Omala Trust, Paul Hamlyn Foundation, Pilgrims Trust, Souter Trust, St Martin's Network, St Mungos, Time Bank Tower Hamlets GP CCG, Tudor Trust, 29th May 1961.

Including overhead costs, our charitable expenditure was Advice Services and Group activities £555k (2018: £515k), Housing and Street Legal £755k (2018: £630k) and Interpreting £294k (2018: £294k).

### **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.

The Trustees have designated reserves of £186,000 to support the charity in achieving its strategic objectives. These funds will be invested in the development of the organisation over the next 3 years. The £186,000 includes £100,000 towards the potential move to new premises. Excluding these designated funds, reserves at 31 March 2019 were £425k which is in line with the reserves policy.

Cash balances at 31 March 2019 represent 5.4 months of expenditure. The reserves are considered to be adequate based on current levels of activity.

### **PLANS FOR FUTURE PERIODS**

The external operating environment is one of constant change and uncertainty. Government policies continue to have negative impacts on our beneficiaries and sources of free advice and support are very limited. Changes in government leadership, the possibility of a general election and continued uncertainty around Brexit are all unknown factors.

We are building our organisational sustainability through a number of infrastructure projects to strengthen our IT and data management, develop our fundraising, communications and advocacy capacity. This includes development of a new mobile-friendly website. We will also carry out necessary health and safety works and improve the environment for our beneficiaries within our Pott St premises, whilst looking for a suitable future home for Praxis given the end of our lease in 2025.

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## PLANS FOR FUTURE PERIODS (continued)

Praxis will pursue its strategy of providing direct support and advice to migrants in challenging circumstances and those with particular vulnerabilities such as women escaping violence, whilst using the evidence from service provision to create systemic change. Our direct services in London will provide the evidence base for our solution-focussed learning. In 2019/20 we will develop our Theory of Change to ensure that we can measure more precisely the impact of our work. We will develop our national reach, advocacy and campaigning in partnership with our beneficiaries to increase our impact and address the barriers that people face. Our expertise in relation to migrant destitution and homelessness will drive our partnerships and advocacy. At local authority level public services are reducing however there are opportunities to influence and improve service provision for our beneficiaries and we will continue to do this locally and nationally through training and partnership projects. Using our improved financial position and the boost of the Guardian and Observer appeal funds we intend to develop our reach, impact and sustainability as a charity.

### 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.

#### **(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.

**TRUSTEES' ANNUAL REPORT  
for the year ended 31 March 2019**

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**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.

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.

TRUSTEES' ANNUAL REPORT  
for the year ended 31 March 2019

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**Auditors**

The auditors, Haysmacintyre LLP, 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 04/12/2019 and was signed for and on behalf of the Board by:

B.M. Roche Barbara Roche - Chair

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**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 2019 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 2019 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 12 to 13, 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](http://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 LLP, Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: 10 December 2019.



**PRAXIS COMMUNITY PROJECTS**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Including Income and Expenditure Account)**  
**For the year ended 31 March 2019**

	Notes	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
<b>INCOME FROM:</b>					
Donations & Legacies	1	357,940	75,000	432,940	193,240
Investments		212	-	212	78
<b>Raising funds:</b>					
Income from lettings	2	1,664	-	1,664	4,785
<b>Charitable activities:</b>					
Advice & Group Activities	3	33,735	443,464	477,199	456,360
Housing & Homelessness	3	254,241	433,554	687,795	639,991
Interpreting	3	302,353	-	302,353	296,778
<b>TOTAL INCOME</b>		<b>950,145</b>	<b>952,018</b>	<b>1,902,163</b>	<b>1,591,232</b>
<b>EXPENDITURE ON:</b>					
<b>Charitable expenditure:</b>					
Advice Services & Group Activities	4,7	19,331	525,208	544,539	515,023
Housing & Homelessness	5,7	236,616	518,189	754,805	630,002
Interpreting	6,7	293,955	-	293,955	294,069
Other		-	3,500	3,500	-
<b>TOTAL EXPENDITURE</b>		<b>549,902</b>	<b>1,046,897</b>	<b>1,596,799</b>	<b>1,439,094</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>400,243</b>	<b>(94,879)</b>	<b>305,364</b>	<b>152,138</b>
Transfer between funds		(50,220)	50,220	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>350,023</b>	<b>(44,659)</b>	<b>305,364</b>	<b>152,138</b>
<b>RECONCILIATION OF FUNDS</b>					
Fund balances brought forward at 1 April 2018	14	261,373	96,180	357,553	205,415
<b>FUND BALANCES CARRIED FORWARD 31 MARCH 2019</b>		<b>611,396</b>	<b>51,521</b>	<b>662,917</b>	<b>357,553</b>


The notes on pages 20 to 32 form part of these financial statements.

	Notes	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible assets	9	15,539	13,034
<b>CURRENT ASSETS</b>			
Debtors	10	203,226	191,106
Cash in hand and in bank		729,822	441,716
		933,048	632,822
<b>CREDITORS</b>			
amounts falling due within one year	11	(233,854)	(225,580)
<b>NET CURRENT ASSETS</b>		699,194	407,242
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		714,733	420,276
<b>CREDITORS</b>			
amounts falling due after one year	13	(51,816)	(62,723)
<b>NET ASSETS</b>		662,917	357,553
<b>FUNDS</b>			
Restricted Funds	14	51,521	96,180
Unrestricted Funds			
General Reserves	15	425,396	261,373
Designated	15	186,000	-
<b>TOTAL FUNDS</b>		662,917	357,553

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 04/12/2019 and signed on their behalf by

 Barbara Roche, Chair

 Raphael Perret, Treasurer

The notes on pages 20 to 32 form part of these financial statements.

**PRAXIS COMMUNITY PROJECTS**  
**Financial statements for the year ended 31 March 2019**  
**STATEMENT OF CASH FLOWS**

	<b>2019</b>	<b>2018</b>
	£	£
Cash flows from operating activities:		
Net Cash provided by operating activities (see below)	298,249	210,969
<b>Cash flows from investing activities:</b>		
Dividends & interest	212	78
Purchase of fixed assets	(10,355)	(10,716)
<b>Net cash (used in) investing activities</b>	(10,143)	(10,638)
<b>Cash flows from financing activities</b>	-	-
Change in cash & cash equivalents in the reporting period	288,106	200,331
Cash & cash equivalents at the beginning of the reporting period	441,716	241,385
Cash & cash equivalents at the end of the reporting period	<u>729,822</u>	<u>441,716</u>
<b>Reconciliation of net income to net cash flow from operating activities</b>		
Net income as per SOFA	305,364	152,138
<b>Adjustments</b>		
Depreciation	7,850	7,854
Dividends & interest	(212)	(78)
(increase)/decrease in debtors	(12,120)	959
Increase in creditors	8,015	59,151
Add back pensions non-cash expenditure	(1,369)	(47)
Less pensions deficit plan cash paid	(9,279)	(9,008)
Net Cash provided by operating activities	<u>298,249</u>	<u>210,969</u>
<b>Analysis of cash &amp; cash equivalents</b>		
Cash in hand	722,092	434,015
Notice deposits (less than 3 months)	7,730	7,701
Total cash & cash equivalents	<u>729,822</u>	<u>441,716</u>

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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.

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.

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. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

	<b>Total Funds 2019 £</b>	<b>Total Funds 2018 £</b>
<b>1. DONATIONS &amp; LEGACIES</b>		
Donations from individuals, trusts and other similar institutions	432,940	193,240
<b>2. INCOME FROM LETTINGS</b>		
Rent receivable under operating Leases	1,664	4,785
	<u>1,664</u>	<u>4,785</u>
<b>3. GRANTS &amp; CONTRACT INCOME</b>		
Grants and contract income	<u>1,467,347</u>	<u>1,393,129</u>
<b>4. ADVICE &amp; GROUP ACTIVITIES</b>		
<b>Direct Costs:</b>		
Staff Costs (note 8)	340,688	339,992
Other costs	108,436	93,605
	<u>449,124</u>	<u>433,597</u>
Support costs (note 7)	95,415	81,426
	<u>544,539</u>	<u>515,023</u>
<b>5. HOUSING &amp; HOMELESSNESS</b>		
<b>Direct Costs:</b>		
Staff Costs (note 8)	356,594	267,755
Other costs	298,341	298,121
	<u>654,935</u>	<u>565,876</u>
Support costs (note 7)	99,870	64,126
	<u>754,805</u>	<u>630,002</u>

**6. INTERPRETING**

<b>Direct Costs:</b>	<b>Total Funds 2019</b>	<b>Total Funds 2018</b>
Staff Costs (note 9)	228,828	237,009
Other costs	1,040	298
	<u>229,868</u>	<u>237,307</u>
Support costs (note 7)	64,087	56,762
	<u>293,955</u>	<u>294,069</u>

**7. SUPPORT COSTS 2019**

	<b>Advice</b>	<b>Housing</b>	<b>Interpreting</b>	<b>Total 2019</b>	<b>Total 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff Costs (note 9)	19,504	20,415	13,100	53,019	43,531
Premises Costs	21,753	22,769	14,611	59,133	58,738
Depreciation- Owned Assets	2,888	3,022	1,940	7,850	7,854
Other Costs	51,270	53,664	34,436	139,370	92,191
	<u>95,415</u>	<u>99,870</u>	<u>64,087</u>	<u>259,372</u>	<u>202,314</u>

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

**SUPPORT COSTS 2018**

	<b>Advice</b>	<b>Housing</b>	<b>Interpreting</b>	<b>Total 2018</b>	<b>Total 2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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>238,640</u>

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



<b>8 STAFF COSTS</b>	<b>2019</b>	<b>2018</b>
The average monthly number of employees employed by the charity during the year (excluding trustees) was:-	No.	No.
Charitable activities	21	20
Support & governance	4	4
	25	24
Staff costs for the above persons:	£	£
Wages and salaries	814,224	752,810
Social security costs	73,086	64,329
Pension costs	20,573	13,307
Temporary staff costs	71,246	57,841
	979,129	888,287
Staff costs by service area	<b>2019</b>	<b>2018</b>
Staff costs by service area:	£	£
Advice & Group Activities	340,688	339,992
Housing & Homelessness	356,594	267,755
Interpreting	228,828	237,009
Support	53,019	43,531
	979,129	888,287
Of which attributable to key management personnel (excluding consultancy fees)	145,694	143,896

One employee received emoluments between £60,000 and £70,000 in the current year (2017-18: 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 has taken out an insurance policy that provides professional insurance cover for the trustees.

	2019	2018
	£	£
<b>9. TANGIBLE FIXED ASSETS – FURNITURE, FIXTURES AND EQUIPMENT</b>		
Cost:		
1 April 2018	76,827	66,111
Additions	10,355	10,716
	<u>87,182</u>	<u>76,827</u>
Balance at 31 March 2019	87,182	76,827
Depreciation:		
1 April 2018	63,793	55,939
Charge for the period	7,850	7,854
	<u>71,643</u>	<u>63,793</u>
Balance at 31 March 2019	71,643	63,793
Net Book Value at 31 March 2019	<u>15,539</u>	<u>13,034</u>
<b>10. DEBTORS</b>		
Trade Debtors	198,144	175,649
Accrued Income	-	14,957
Prepayments	4,582	-
Loans to Staff	500	500
	<u>203,226</u>	<u>191,106</u>
<b>11. CREDITORS</b>		
<b>Amounts due within one year:</b>		
Trade Creditors	113,378	156,249
Other taxes & social security	36,012	41,642
Defined Benefit Pension plan deficit	10,310	9,279
Sundry Creditors	-	828
Accruals, including provisions	74,154	17,582
Deferred Income	-	-
	<u>233,854</u>	<u>225,580</u>
<b>Provision fund movements are as follows:</b>		
Provisions at the start of the year	-	-
Provisions made in the year	31,200	-
Release in the year	-	-
	<u>31,200</u>	<u>-</u>

The provision was made to implement within the next twelve months dilapidations and decorations in Pott street in line with lease requirements

**PRAXIS COMMUNITY PROJECTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2019**

12. DEFERRED INCOME	2019	2018
	£	£
<b>Deferred income movements are as follows:</b>		
Deferred income at the start of the year	-	53,006
Released in the year	-	(53,006)
Deferred in the year	-	-
Deferred income at the end of the year	-	-
Deferred income consists of grants received in advance.		

**13. CREDITORS DUE AFTER ONE YEAR**

Defined Benefit Pension plan deficit	51,816	62,723
	<u>51,816</u>	<u>62,723</u>

14. FUNDS	As at 1 April 2018	Income	Expenditure	Transfers	As at 31 March 2019
	£	£	£	£	£
<b>Restricted income funds</b>					
London Borough of Tower Hamlets	-	32,238	(36,696)	4,458	-
Migration Foundation	10,404	12,500	(24,654)	1,750	-
Oak Foundation	-	79,986	(86,640)	6,654	-
Bridge House Trust	15,667	-	(15,667)	-	-
East End CAB (LBTH-MSG)	-	27,000	(32,484)	5,484	-
St Mungos	2,500	80,596	(88,581)	5,485	-
British Red Cross	-	9,675	(9,675)	-	-
The Big Lottery	27,135	193,781	(221,642)	5,726	5,000
Paul Hamlyn Foundation	17,333	52,000	(54,785)	2,785	17,333
ISD Innovation Fund	-	27,950	(29,468)	1,518	-
Tudor Trust	-	75,000	(50,000)	-	25,000
Henry Smith Foundation	10,175	41,400	(52,936)	1,361	-
London Borough of Hackney	-	78,652	(81,243)	2,591	-
BBC -Children in Need	-	17,606	(18,352)	746	-
The Attlee Foundation (LBTH-MSG)	-	6,702	(7,046)	344	-
ARHAG (DCLG)	-	98,741	(104,811)	6,070	-
St Martins in the Fields	-	32,957	(34,521)	1,564	-
Greater London Authority	-	19,960	(20,998)	1,038	-
London Borough of Newham	-	14,100	(14,779)	679	-
Other Trusts	1,171	42,174	(44,378)	1,967	934
Other Income	11,795	9,000	(17,541)	-	3,254
<b>Total restricted funds</b>	<u>96,180</u>	<u>952,018</u>	<u>(1,046,897)</u>	<u>50,220</u>	<u>51,521</u>
<b>Unrestricted income funds</b>					
Designated funds	-	-	-	186,000	186,000
General reserves	261,373	950,145	(549,902)	(236,220)	425,396
<b>Total unrestricted funds</b>	<u>261,373</u>	<u>950,145</u>	<u>(549,902)</u>	<u>(50,220)</u>	<u>611,396</u>
<b>Total Charity Funds</b>	<u>357,553</u>	<u>1,902,163</u>	<u>(1,596,799)</u>	<u>-</u>	<u>662,917</u>

**14. FUNDS (continued)**

<b>RESTRICTED FUNDS 2018</b>	<b>As at 1 April 2017</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>As at 31 March 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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
<b>Total restricted funds</b>	<b>67,493</b>	<b>808,470</b>	<b>(922,100)</b>	<b>142,317</b>	<b>96,180</b>
<b>Unrestricted income funds</b>					
General reserves	137,922	782,762	(516,994)	(142,317)	261,373
<b>Total Charity Funds</b>	<b>205,415</b>	<b>1,591,232</b>	<b>(1,439,094)</b>	<b>-</b>	<b>357,553</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 2020 or where any remaining 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 £186,000 of unrestricted funds to invest in business development, including an amount of £100,000 towards the potential move to new premises.

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS 2019**

	Fixed assets	Net current assets	Creditors after one year	Total
	£	£	£	£
Restricted funds:	-	51,521	-	51,521
Unrestricted funds:				
Designated funds	-	186,000		186,000
General Reserves	15,539	461,673	(51,816)	425,396
<b>NET ASSETS</b>	<b>15,539</b>	<b>699,194</b>	<b>(51,816)</b>	<b>662,917</b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS 2018**

	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
<b>NET ASSETS</b>	<b>13,034</b>	<b>407,242</b>	<b>(62,723)</b>	<b>357,553</b>

**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 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.

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 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 31 January 2025:	£11,243,000 per annum	(payable monthly and increasing by 3% each on 1st April)
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**16. PENSION COMMITMENTS (continued)**

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. 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 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)

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.

	2019	2018
	£	£
<b>Reconciliation of opening and closing provisions:</b>		
Provision at start of period	72,002	81,057
Unwinding of discount factor (interest expense)	1,152	1,005
Deficit contribution paid	(9,279)	(9,008)
Remeasurements – impact of any change in assumptions	568	(1,052)
Remeasurements – amendments to the contribution schedule	(2,317)	-
	<u>62,126</u>	<u>72,002</u>
Split as follows:		
Due within one year	10,310	9,279
Due after one year	51,816	62,723
	<u>62,126</u>	<u>72,002</u>
<b>Income and expenditure Impact</b>	<b>£</b>	<b>£</b>
Interest expense	1,152	1,005
Remeasurements – impact of any change in assumptions	568	(1,052)
Remeasurements – amendments to the contribution schedule	(2,317)	-
Contributions paid in respect of future services *	-	-
Cost recognition in income & expenditure account	-	-

**16. PENSION COMMITMENTS (continued)**

\*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**

	<b>31 March 2019</b>	<b>31 March 2018</b>	<b>31 March 2017</b>
Rate of discount - % per annum	1.39	1.71	1.32

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 FINANCIAL INSTRUMENTS**

	<b>Total</b>	<b>Total</b>
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Financial assets measured by amortised cost	198,644	176,149
Financial liabilities measured by amortised cost	113,379	157,077

Financial assets include trade debtors and staff loans.

Financial liabilities include trade and sundry creditors.

**18 RELATED PARTY TRANSACTIONS**

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

19. STATEMENT OF FINANCIAL ACTIVITY 2018

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £
<b>INCOME FROM:</b>			
Donations & Legacies	177,240	16,000	193,240
Investments	78	-	78
<b>Raising funds:</b>			
Income from lettings	4,785	-	4,785
<b>Charitable activities:</b>			
Advice & Group Activities	19,595	436,765	456,360
Housing & Homelessness	284,286	355,705	639,991
Interpreting	296,778	-	296,778
<b>TOTAL INCOME</b>	<b>782,762</b>	<b>808,470</b>	<b>1,591,232</b>
<b>EXPENDITURE ON:</b>			
<b>Charitable expenditure:</b>			
Advice Services & Group Activities	406	514,617	515,023
Housing & Homelessness	222,519	407,483	630,002
Interpreting	294,069	-	294,069
<b>TOTAL EXPENDITURE</b>	<b>516,994</b>	<b>922,100</b>	<b>1,439,094</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>265,768</b>	<b>(113,630)</b>	<b>152,138</b>
Transfer between funds	<b>(142,317)</b>	<b>142,317</b>	<b>-</b>
<b>NET MOVEMENT IN FUNDS</b>	<b>123,451</b>	<b>28,687</b>	<b>152,138</b>
<b>RECONCILIATION OF FUNDS</b>			
Fund balances brought forward at 1 April 2017	137,922	67,493	205,415
<b>FUND BALANCES CARRIED FORWARD 31 MARCH 2018</b>	<b>261,373</b>	<b>96,180</b>	<b>357,553</b>