

**Charity Registration No. 1007319**

**Company Registration No. 02281535 (England and Wales)**

**PRAXIS SERVICE**  
**REPORT AND UNAUDITED FINANCIAL**  
**STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2021**

# PRAXIS SERVICE

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Director</b>	M Robinson
<b>Trustees</b>	W Arkle M Robinson Dr J Moore K Moor T High
<b>Secretary</b>	S E L Murthwaite
<b>Charity number</b>	1007319
<b>Company number</b>	02281535
<b>Registered office</b>	Praxis House Park Close Newcastle upon Tyne Tyne and Wear NE4 6SB
<b>Independent examiner</b>	RSM UK Tax and Accounting Limited Chartered Accountants 1 St. James' Gate Newcastle upon Tyne United Kingdom NE1 4AD

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# **PRAXIS SERVICE**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021**

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The trustees' present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2016).

Throughout this coronavirus (COVID-19) pandemic, we have taken practical steps, and implemented robust measures, to ensure the welfare of our service users, employees, and partners in line with government, public health, and industry guidance. Although our work has been difficult with contact restriction and there have been dramatic changes in service delivery, Praxis have continued to provide services and maintained a level of normality throughout these strange times.

### **Objectives and activities**

Praxis Service (Praxis) exists for the benefit of the public through the provision of its services to any member of the public who is homeless and who is referred to Praxis through Newcastle City Council's homeless services. They are likely to have complex needs and include women with dependent children. All of the services provided by Praxis are within the aims and objectives as set out in the Memorandum and Articles of Association.

Throughout the review of objectives and activities section of this report, we have identified and evaluated the benefits that individuals gain from accessing our services and maximizing independence through self-directed support.

In shaping our objectives for the year and planning our activities, the trustees have considered the charity commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

#### **Objectives:**

- to promote and advance the social welfare and housing needs of people who are poor, suffering or recovering from mental illness, alcoholism, or chemical addictions.
- to provide advice, treatment and support through the provision of both community services and the development and management of housing schemes;
- to provide accommodation for individuals or groups in special housing need, without distinction of sex, sexual orientation, race, political, religious or other opinions; and
- to assist Service Users towards Moving On into their own independent accommodation.

Praxis continues to manage two major projects within the Newcastle Supporting People programme. All of the referrals to these projects are made through the Housing Advice Centre administered by Newcastle City Council. The system of referral of potential service users is computerised through the Gateway system. Both men and women (including women with dependent children), are homeless at the point of referral and come from a range of diverse backgrounds. They have complex needs and if accepted, are allocated a place in one of our two projects.

- Their needs are assessed at the point of entry to our service and staff offer support, advice and assistance through a Support Plan to help address their need and move towards resettlement in their own tenancies.
- Service Users are assisted to gain or retain meaningful relationships with their friends and families.
- Service Users are assisted in their engagement and relationships with important agencies such as Social Services, the Department of Work and Pensions, Probation, Mental Health services and in links with the wider community.
- Service users are encouraged to participate in a wide range of sport, leisure and work activities

# **PRAXIS SERVICE**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021**

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### **Review of the objectives and activities**

In 2014, Praxis became part of a Consortium contractual arrangement, led by the Changing Lives organisation and two other partners, Action Foundation and Thirteen Care and Support. This established a new Supporting People Contract with Newcastle City Council which ended in April 2019 and was renewed for an additional three years, up to March 2022. The Consortium managers meet on a bi-monthly basis to review progress of the Contract and its constituent parts, and to consider new developments. Thirteen Care and Support organisation have withdrawn, and its housing services have been transferred to Changing Lives. Praxis' staff continue to benefit from shared training opportunities and assistance in the computerisation of records using the Inform system. This means that all support work of Service Users is centrally recorded and achieves a range of important purposes and outcomes. Praxis is also part of the Newcastle City Council's Gateway system which is also computerised. This allows for potential Service Users of Praxis Service to be promoted through this system and to help evaluate a range of important outcomes. These include length of stay in Praxis accommodation; move-on arrangements; reasons for leaving including eviction and the tabulation of the number of referrals over time and the number of acceptances and refusals.

### **Newcastle women and children project**

This service continues to provide high quality accommodation for up to eight mothers with their dependent children. All of our families have complex needs and high percentages are involved with statutory services such as Social Service departments. Although some of our Service Users are clearly identified as fleeing domestic violence, many of them do not fall straightforwardly into this category. Many of the women wish to maintain some relationship with their previous partners and Praxis staff work with other agencies to facilitate contact between fathers and their children.

This service specialises in work with the mothers with dependent children who may be involved with Newcastle Social Care and a range of complex situations. This involves a high degree of team working with our partner agencies and the work is intense and demanding. Amongst a range of important outcomes includes the prevention of children being admitted to care.

### **Praxis Service Project**

This Service consists of two large-terraced houses at Normanton Terrace in the West End of Newcastle and provides high standard accommodation for eleven men and women.

Our third property is based at Praxis House. This property is a large detached modern house standing in its own, well stocked gardens. The property has been extensively renovated this year and provides very comfortable accommodation for up to seven men and women.

This year the improvements were completed to our terraced property based at Brighton Grove in the West End of Newcastle. This is a large-terraced property which has been upgraded to HMO standards allowing for the occupation of up to six Service Users.

Our fifth and newest property is a five bedded terraced house in the West End of Newcastle. This has been updated to a very high standard and has achieved HMO status through Newcastle City Council.

### **Achievements and performance**

#### **Financial review**

The principle funding sources of Praxis are Housing Benefit income received from Newcastle City Council and Supporting People income. The total income from these sources is shown in note 3.

At 31 March 2021, the total unrestricted reserves stood at £1,293,957 (2020: £1,093,350), and restricted reserves at £nil (2020: £nil). Included within unrestricted reserves is a balance of £219,500 (2020: £249,500) which is designated as £200,000 for a future women and children's project premises, and £19,500 for any redundancies should they occur.

# PRAXIS SERVICE

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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### Reserves policy

The Support Service Manager has the power to invest in such investments, securities, or property as they see fit subject to any restrictions imposed by law.

The trustees identify that they wish to pursue a policy of holding sufficient cash deposits in our various bank accounts to cover various potential contingencies. This was achieved in the year.

The trustees consider that the target for these reserves should remain in the sum of £100,000. Excluding fixed assets and designated funds, the unrestricted reserves are £542,340 (2020: £338,695). The trustees are reviewing the reserves held in excess of this target to identify areas where Praxis can contribute further to its objectives, including identifying the need for additional staff resources or additional properties for the projects.

The charity participates in the Tyne and Wear Pension Fund and is notified of annual deficit contributions every 3 years. Provisions includes £nil (2020: £3,511) in relation to the pension deficit contributions. The review is ongoing and it is expected that Praxis will receive details of future deficit contributions at the next valuation, which is due in March 2023.

### Key risks management

During the year the trustees reviewed their risk management plan. As part of the risk management process, the trustees have implemented a risk management strategy, which comprises of:

- an annual review of the risks, which the Charity may face;
- detailed action plans to mitigate those risks identified; and
- the implementation of procedures designed to minimise any potential impact on the Charity should any of those risks materialise.

The risk management focused on the need to maximise returns from their current cash reserves, ensure new developments in the Supporting People requirements are kept abreast of and initiate compliance measures as and when appropriate. The trustees also recognise the increasing burden of the superannuation scheme and are keeping abreast of any increased cost.

### Going concern

The trustees have reviewed the sources of income for Praxis and expect no material change in the levels of incoming resources. The trustees have also reviewed the levels of expenditure incurred by Praxis and expect no material change in the level of outgoing resources. Given the level of funds available, the trustees are confident that they have sufficient funds to ongoing expenditure and other liabilities as they fall due.

Based on the limited impact to incoming and outgoing resources of Covid-19, the cash reserves held by Praxis, and the consistency in the monthly management accounts, the trustees are confident that Praxis has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

# PRAXIS SERVICE

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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### Structure, governance and management

Praxis Service is a charity which was registered with the Charity Commission on 13 January 1992, number 1007319. It is also a private company limited by guarantee and not having share capital, being registered with Companies House on 28 July 1988 under company number 02281535, governed by its Memorandum and Articles of Association.

The director who served the charity during the year and the since the year end was as follows:

M Robinson

As well as the director a number of people act as trustees during the year and these are:

W. Arkle

M. Robinson

Dr J. Moore

K. Moore

T. High

Trustees can be appointed and/or leave the committee at any point during the year. Praxis advertises in the local press and on the Internet for new potential trustees. New trustees are given clear instruction and information on their range of new responsibilities as well as having the opportunity to attend training courses, particularly those run by Newcastle Council for Voluntary Services.

The staff team is managed by a Support Service Manager, P Gillingham BA and there is an organisational structure which includes two Senior Project Workers, an Administrator, a part-time Bookkeeper and a team of Project Workers.

The trustees consider key management comprise the charity's trustees and the service manager who are in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give their time freely and no trustee received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in notes 9 and 10 to the accounts.

The pay of the support service manager is reviewed annually and normally increased in accordance with average earnings.

The Trustees' Report was approved by the Board of Trustees.

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**M Robinson**

Director

Dated: .....

# PRAXIS SERVICE

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PRAXIS SERVICE

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I report on the financial statements of the charitable company for the year ended 31 March 2021, which are set out on pages 7 to 20.

### **Responsibilities and basis of report**

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

### **Independent examiner's statement**

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me reasonable cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

# **PRAXIS SERVICE**

## **INDEPENDENT EXAMINER'S REPORT (CONTINUED) TO THE TRUSTEES OF PRAXIS SERVICE**

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Signed:

Name: Lucy Robson

Name of applicable listed body: ICAEW

Relevant professional qualification or membership of professional body: ACA

On behalf of RSM UK Tax and Accounting Limited

Chartered Accountants

1 St. James' Gate

Newcastle upon Tyne

United Kingdom

NE1 4AD

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# PRAXIS SERVICE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	2	18,377	-	18,377	110
Charitable activities	3	668,578	-	668,578	687,429
Investments	4	124	-	124	903
Other income	5	10,552	-	10,552	-
<b>Total income</b>		697,631	-	697,631	688,442
<b><u>Expenditure on:</u></b>					
Charitable activities	6	497,024	-	497,024	478,123
<b>Total resources expended</b>		497,024	-	497,024	478,123
<b>Net income for the year and net movement in funds</b>		200,607	-	200,607	210,319
Total funds brought forward		1,093,350	-	1,093,350	883,031
<b>Total funds carried forward</b>		1,293,957	-	1,293,957	1,093,350

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**PRAXIS SERVICE****STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	11		532,117		505,155
<b>Current assets</b>					
Debtors	12	24,783		89,298	
Cash at bank and in hand		750,144		513,878	
		<u>774,927</u>		<u>603,176</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(13,087)</u>		<u>(11,470)</u>	
Net current assets			761,840		591,706
<b>Total assets less current liabilities</b>			1,293,957		1,096,861
<b>Provisions for liabilities</b>	14		-		(3,511)
<b>Net assets</b>			<u>1,293,957</u>		<u>1,093,350</u>
<b>Funds</b>					
General unrestricted funds	16	1,034,457		843,850	
Designated fund	16	<u>259,500</u>		<u>249,500</u>	
			1,293,957		1,093,350
			<u>1,293,957</u>		<u>1,093,350</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Director on .....

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M Robinson  
**Director**

# PRAXIS SERVICE

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

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	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	19		283,547		151,909
<b>Investing activities</b>					
Purchase of tangible fixed assets		(47,405)		(9,624)	
Interest received		124		903	
		<hr/>		<hr/>	
<b>Net cash used in investing activities</b>			(47,281)		(8,721)
<b>Net cash used in financing activities</b>			-		-
			<hr/>		<hr/>
<b>Net increase in cash and cash equivalents</b>			236,266		143,188
Cash and cash equivalents at beginning of year			513,878		370,690
			<hr/>		<hr/>
<b>Cash and cash equivalents at end of year</b>			750,144		513,878
			<hr/> <hr/>		<hr/> <hr/>

# PRAXIS SERVICE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

#### Charity information

Praxis Service is a private company limited by guarantee incorporated in England and Wales. The registered office is Praxis House, Park Close, Newcastle upon Tyne, Tyne and Wear, NE4 6SB.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

Financial Reporting Standard 102 requires, if appropriate, the charity's financial statements are prepared on the going concern basis, which means that the charity is able to operate for the foreseeable future on the basis of known and reasonable projected resources.

The trustees have reviewed the sources of income for Praxis and expect no material change in the levels of incoming resources. The trustees have also reviewed the levels of expenditure incurred by Praxis and expect no material change in the level of outgoing resources. Given the level of funds available, the trustees are confident that they have sufficient funds to ongoing expenditure and other liabilities as they fall due.

Based on the limited impact to incoming and outgoing resources of Covid-19, the cash reserves held by Praxis, and the consistency in the monthly management accounts, the trustees are confident that Praxis has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the director in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds are unrestricted funds that have been earmarked by the trustees for a specific purpose.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

#### 1.4 Incoming resources

Income is recognised in the period in which the charitable company has entitlement to the funds, any conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations and legacy income are included in the Statement of Financial Activities when receivable. In accordance with the Charities SORP (FRS102) general volunteer time is not recognised.

Income from charitable activities is recognised in the Statement of Financial Activities as received.

# PRAXIS SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies (Continued)

Interest on funds held on deposit is included when 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.

#### 1.5 Resources expended

Expenditure is all considered as expenditure on charitable activities. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party; it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of VAT. They include:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of any indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and the statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

#### 1.6 Tangible fixed assets

Assets worth £250 or more are capitalised upon acquisition.

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold properties	2% straight line
Plant and equipment	25% reducing balance

Subsequent costs, including replacement parts are capitalised only when it is probable that such costs will generate future economic benefits. Any replaced parts or remaining carrying amounts are then derecognised. All other costs of repairs and maintenance are charged to profit or loss as incurred.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

#### 1.8 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# PRAXIS SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies (Continued)

#### **Basic financial assets**

Basic financial assets, which include trade, other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

### 1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless these costs are required to be capitalised as an intangible or tangible fixed asset.

Certain employees are entitled to carry forward unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are required.

### 1.10 Retirement benefits

The charity participates in a multi-employer pension scheme for its employees. For the scheme, contributions are recognised as expenditure in the period to which they relate as there is insufficient information available to use defined benefit accounting.

Where applicable, a liability is recognised for contributions arising from an agreement with the multi-employer plan that determines how the charity will fund a deficit. Contributions are discounted, at a rate according to FRS102, when they are not expected to be settled wholly within 12 months of the period end. The unwinding of the discount rate is recognised as a finance cost.

### 1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

### 2 Donations and legacies

	2021 £	2020 £
Donations and gifts	289	110
Government grants	18,088	-
	<hr/>	<hr/>
	18,377	110
	<hr/>	<hr/>

# PRAXIS SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 3 Charitable activities

	2021 £	2020 £
Rents and supporting people income	668,578	687,429

### 4 Investments

	2021 £	2020 £
Bank interest receivable	124	903

### 5 Other income

	2021 £	2020 £
Insurance claims receivable	10,552	-

### 6 Charitable activities

	2021 £	2020 £
Staff costs	268,208	286,385
Share of support costs (see note 7)	222,216	185,138
Share of governance costs (see note 7)	6,600	6,600
	497,024	478,123
<b>Analysis by fund</b>		
Unrestricted funds	497,024	478,123

# PRAXIS SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 7 Support costs

	Support costs £	Governance costs £	2021 £	2020 £
Depreciation	20,443	-	20,443	21,267
Office costs	13,846	-	13,846	11,973
Printing, postage and stationery	5,141	-	5,141	3,272
Outings	6,074	-	6,074	6,353
Travel and subsistence	2,688	-	2,688	3,790
Rehabilitation and welfare	33,016	-	33,016	6,982
Food and catering	3,145	-	3,145	1,844
Premises costs	52,390	-	52,390	55,279
Repairs and renewals	67,908	-	67,908	55,841
Head office rent	15,600	-	15,600	15,600
Other costs	1,965	-	1,965	2,937
Accountancy fees	-	3,600	3,600	3,600
Independent examination fees	-	3,000	3,000	3,000
	<u>222,216</u>	<u>6,600</u>	<u>228,816</u>	<u>191,738</u>
Analysed between Charitable activities	<u>222,216</u>	<u>6,600</u>	<u>228,816</u>	<u>191,738</u>

### 8 Net movement in funds

	2021 £	2020 £
Net movement in funds is stated after charging:		
Depreciation of owned tangible fixed assets	20,443	21,267
Independent examination fees	<u>3,000</u>	<u>3,000</u>

### 9 Employees

#### Number of employees

The average monthly number employees during the year was:

	2021 Number	2020 Number
Employees	<u>7</u>	<u>7</u>



# PRAXIS SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 9 Employees (Continued)

Employment costs	2021 £	2020 £
Wages and salaries	227,676	248,689
Social security costs	19,036	21,986
Other pension costs	21,496	15,710
	<u>268,208</u>	<u>286,385</u>

The number of trustee's to whom retirement benefits are accruing under money purchase schemes was nil (2020: nil).

One employee earned in excess of £60,000 during the year (2020: nil).

No expenses were reimbursed to the trustees during the year (2020: nil).

During the year the charity paid trustee's indemnity insurance of £nil (2020: £nil).

In previous years, the charity was notified of deficit funding contributions in relation to the Tyne and Wear Pension Fund payable over the next three years. note 14 includes details of the contributions paid towards the deficit funding. The review is ongoing and it is expected that Praxis will receive details of future deficit contributions at the next valuation, which is due in March 2023.

### 10 Director and trustees

Key management comprises the trustees and the general manager. None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the current or previous year.

The total remuneration of key management was £87,864 (2020: £55,181).

# PRAXIS SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 11 Tangible fixed assets

	Freehold properties £	Plant and equipment £	Total £
<b>Cost</b>			
At 1 April 2020	598,470	149,538	748,008
Additions	46,597	808	47,405
	<u>645,067</u>	<u>150,346</u>	<u>795,413</u>
At 31 March 2021			
<b>Depreciation and impairment</b>			
At 1 April 2020	133,062	109,791	242,853
Depreciation charged in the year	12,332	8,111	20,443
	<u>145,394</u>	<u>117,902</u>	<u>263,296</u>
At 31 March 2021			
<b>Carrying amount</b>			
At 31 March 2021	499,673	32,444	532,117
	<u>499,673</u>	<u>32,444</u>	<u>532,117</u>
At 31 March 2020	465,408	39,747	505,155
	<u>465,408</u>	<u>39,747</u>	<u>505,155</u>

### 12 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	8,898	28,219
Prepayments and accrued income	15,885	61,079
	<u>24,783</u>	<u>89,298</u>

### 13 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	5,537	6,146
Other creditors	2,750	1,724
Accruals and deferred income	4,800	3,600
	<u>13,087</u>	<u>11,470</u>

## PRAXIS SERVICE

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

<b>14</b>	<b>Provisions for liabilities</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Future pension contributions	-	3,511
		<u>          </u>	<u>          </u>
		<b>Future pension contributions</b>	
		<b>£</b>	
	At 1 April 2020		3,511
	Paid in the year		(3,511)
			<u>          </u>
	At 31 March 2021		-
			<u>          </u>
<b>15</b>	<b>Retirement benefit schemes</b>		

The charity participates in a multi-employer pension plan, being the Tyne & Wear Superannuation Fund Scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The contributions payable by the charity charged to income and expenditure amounted to £21,364 (2020: £15,710).

The pension fund is run as a multi-employer scheme and as such it is not possible for the assets and liabilities of the fund to be identified separately.

As at the balance sheet date, there were 2 (2020: 1) active members of the fund employed by the charity.

# PRAXIS SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 16 Analysis of charitable funds

	Balance at 1 April 2020 £	Movement in funds		Transfers £	Balance at 31 March 2021 £
		Incoming resources £	Resources expended £		
<b>Unrestricted funds</b>					
General	843,850	697,631	(467,024)	(40,000)	1,034,457
Designated	249,500	-	(30,000)	40,000	259,500
	<u>1,093,350</u>	<u>697,631</u>	<u>(497,024)</u>	<u>-</u>	<u>1,293,957</u>
<b>Restricted funds</b>	-	-	-	-	-
	<u>1,093,350</u>	<u>697,631</u>	<u>(497,024)</u>	<u>-</u>	<u>1,293,957</u>

	Balance at 1 April 2019 £	Movement in funds		Transfers £	Balance at 31 March 2020 £
		Incoming resources £	Resources expended £		
<b>Unrestricted funds</b>					
General	663,531	688,442	(478,123)	(30,000)	843,850
Designated	219,500	-	-	30,000	249,500
	<u>883,031</u>	<u>688,442</u>	<u>(478,123)</u>	<u>-</u>	<u>1,093,350</u>
<b>Restricted funds</b>	-	-	-	-	-
	<u>883,031</u>	<u>688,442</u>	<u>(478,123)</u>	<u>-</u>	<u>1,093,350</u>

#### Unrestricted funds

General funds are 'free reserves' after allowing for designated funds.

From unrestricted funds, the trustees have made the following designations:

- an amount of £19,500 for any redundancies should they occur;
- an amount of £200,000 to purchase an additional house to expand the Newcastle women and children project; and
- an amount of £30,000 for a property extension and HMO upgrades. These were completed in the year.
- an amount of £40,000 has been allocated for property upgrades. These will be completed in 2022.

#### Restricted funds

Comprise of gifts made to be used for specific purposes.

# PRAXIS SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 17 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2021 are represented by:				
Tangible assets	532,117	-	-	532,117
Current assets	335,927	219,500	-	555,427
Current liabilities	(13,087)	-	-	(13,087)
	<u>854,957</u>	<u>219,500</u>	<u>-</u>	<u>1,074,457</u>
	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2020 are represented by:				
Tangible assets	505,155	-	-	505,155
Current assets	353,676	249,500	-	603,176
Current liabilities	(11,470)	-	-	(11,470)
Provisions	(3,511)	-	-	(3,511)
	<u>843,850</u>	<u>249,500</u>	<u>-</u>	<u>1,093,350</u>

### 18 Related party transactions

There were no disclosable related party transactions during the year (2020: none).

### 19 Cash generated from operations

	2021 £	2020 £
Surplus for the year	200,607	210,319
Adjustments for:		
Investment income recognised in statement of financial activities	(124)	(903)
Depreciation and impairment of tangible fixed assets	20,443	21,267
Movements in working capital:		
Decrease/(increase) in debtors	64,515	(36,363)
Increase in creditors	1,617	1,293
(Decrease) in provisions	(3,511)	(43,704)
<b>Cash generated from operations</b>	<u>283,547</u>	<u>151,909</u>

### 20 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

# **PRAXIS SERVICE**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 MARCH 2021**

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### **21 Taxation**

The charity is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.