

REGISTERED COMPANY NUMBER: 02786035 (England and Wales)
REGISTERED CHARITY NUMBER: 1035083

**DIRECTORS REPORT AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
FOR
LEWISHAM NEXUS SERVICE**

LEWISHAM NEXUS SERVICE

**CHARITABLE COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2023**

REGISTERED OFFICE

Unit 3 Deals Gateway
London
England
SE13 7SB

REGISTERED CHARITY NUMBER

1035083

COMPANY NUMBER

02786035

Directors

Nicole Allwood
Phil Alvey
John Anderson
Ramandeep Jhattu
James Robertson
Jean Young
Ava Zadkhorvash

CHIEF EXECUTIVE

Bernie Mayall

COMPANY SECRETARY

Fahmeeda Amode

BANKERS

NatWest Bank PLC
159 Rushey Green
London
SE6 4BJ

Lloyds TSB Bank Plc
15 Blackheath Village
London
SE3 9LH

AUDITORS

Azets Audit Services
2nd Floor,
Regis House
45 King William Street,
London
EC4R 9AN

LEWISHAM NEXUS SERVICE
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Directors present their report and financial statements for the year ended 31 March 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The charity is a company limited by guarantee and was formed in April 1993. The charity is governed by its Memorandum and Articles of Association dated 2 February 1993 and reviewed on the 1 September 2021. The charity offers a comprehensive approach to supporting people who have learning disabilities as individuals.

On 31 October 2021, Lewisham Nexus Service merged with Aurora Options. Following the merger, the charity trades under the name 'Aurora Nexus'.

The directors for the purposes of company law who served during the year are:

Trustees

Nicole Allwood
Phil Alvey ● *

John Anderson *

Marcia Bryan (resigned 03 August 2023)

Jozeen Holmes (resigned 20 July 2022)

Ramandeep Jhattu * (appointed on 09 August 2023)

James Robertson *

Jean Young ●

Ava Zadkhorvash ● (appointed on 09 August 2023)

● *Member of the QPR Committee*

* *Member of the Finance Committee*

Executive Management

Bernie Mayall (Interim Chief Executive)

Fahmeeda Amode (Director of Finance and Company Secretary)

Michelle Jewell (Corporate Compliance)

Joe Donnellan (Director of Operations)

Jacqui Shephard (Director of Practice Development)

Gail Nicholls (Director of Housing, Quality and Development)

The Board of Trustees consists of the Trustees and Chief Executive, with other members of management invited as required. Voting is restricted to the trustees only. At least three trustees must be present for a meeting to be quorate. Decisions are made by majority vote with the Chair holding the casting vote where votes are tied.

Operational management decisions are made by the Executive, who provide regular reports on activities to the trustees. Decisions on the strategic direction are taken by the Board of Trustees, informed by management.

The Board of Trustees has considered the risks that face the business and implemented delegated authority and accountability for dealing with risk and decisions that operate throughout the organisation. A risk register is in place. The trustees and management accept the potential of risk in planning and strategy, and where possible mitigate against adverse risk.

The pay of the executive members is generally reviewed alongside the periodic review of all staff salaries. Where necessary, the trustees will discuss executive salaries in private.

The trustees do not receive remuneration, although reasonable expenses incurred in performing their duties are reimbursed.

LEWISHAM NEXUS SERVICE
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities

The aims of the charity are to provide support to adults with learning disabilities to live in their local communities. By doing this, we aim to enable individuals to live fulfilled lives.

The Directors review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work within the last twelve months. This report presents the success of each key activity and benefits brought to the charity's beneficiaries. The report also helps ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The Directors refer to Charity Commission guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the charity considers how planned activities will contribute to the aims and objectives that have been set.

We continue to work with commissioners in local authorities, social landlords and other stakeholders to identify areas of local need and plan services to meet these needs. Short and long term aims and objectives have been identified in the current business. This business plan has to remain fluid as a result of the current financial uncertainties in the voluntary sector. Part of this business plan is to investigate the use of social investment and grant making.

Achievements and performance

Lewisham Council are the organisation's main funder and contracts are monitored through the learning disability commissioners. Aurora Nexus is on Lewisham Council's provider framework to provide services to people with learning disabilities. This includes supported living, outreach support, respite and day services.

We have developed a new positive relationship with commissioners in Bromley. We also took over two new services and managed these tenders.

As part of our development strategy, we intend to review plans to open new 5 bedded transition service. We are also working closely with a housing provider to provide housing management in of 5 new services.

We are looking to tender extensively for other providers services' in Lewisham and other boroughs especially Southwark where we already have a presence with one service and a strong relationship with Commissioners.

We intend to create project groups to review the core areas of the organization.

We are looking at the potential of fund raising and grant funding in the organisation.

We were able to award a 2% uplift on all staff salaries from January 2023.

FY23 has seen a major change in structure of the organisation, especially the admin side. We have restructured our Finance, HR, admin teams and created a new quality post to help support the core functions.

We continue to provide staff training programs via e-learning as well as other means of training. Families, advocates and supporters, as well as Social Work Teams, and commissioners continue to be very positive in their feedback regarding the services we provide. People continue to be involved in the running of the organization in a variety of ways including the Advisory Board.

Families, advocates and supporters, as well as social work teams and commissioners continue to be very positive in their feedback regarding the services we provide.

Aurora Nexus operates within an under resourced social care system and specialist knowledge of the services we deliver has been reduced in many local authorities. Working in London, access to affordable housing is a challenge for anyone, as we look to develop new services, housing will always be a challenge. We need to look to new ways to build partnerships that match our values and will offer secure high-quality housing for people with learning disabilities in the neighbourhoods where they belong.

The financial climate remains challenging and at the same time, expectations of excellence for organisations like ours are at their highest. Nonetheless, we are confident that our commitment and creativity will continue to ensure that we remain at the forefront of service delivery for adults with learning disabilities.

We will continue to influence change in the sector when we have the opportunity to do so. Our knowledge and

LEWISHAM NEXUS SERVICE
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

experience help us decide when and where to confidently say no, whether it's an area of London far from where we currently operate, the way in which services are commissioned or a race to the bottom regarding costs of services. We know that in the future we will have more opportunities to not only join but to influence national campaigns.

This plan is the tool we will use to ensure that we are delivering high quality support and to plan and prepare for the future of Aurora Nexus.

Housing and Development

- We completed and successfully implement a quality assurance template and audit process.
- The Health and Safety policies and procedures are currently under review
- We are looking to establish digital inclusion group reviewing personalised technology provision.

Corporate Compliance & Risk Management

- We plan to review all contracts and Contract Management agreements in place.
- We intend to implement of new HR records management system.
- We have agreed a new IT Strategy agreed.

Finance

- We plan to review underperforming projects/schemes and complete cost benefit analysis of material activity/expense generating projects.
- We will review Investment potential of assets – cash/property.
- We plan to start VAT optimisation for at least our main funder

Quality Assurance

- We will develop a Quality Assurance Framework Document and a Quality Assurance Process.
- Quality Assurance Communication and Feedback.

Operations

- Continue to provide staff training programmes via e-learning and in person internal and external facilitator led training.
- We have started to successfully implement a move to paperless recording with many of our previous paper heavy processes now being completed by staff.
- We have achieved a significant reduction in the use of agency staff in the last 6 months (15 to 10%) and aim to continue this.

Practice Development

- We held a number of information days across the organisation to launch a new joint Advisory Board ,we now have an operational board that meets 4x a year with sub meetings for other interest groups like the Environment group .
- Measure, communicate and embed basic values across the workforce. The delivery of the values training programme was late in starting July 22 and finished in June 23
- To build a Quality Checkers Team and support them to design and deliver a Quality Checkers audit. We now have the identified team and they have just started to carry out this role

Future Plans

In March 2022, we finalised a 3-year Business Plan based on consultation and feedback from a full range of stakeholders including:

- The Board of Trustees and Executive Management.
- First line managers.
- Our staff.
- Lewisham learning disability commissioners.
- People with learning disabilities.
- Family and friends of people we support.

LEWISHAM NEXUS SERVICE
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

- Local advocacy group.
- Health and social care professionals.

We have also reviewed feedback received in recent months, notably from:

- CQC Reports.
- Contract monitoring reports.

Our three-year strategic plan was launched in April 2022.

- Strategic Objective 1 - we will increase the quality-of-service provision in line with our values and will be able to evidence this through our systems and processes.
- Strategic Objective 2 – we will increase our knowledge and understanding of the health needs of the people we support.
- Strategic Objective 3 – we will increase our financial resilience.
- Strategic Objective 4 – we will continue to grow and develop as an organisation.
- Strategic objective 5 – We will develop our workforce.
- Strategic objective 6 - IT and Assistive technology.
- Strategic Objective 7 – Day Opportunity services.

Public Benefit Statement

The sections of the report above entitled "Objectives and Activities "Achievements and Performance" and "Future Plans" set out Lewisham Nexus Service's objectives and reports on the activity and successes in the year to 31st March 2023, as well as explaining the plans for the current and future financial years. Lewisham Nexus Services' work benefits the whole community by helping to integrate people with learning disabilities into community life. Lewisham Nexus Services provides employment for people with learning disabilities. We also provide work training for our employees.

The Directors have considered the Charity Commission's guidance on public benefit and concluded:

1. That the aims of the organisation continue to be charitable.
2. That the aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly to individuals' need.
3. That the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay.
4. That there is no detriment or harm arising from the aims of activities.

The contracts for supported living that Lewisham Nexus Services holds have various start dates and end dates this allows resilience as all contracts are tracked and managed through a pipeline most run for four years with an option for commissioners to extend for a further year or up to three years in Bromley.

Lewisham Nexus Services was heavily reliant on the funding it receives from Lewisham Council. However, we have been a successful local provider of services working mostly in one London borough for the past 27 years. Post-merger we now work in four London Boroughs and have some diversification of funding streams.

Principal Risks and Uncertainties

Major risks are identified on an on-going basis through a risk register and are discussed with external agents with expertise in the required area as appropriate. The council members are involved in this process as required.

We have worked with our funders to ensure that our disaster planning is robust. This covers IT back up, financial precautions and physical evacuation contingencies. We have carried out a test of the contingency planning.

The current financial climate for publicly funded bodies is very challenging and uncertain.

Lewisham Council continues with its policy of requiring local organisations to participate in competitive tendering to retain their current services. In the coming months, some of our services will be put out to tender. Some of these services the organisation has been providing support to for many years.

We have refined our financial strategies to ensure we are functioning at peak efficiency and we are in constant contact with Commissioners in adjusting our service strategy to ensure that this is in line with requirements. We maintain a competitive edge. Post-merger we will look for further savings to be realized, these savings are all around the business functions and do not impact on the lives of the people we support.

LEWISHAM NEXUS SERVICE
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Financial review

The charity's principal funder is Lewisham Council, which is a government agency.

We have received income from spot contracts, day services and floating support services (outreach) from Lewisham. We also receive funding from Bexley, Bromley and Southwark. A small amount of funding is through the CCG.

The charity's policy is to hold at least 2 months of annual income to enable the organisation to survive in the event of a "market shock" and to help the charity operate effectively. The reserves policy and the level of reserves are held under review in line with the risk register updates.

Lewisham Nexus Services made a deficit of £132,849 to include in the year ended 31 March 2023 (2022: surplus of £1,009,983). Income increased to £7,970,946 and expenditure to £8,103,795.

Net assets were £1,881,264 and cash reserves decreased to £1,155,975.

LEWISHAM NEXUS SERVICE
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Director's responsibilities in relation to the financial statements

The trustees (who are also directors of Lewisham Nexus Service for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom 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 the year. 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 judgments 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate 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 the trustees 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.

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditors

In accordance with the Companies Act 2006, a resolution proposing that Azets Audit Services be appointed as auditors of the company will be put to the Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice: 'Accounting and Reporting by Charities' and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to smaller entities.

On behalf of the Directors



.....
J Robertson - Trustee

Dated: 25 November 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LEWISHAM NEXUS SERVICE

Opinion

We have audited the financial statements of Lewisham Nexus Service (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LEWISHAM NEXUS SERVICE

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 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Reviewing the reports of any regulatory inspections carried out in the year;
- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LEWISHAM NEXUS SERVICE

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.

Azets Audit Services

John Howard (Senior Statutory Auditor) For and on behalf of Azets Audit Services

Statutory Auditor, Chartered Accountants
2nd Floor, Regis House
45 King William Street
London
EC4R 9AN

Date: 4 December 2023

LEWISHAM NEXUS SERVICE

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

		Unrestricted funds		Restricted		
		General	Designated	Funds	Total	Total
		2023	2023	2023	2023	2022
	Note	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	2	-	-	-	-	59,981
Charitable activities	3	7,807,620	-	-	7,807,620	4,080,742
Transfer of assets from Aurora Options		-	-	-	-	1,257,110
Other trading activities		48,186	-	-	48,186	8,596
Investment income		-	-	-	-	89
Other incoming resources		115,140	-	-	115,140	68,285
Total income		<u>7,970,946</u>			<u>7,970,946</u>	<u>5,474,803</u>
EXPENDITURE ON:						
Charitable activities	4	8,103,795	-	-	8,103,795	4,464,820
Total expenditure		<u>8,103,795</u>			<u>8,103,795</u>	<u>4,464,820</u>
Net incoming resources before transfers	6	(132,849)	-	-	(132,849)	1,009,983
Gross transfers between funds		-	-	-	-	-
NET MOVEMENT IN FUNDS		<u>(132,849)</u>	<u>-</u>	<u>-</u>	<u>(132,849)</u>	<u>1,009,983</u>
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>2,014,113</u>	<u>-</u>	<u>-</u>	<u>2,014,113</u>	<u>1,004,130</u>
Total funds carried forward	14	<u>1,881,264</u>	<u>-</u>	<u>-</u>	<u>1,881,264</u>	<u>2,014,113</u>

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

The notes on pages 16 to 22 form part of these financial statements

LEWISHAM NEXUS SERVICE

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

PRIOR FINANCIAL YEAR - 2022		Unrestricted funds		Restricted	Total	Total
		General	Designated	Funds		
		2022	2022	2022	2022	2021
	Note	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	2	27,655	-	32,326	59,981	21,206
Charitable activities	3	4,080,742	-	-	4,080,742	2,240,583
Transfer of assets from Aurora Options		1,257,110	-	-	1,257,110	-
Other trading activities		8,596	-	-	8,596	-
Investment income		89	-	-	89	(1,668)
Other incoming resources		68,285	-	-	68,285	2,607
Total income		5,442,477	-	32,326	5,474,803	2,262,728
EXPENDITURE ON:						
Charitable activities	4	4,432,494	-	32,326	4,464,820	2,260,011
Total expenditure		4,432,494	-	32,326	4,464,820	2,260,011
Net incoming resources before transfers	6	1,009,983	-	-	1,009,983	2,717
Gross transfers between funds		100,000	(100,000)	-	-	-
NET MOVEMENT IN FUNDS		1,109,983	(100,000)	-	1,009,983	2,717
RECONCILIATION OF FUNDS						
Total funds brought forward		904,130	100,000	-	1,004,130	1,001,413
Total funds carried forward	14	2,014,113	-	-	2,014,113	1,004,130

The notes on pages 16 to 22 form part of these financial statements

LEWISHAM NEXUS SERVICE

**BALANCE SHEET
AT 31 MARCH 2023**

		2023		2022	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	9	70,345			75,596
CURRENT ASSETS					
Debtors	10	1,633,663		959,588	
Cash and cash equivalents		<u>1,155,975</u>		<u>2,167,069</u>	
		2,789,638		3,126,657	
CREDITORS					
Amounts falling due within one year	11	<u>(877,954)</u>		<u>(1,143,140)</u>	
NET CURRENT ASSETS			<u>1,911,684</u>		<u>1,983,517</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,982,029		2,059,113
Provisions for liabilities	12		(100,765)		(45,000)
NET ASSETS			<u><u>1,881,264</u></u>		<u><u>2,014,113</u></u>
FUNDS					
Restricted funds			-		-
<u>Unrestricted funds</u>					
Designated Funds			-		-
General unrestricted Funds	14	<u>1,881,264</u>		<u>2,014,113</u>	
TOTAL FUNDS			<u><u>1,881,264</u></u>		<u><u>2,014,113</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2016 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on..... 22 November 2023 and were signed on its behalf by:



.....
J Robertson - Trustee

Company Registration number 02786035

The notes on pages 16 to 22 form part of these financial statements

LEWISHAM NEXUS SERVICE

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
Net cash flow from operating activities					
Cash (absorbed by) / generated by operations	17	(1,011,094)		1,368,210	
INVESTING ACTIVITIES					
Purchase of tangible fixed assets		-	(73,009)		
Interest received		-	89		
Net cash (used in) investing activities			-		(72,920)
Net cash (used in)/generated from financing activities			-		-
Net (decrease) in cash and cash equivalents		(1,011,094)		1,295,290	
Cash and cash equivalents at the beginning of the year		2,167,069		871,779	
Cash and cash equivalents at the end of the year		<u>1,155,975</u>		<u>2,167,069</u>	

The notes on pages 16 to 22 form part of these financial statements

LEWISHAM NEXUS SERVICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

1.1 Company information

Lewisham Nexus Service is a private limited company limited by guarantee in England and Wales, registration number 02786035. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out on page 2.

1.2 Accounting convention

The financial statements have been prepared in accordance with charity's Memorandum and Articles of Association, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Lewisham Nexus Service 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 note(s).

The financial statements are prepared in sterling (£) which is the functional currency for the charity. 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.

1.3 Going concern

The trustees have reasonable expectation that the Charitable Company can continue as a going concern for a period of at least twelve months from the date of approval of these financial statements and thus the financial statements have been prepared on a going concern.

1.4 Charitable funds

Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds are unrestricted funds that have been set aside by the trustees for a specific purpose. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes of the uses of the restricted funds are set out in the notes to the financial statements.

1.5 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

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1. ACCOUNTING POLICIES – continued

1.6 Resources expended

Expenditure is recognised on an accruals basis.

Expenditure relating to Supported Housing and Day Services are those elements of expenditure directly incurred in performing these activities.

Support costs represent costs that cannot be directly attributed to charitable activities but are necessarily incurred in the running of the charity.

Governance costs includes those costs incurred in the governance of the charity's assets and are primarily associated with constitutional and statutory requirements.

1.7 Tangible fixed assets

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Short leasehold improvements	over the term of the lease
Fixtures, fittings & equipment	25% straight line
Motor vehicles	Over 7 years

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 its recognised in net income/(expenditure) for the year.

1.8 Financial instruments

The 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.

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.

1.9 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

1.10 Employee benefit

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Critical accounting and estimates and judgements

In the application of the charity's accounting policies, trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The trustees are required to make estimates in respect of the provision of dilapidations. The basis of recognition is provided within the accounting policies (policy 1.8).

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2. DONATIONS AND LEGACIES	Unrestricted Funds General	
	2023 £	2022 £
Donations and grants	-	27,655
Government grants – Job Retention Scheme	-	32,326
	<u>-</u>	<u>59,981</u>

3. CHARITABLE ACTIVITIES	Supported housing and day services	
	2023 £	2022 £
Supported housing and other services	<u>7,807,620</u>	<u>4,230,742</u>
Analysis by fund		
Unrestricted funds – general	7,807,620	4,230,742

4. RESOURCES EXPENDED: CHARITABLE ACTIVITIES	2023 £	2022 £
Supported Housing and day services	6,113,017	4,371,886
Share of support costs (note 5)	1,858,059	84,184
Share of governance costs	132,719	8,750
	<u>8,103,795</u>	<u>4,464,820</u>
Analysis by fund		
Unrestricted funds – general	8,103,795	4,432,494
Restricted funds	-	32,326
	<u>8,103,795</u>	<u>4,464,820</u>

5. SUPPORT COSTS	Support Costs £	Governance Costs £	2023 £	Support Costs £	Governance Costs £	2022 £
Staff costs	1,858,059	121,719	1,979,778	84,184	-	84,184
Audit fees		11,000	11,000	-	8,750	8,750
	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>

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6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	£	£
Depreciation	5,251	20,762
Auditors' remuneration	11,000	8,750
Auditors' remuneration (non-audit work)	<u>1,900</u>	<u>3,750</u>

7. Trustees

No (2022: nil) Trustees received reimbursed travel expenses during the year (2022: £nil). None of the Directors (or any persons connected with them) received any remuneration or benefits during the year (2022: £Nil). For the purposes of this disclosure, the Directors comprises the board of trustees only, it does not include Senior Management Team.

8. EMPLOYEES

	2023 Number	2022 Number
The average monthly number of employees during the year was:		
Supported housing and other services	202	114
Support staff	18	16
	<u>220</u>	<u>130</u>

	2023 £	2022 £
Employment costs:		
Wages and salaries	5,262,797	3,279,893
Social security costs	502,255	198,368
Other pension costs	139,826	73,430
Temporary and agency staff	731,078	
	<u>6,635,956</u>	<u>3,551,691</u>

The senior management team, as listed on page 2 of the Directors' Report, received total remuneration of £397,885 (2022: £365,162).

	2023 Number	2022 Number
The number of employees whose annual remuneration was £60,000 or more were:		
£70,000 - £79,999	-	-
£80,000 - £89,999	<u>1</u>	<u>1</u>

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9. TANGIBLE FIXED ASSETS	Short leasehold improvements £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Costs				
At 1 April 2022	193,421	114,033	38,892	346,346
Additions	-	-	-	-
Assets taken over				
At 31 March 2023	193,421	114,033	38,892	346,346
Depreciation and impairment				
At 1 April 2022	137,683	94,175	38,892	270,750
Depreciation charged in the year	500	4,751	-	5,251
Taken over				
At 31 March 2023	138,183	98,926	38,892	276,001
Carrying amount				
At 31 March 2023	55,238	15,107	-	70,345
At 31 March 2022	55,738	19,858	-	75,596
10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			2023	2022
			£	£
Trade debtors			1,446,937	831,495
Other debtors			15,000	15,000
Prepayments and accrued income			171,726	113,093
			1,633,663	959,588
11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			2023	2022
			£	£
Trade creditors			290,731	210,772
Other creditors			150,000	112,487
Other taxation and social security			136,405	129,638
Accruals and deferred income			300,818	690,243
			877,954	1,143,140

Included within the accruals and deferred income line above is £83,908 (2022: £189,355) of deferred income, relating to services that will be provided in the next financial year.

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12. PROVISION FOR LIABILITIES	2023	2022
	£	£
Provision for dilapidations	100,765	45,000

13. RETIREMENT BENEFIT SCHEMES

The Charity operates defined contribution pension schemes for all qualifying employees with Standard Life. The assets of the scheme are held separately from those of the charity in independently administered funds. 162 staff are currently paying into these schemes.

Two Lewisham Nexus Service staff continue to pay into the NHS pension Scheme. Details of the scheme can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies allowed under the direction of the Secretary of State. Eligible employees of Lewisham Nexus Services fall into this latter category.

The latest assessment of the liabilities of the scheme is contained in the Scheme Actuary report which forms part of the annual NHS pension Scheme (England and Wales) Resource Account, published annually. These financial statements can be viewed on the NHS Pensions website.

The charge to the profit and loss in respect of the above schemes was £139,826 (2022 - £73,430).

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2023 £	Designated fund 2023 £	Total 2023 £	Unrestricted Funds 2022 £	Designated fund 2022 £	Total 2022 £
Fund balances at 31 March are represented by:						
Tangible assets	70,345	-	70,345	75,596	-	75,596
Current assets/liabilities	1,911,684	-	1,911,684	1,983,517	-	1,983,517
Provisions	(100,765)	-	(100,765)	(45,000)	-	(45,000)
	1,881,264	-	1,881,264	2,014,113	-	2,014,113

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15. OPERATING LEASE COMMITMENTS	2023	2022
	£	£
Within one year	81,576	80,098
Between two and five years	226,526	280,195
	<u>308,102</u>	<u>360,293</u>

16. RELATED PARTY TRANSACTIONS

There were no disclosable related party transactions during the year (2022: none).

17. CASH GENERATED FROM OPERATIONS	2023	2022
	£	£
(Deficit) / Surplus for the year	(132,849)	1,009,983
Adjustments for:		
Investment income recognised in income and expenditure	-	(89)
Depreciation and impairment of tangible fixed assets	5,251	20,762
Increase in provisions	55,765	-
Movements in working capital:		
(Increase)/decrease in debtors	(674,075)	(593,518)
Increase/(decrease) in creditors	(265,186)	931,072
	<u>(1,011,094)</u>	<u>1,368,210</u>
Cash generated (absorbed by) operations	<u>(1,011,094)</u>	<u>1,368,210</u>