

NUCLEUS COMMUNITY ACTION LTD

England & Wales · Charity number 269325

Details

| | |
|----------------|---|
| Other names | NUCLEUS EARLS COURT COMMUNITY ACTION LTD, NUCLEUS LEGAL ADVICE CENTRE |
| Status | Registered |
| Legal form | Charitable company |
| Company number | 01202541 |
| Registered | 1975-04-24 |
| Register | View on the Charity Commission register |

Contact

| | |
|---------|--|
| Address | 298 Old Brompton Road London SW5 9JF |
| Phone | 07960422018 |
| Email | advice@nucleus.org.uk |
| Website | www.nucleus.org.uk |

Activities

Objects: TO ADVANCE EDUCATION, FURTHER HEALTH AND RELIEVE POVERTY, DISTRESS AND SICKNESS AMONG PERSONS LIVING OR WORKING WITHIN THE AREA OF EARLS COURT IN THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA BY ESTABLISHING AN AID, INFORMATION AND COUNSELLING SERVICE.

Activities: Nucleus combats poverty by providing advice and access to social welfare advice through telephone advice, face to face advice and representation.

Classification

- **How:** Provides Advocacy/advice/information
- **What:** Education/training, The Prevention Or Relief Of Poverty
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** EARLS COURT IN THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA
- City Of Westminster
- Ealing
- Hammersmith And Fulham
- Hillingdon
- Kensington And Chelsea

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|------------|-------------|------------|-----------|
| 2025-03-31 | £1,010,411 | £947,899 | £1,179,713 | 18 |
| 2024-03-31 | £876,393 | £783,514 | £950,371 | 17 |
| 2023-03-31 | £711,458 | £873,302 | £857,493 | 19 |
| 2022-03-31 | £936,967 | £980,077 | £1,019,337 | 22 |
| 2021-03-31 | £997,227 | £900,707 | £1,031,262 | 24 |

Trustees

| Name | Role | Appointed |
|-------------------------|-------|------------|
| ALAN MURDIE | Chair | |
| Areeba Nizam-Poublan | | 2025-07-01 |
| CHARLES EDER | | |
| Chantal German | | 2023-03-20 |
| Charles Donkoh | | 2013-12-10 |
| John Roy HISCOCK | | |
| Robert Allan | | 2013-12-10 |

NUCLEUS COMMUNITY ACTION LTD

England & Wales - Charity number 269325

Accounts

REGISTERED COMPANY NUMBER: 01202541 (England and Wales)
REGISTERED CHARITY NUMBER: 269325

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2025
for
Nucleus Community Action Ltd

Grant Harrod Lerman Davis LLP
Chartered Accountants
Statutory Auditors
Second Floor, Kirkland House
11-15 Peterborough Road
Harrow
Middlesex
HA1 2AX

Nucleus Community Action Ltd

**Contents of the Financial Statements
for the year ended 31 March 2025**

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Nucleus Community Action Ltd

Report of the Trustees for the year ended 31 March 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity's mission is to educate, inform, and advise users. Our objectives are to combat poverty through education and by providing expert access to advice and assistance in areas of social welfare law.

Our approach involves actively engaging vulnerable clients in assessing their problems, considering their options, advising them on the likely consequences, and supporting them to choose the best way forward. There have been no changes to our objectives or approach during the year.

We believe this approach enables and empowers service users to take a central role in decisions that affect their lives, while also supporting them in creating plans to address both immediate and long-term issues.

The role and contribution of volunteers

Volunteers, including law students and university placements, continue to play a vital role in delivering our services and achieving our goals-particularly in recent years.

We rely on the time, skills, and shared commitment to social justice that volunteers bring to every team and area of our organisation.

Over the past year, more than 100 volunteers have supported our work, contributing alongside paid staff across the charity.

Nucleus Community Action Ltd

Report of the Trustees for the year ended 31 March 2025

OBJECTIVES AND ACTIVITIES

Celebrating 50 years of fighting for social justice

This year, we proudly celebrated 50 years of fighting for social justice.

Our guiding principle has always been simple but powerful: to provide the right advice at the right time - delivered by people who understand both the system and the needs of local communities. We don't just respond to urgent problems; we work to tackle the underlying issues that drive poverty and hardship.

To mark our anniversary, nearly 200 partners and community supporters came together to celebrate our shared work and to put our collaborative approach firmly centre stage.

All our services are delivered through partnership - whether with statutory bodies like RBKC Housing Needs or through voluntary networks such as the Ealing Consortium and the Hillingdon Advice Partnership. Together, we create greater impact than any of us could achieve alone.

Much has changed over the past five decades. We have seen the introduction of equality laws and the strengthening of rights for vulnerable and homeless people-hard-won gains that deserve both recognition and protection.

Yet over this same period, the housing situation for Londoners-particularly in Central and West London-has deteriorated dramatically. The cost of housing has soared far beyond affordability, while overcrowding is once again becoming as severe and widespread as it was in the 1960s.

Despite rents reaching record highs, investment in housing has failed to keep pace. Increasing numbers of homes are falling into disrepair-blighted by poor insulation, damp, and in some cases, outright danger. Disturbingly, we are seeing people forced to live in converted garages and outbuildings, with makeshift insulation, unsafe wiring, and inadequate plumbing-a return to living conditions we thought had been left in the past.

Meanwhile, the social welfare system-meant to be a safety net in times of crisis-has grown increasingly unfit for purpose. It is slow to respond, and when it does, the help offered is often too little and too late. Those who rely on it for more than a short spell often find themselves sinking into debt-and, all too often, into deep and persistent poverty.

Our work across west London

We work across West London in partnership with not-for-profit and statutory organisations to improve the lives of the most vulnerable in our communities.

From Uxbridge on the western edge of London to World's End in the heart of Chelsea, we bring housing, debt, and welfare rights expertise to where it's needed most.

Our approach combines:

- Partnership working - building networks between advice agencies, grassroots groups, and statutory providers.
- Specialist expertise - providing in-depth housing and debt advice to help people overcome crisis and secure stability.
- Community focus - tailoring our services to the needs of marginalised groups in each borough.

Nucleus Community Action Ltd

Report of the Trustees for the year ended 31 March 2025

OBJECTIVES AND ACTIVITIES

Hillingdon

This year we joined the Hillingdon Advice Partnership, led by Age UK HHB in collaboration with DASH (Disability Rights), Bell Farm (Migrant Rights), and Nucleus.

We will lead and provide:

- Expert triage and front-of-house assessment.
- Access to specialist benefits, housing, and debt advice for local residents.
- 755 DWP or Housing Benefit/Support appeals against non-awards or overpayments.
- 938 debt advice cases, including Debt Relief Orders and bankruptcies.
- Distributed £175,000 in emergency funds and direct utility arrears payments.
- Partnered with over 20 community organisations to improve access to advice and early intervention.
- Delivered services in seven major community hubs across West London.

Kensington & Chelsea

We pledged, entering our 51st year, to strengthen partnership working. Over the financial year, we have:

- Led the development of inter-agency referrals and in-depth housing and debt casework through the new Kensington Advice Partnership.
- Built on partnerships with community organisations embedded in local settings, including Clement James Centre and NOVA.
- Delivered homelessness prevention advice sessions with RBKC Housing Needs, focusing on children's centres in North Kensington and World's End.
- Responded to the cost-of-living crisis by administering an emergency fund and fuel cost support.
- Continued the partnership with Kensington & Chelsea Foundation, providing emergency cash or direct payments to clear utility arrears.

Next year: We will prioritise developing new partnerships with grassroots groups on the World's End Estate.

Ealing

Our consortium of 13 charities, led by Ealing Mencap, continues to deliver vital advice services, including:

- Expert triage and front-of-house assessments.
- A Specialist Benefits Appeals Team.
- Coordination of the A2D Community Hub at the Lido Centre, West Ealing, bringing together services to tackle poverty - including housing prevention, food share, form-filling, and digital inclusion.
- Housing and debt specialists based at the Lido Centre to ensure quick, joined-up support.

Nucleus Community Action Ltd

**Report of the Trustees
for the year ended 31 March 2025**

STRATEGIC REPORT

Hillingdon

This year we joined the Hillingdon Advice Partnership, led by Age UK HHB in collaboration with DASH (Disability Rights), Bell Farm (Migrant Rights), and Nucleus.

We will lead and provide:

- Expert triage and front-of-house assessment.
- Access to specialist benefits, housing, and debt advice for local residents.

Public benefit statement

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 (PD2)'. The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

Financial position

The Statement of Financial Activities showed a net surplus for the year of £62,512 (2024 - surplus of £259,708) and total reserves at the year-end stand at £1,179,713 (2024 - £1,117,201).

At the year end the free reserves carried forward excluding tangible fixed assets totalled to £396,876 (2024 - 393,858) of which £347,000 (2024 - £347,000) was designated to building maintenance, furniture and equipment, staff contingency and computer development.

Restricted funds carried forward totalled to £484,195 (2024 - £358,507).

The Charity endeavours to run on a balanced budget in delivering the various activities carried out by Nucleus.

Nucleus Community Action Ltd

Report of the Trustees for the year ended 31 March 2025

STRATEGIC REPORT

Principal risks and uncertainties

The Directors and Trustees have identified the major risks to which the Charity is exposed and are confident that appropriate systems are in place to mitigate those risks. The Charity's Organisational Risk Assessment has been reviewed accordingly.

The Charity makes limited use of financial instruments beyond an operational bank account and an investment in a common investment fund. As such, its exposure to price risk, credit risk, liquidity risk, and cash flow risk is not material to the assessment of its assets, liabilities, financial position, or financial performance.

The main risks to our ability to deliver effective services that tackle the root causes of poverty include:

- Failing to effectively communicate the damaging impact of poverty on individuals and communities.
- Not developing imaginative, accessible, and responsive services.
- Loss of skilled and experienced staff.
- A decline in the quality and consistency of our service standards.
- Failure to manage costs or control expenditure.
- Losing the support of key funders.
- Not putting clients at the centre of everything we do.

The Trustees and Director have taken proactive steps to address and mitigate these risks.

A key external risk for a small, independent organisation such as ours is over-reliance on grants, contracts, or a single funding source. We are actively working to diversify our income and strengthen strategic partnerships to reduce this vulnerability.

Minimising Risk and Maximising Impact

At Nucleus, we work to minimise risks by:

- Diversifying our funding base and making marginal costing work for us.
- Focusing on the needs of both clients and funders, while drawing on best practice and professional expertise.
- Staying grounded in our charitable aims and actively challenging ourselves to remain effective and relevant.

Staying True to Our Charitable Aims

We believe the key to achieving our charitable aims is:

- Keeping user needs central to how we co-design and develop services.
- Ensuring user input is embedded across the organisation by engaging local communities and encouraging regular feedback.
- Maintaining a transparent, collaborative approach in all our work.

Valuing People and Building a Strong Team

We recognise that the passion and commitment of our staff and volunteers is central to our success. Retaining good people is an ongoing challenge in the charity sector, and we are committed to doing our part.

We aim to:

- Pay fair and reasonable wages, striving to match market levels, embrace hybrid working to support staff wellbeing and enable a healthy work-life balance.
- Ensure that all staff are paid at least the London Living Wage.
- Continually improve terms and conditions to attract and retain people from diverse backgrounds who can help us deliver our mission.

Nucleus Community Action Ltd

Report of the Trustees for the year ended 31 March 2025

STRATEGIC REPORT

Principal Funding Sources

Nucleus receives funding from a diverse range of sources, as detailed in Notes 2 and 3 of the accounts. These include statutory funding, grants from charitable trusts and commercial organisations. The charity also raises funds through a number of sponsored initiatives.

We are proud to have developed a broad funding base to support our activities. Our current funders include:

- The Royal Borough of Kensington and Chelsea
- The Campden Charities
- The London Borough of Ealing, including via consortium lead Ealing Mencap
- Money and Pensions Advice Service (Debt Free Advice)
- London Legal Support Trust
- K+C Foundation
- Henry Smith Charity
- City Bridge Trust
- Hillingdon Advice Partnership
- GLA Mayor's Fund
- Julia and Hans Rausing Trust

We extend our sincere thanks to all of the above for their continued support. Without their commitment and understanding of the issues we address, we would not be able to deliver our work.

Investment Powers

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the Trustees deem appropriate. The Charity endeavours to maximise income through effective use of its free financial resources.

Reserves Policy

The Directors and Trustees consider it prudent to maintain an adequate level of unrestricted reserves to cover the Charity's contractual commitments and provide sufficient working capital. A minimum reserve level of between three and nine months' expenditure has been set. This approach supports our independence by enabling us to:

- Underwrite new projects
- Protect existing services
- Provide initial funding ("pump priming") for future work

Staff Remuneration and Emerging Risks

The Directors and Trustees have identified the availability of adequate direct and indirect compensation as a growing risk to service delivery. While Nucleus has traditionally remained competitive by offering indirect benefits-such as flexible working arrangements, particularly around homeworking and caring responsibilities-this landscape is changing.

As a progressive anti-poverty charity, we believe that acting as a model employer is central to our mission. We are committed to continually reviewing and protecting staff rights and remuneration. The Trustees reaffirm their commitment to developing and maintaining fair and sustainable direct and indirect compensation for all staff.

Nucleus Community Action Ltd

Report of the Trustees for the year ended 31 March 2025

STRATEGIC REPORT

Future plans

The need for our services is greater than ever.

A recent review of demand over the past three years shows a dramatic rise in the number of people turning to us for help.

This surge reflects a broader trend: far too many Londoners are living in precarious and insecure conditions. Low wages, coupled with high housing costs, mean that housing has become increasingly unaffordable. On average, our clients are spending 40% of their income on housing, with many forced to divert money away from food and heating just to keep a roof over their heads.

Our client feedback tells us that people want to regain control of their lives - not only by accessing support, but often by building the resilience to avoid needing it. What they consistently say they need most is:

- Affordable housing
- A decent income or wage
- Freedom from debt

Our Commitment for the Year Ahead

In response, Nucleus will continue to grow and adapt our services to tackle poverty and its effects head-on. We are committed to:

- Delivering a holistic advice service that integrates housing, debt, and welfare benefits support
- Building strong partnerships and consortia across the statutory and voluntary sectors
- Improving outcomes for people facing complex challenges, especially those with mental health conditions

By working collaboratively and focusing on people's real needs, we aim to help our clients move from crisis to stability - and towards a more hopeful future.

Charitable and political donations.

During the year the Charity made no political or charitable donations.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01202541 (England and Wales)

Registered Charity number

269325

Registered office

298 Old Brompton Rd
Earls Court
London
SW5 9JF

Nucleus Community Action Ltd

**Report of the Trustees
for the year ended 31 March 2025**

Trustees

R W Allan
C Donkoh
C Eder
C German
J R Hiscock
A D Murdie
Mrs A Nizam-Poublan (appointed 1.7.2025)

Company Secretary

B Badesha

Auditors

Grant Harrod Lerman Davis LLP
Chartered Accountants
Statutory Auditors
Second Floor, Kirkland House
11-15 Peterborough Road
Harrow
Middlesex
HA1 2AX

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Nucleus Community Action Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees 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 that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 auditors are 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 auditors are aware of that information.

AUDITORS

The auditors, Grant Harrod Lerman Davis LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Nucleus Community Action Ltd

**Report of the Trustees
for the year ended 31 March 2025**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on9/26/2025..... and signed on the board's behalf by:

Signed by:

Alan Murdie

.....C61747468AFF453:.....

Trustee Alan Murdie

Report of the Independent Auditors to the Members of Nucleus Community Action Ltd

Opinion

We have audited the financial statements of Nucleus Community Action Ltd (the 'charitable company') for the year ended 31 March 2025 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 (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 2025 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Nucleus Community Action Ltd**

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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Report of the Independent Auditors to the Members of Nucleus Community Action Ltd

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We have considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company which would be contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with the UK's Companies Act regulations and tax legislation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We focused on laws and regulations that could give rise to a material misstatement in the company financial statements.

Our tests included, but were not limited to:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- Enquiries of management
- Reading minutes of meetings of the Board;
- In addressing the risk of fraud through management override of controls, testing the appropriateness of a sample of journal entries and other adjustments; and
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias;
- Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.


A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Nucleus Community Action Ltd**

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 auditors' 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.

Signed by:



262DD08CF0214FB

Jeremy Harrod FCCA (Senior Statutory Auditor)

for and on behalf of Grant Harrod Lerman Davis LLP

Chartered Accountants

Statutory Auditors

Second Floor, Kirkland House

11-15 Peterborough Road

Harrow

Middlesex

HA1 2AX

9/26/2025

Date:

Nucleus Community Action Ltd

**Statement of Financial Activities
for the year ended 31 March 2025**

| | Notes | Unrestricted funds £ | Restricted funds £ | 2025 Total funds £ | 2024 Total funds £ |
|------------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | |
| Donations and legacies | 2 | 34,940 | - | 34,940 | 249,158 |
| Charitable activities | | | | | |
| Charitable activity | 4 | 247,522 | 718,345 | 965,867 | 782,635 |
| Investment income | 3 | <u>9,604</u> | - | <u>9,604</u> | <u>11,429</u> |
| Total | | <u>292,066</u> | <u>718,345</u> | <u>1,010,411</u> | <u>1,043,222</u> |
| EXPENDITURE ON | | | | | |
| Charitable activities | | | | | |
| Charitable activity | 5 | <u>355,242</u> | <u>592,657</u> | <u>947,899</u> | <u>783,514</u> |
| NET INCOME/(EXPENDITURE) | | (63,176) | 125,688 | 62,512 | 259,708 |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | <u>758,694</u> | <u>358,507</u> | <u>1,117,201</u> | <u>857,493</u> |
| TOTAL FUNDS CARRIED FORWARD | | <u><u>695,518</u></u> | <u><u>484,195</u></u> | <u><u>1,179,713</u></u> | <u><u>1,117,201</u></u> |


The notes form part of these financial statements


Nucleus Community Action Ltd

**Balance Sheet
31 March 2025**

| | Notes | Unrestricted funds £ | Restricted funds £ | 2025 Total funds £ | 2024 Total funds £ |
|--|-------|-------------------------|-----------------------|--------------------------|--------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 11 | 298,642 | - | 298,642 | 305,828 |
| CURRENT ASSETS | | | | | |
| Debtors | 12 | 24,650 | - | 24,650 | 17,109 |
| Prepayments and accrued income | | 36,152 | - | 36,152 | 5,786 |
| Cash at bank | | <u>415,652</u> | <u>484,195</u> | <u>899,847</u> | <u>877,306</u> |
| | | 476,454 | 484,195 | 960,649 | 900,201 |
| CREDITORS | | | | | |
| Amounts falling due within one year | 13 | (79,578) | - | (79,578) | (88,828) |
| NET CURRENT ASSETS | | | | | |
| | | <u>396,876</u> | <u>484,195</u> | <u>881,071</u> | <u>811,373</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | | | |
| | | <u>695,518</u> | <u>484,195</u> | <u>1,179,713</u> | <u>1,117,201</u> |
| NET ASSETS | | | | | |
| | | <u><u>695,518</u></u> | <u><u>484,195</u></u> | <u><u>1,179,713</u></u> | <u><u>1,117,201</u></u> |
| FUNDS | | | | | |
| Unrestricted funds | 14 | | | 695,518 | 758,694 |
| Restricted funds | | | | <u>484,195</u> | <u>358,507</u> |
| TOTAL FUNDS | | | | | |
| | | | | <u><u>1,179,713</u></u> | <u><u>1,117,201</u></u> |

The financial statements were approved by the Board of Trustees and authorised for issue on9/26/2025..... and were signed on its behalf by:

Signed by:

C81717468AFF453.....
 Trustee Alan Murdie

Signed by:

D7179356694B463.....
 Trustee Roy Hiscock

The notes form part of these financial statements

Nucleus Community Action Ltd

**Cash Flow Statement
for the year ended 31 March 2025**

| | Notes | 2025 £ | 2024 £ |
|---|-------|----------------|----------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | <u>18,037</u> | <u>150,496</u> |
| Net cash provided by operating activities | | <u>18,037</u> | <u>150,496</u> |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (5,100) | - |
| Interest received | | <u>9,604</u> | <u>11,429</u> |
| Net cash provided by investing activities | | <u>4,504</u> | <u>11,429</u> |
| Change in cash and cash equivalents in the reporting period | | | |
| | | 22,541 | 161,925 |
| Cash and cash equivalents at the beginning of the reporting period | | | |
| | | <u>877,306</u> | <u>715,381</u> |
| Cash and cash equivalents at the end of the reporting period | | | |
| | | <u>899,847</u> | <u>877,306</u> |

The notes form part of these financial statements

Nucleus Community Action Ltd

**Notes to the Cash Flow Statement
for the year ended 31 March 2025**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2025 | 2024 |
|---|-----------------|------------------|
| | £ | £ |
| Net income for the reporting period (as per the Statement of Financial Activities) | 62,512 | 259,708 |
| Adjustments for: | | |
| Depreciation charges | 12,286 | 9,130 |
| Interest received | (9,604) | (11,429) |
| (Increase)/decrease in debtors | (35,554) | 29,072 |
| Decrease in creditors | <u>(11,603)</u> | <u>(135,985)</u> |
| Net cash provided by operations | <u>18,037</u> | <u>150,496</u> |

2. ANALYSIS OF CHANGES IN NET FUNDS

| | At 1.4.24 | Cash flow | At 31.3.25 |
|-----------------|----------------|---------------|----------------|
| | £ | £ | £ |
| Net cash | | | |
| Cash at bank | <u>877,306</u> | <u>22,541</u> | <u>899,847</u> |
| | <u>877,306</u> | <u>22,541</u> | <u>899,847</u> |
| Total | <u>877,306</u> | <u>22,541</u> | <u>899,847</u> |

The notes form part of these financial statements

Nucleus Community Action Ltd

**Notes to the Financial Statements
for the year ended 31 March 2025**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - 25% on cost
Computer equipment - 50% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. DONATIONS AND LEGACIES

| | 2025 | 2024 |
|-----------|---------------|----------------|
| | £ | £ |
| Donations | <u>34,940</u> | <u>249,158</u> |

Nucleus Community Action Ltd

**Notes to the Financial Statements - continued
for the year ended 31 March 2025**

3. INVESTMENT INCOME

| | 2025 | 2024 |
|--------------------------|--------------|---------------|
| | £ | £ |
| Deposit account interest | <u>9,604</u> | <u>11,429</u> |

4. INCOME FROM CHARITABLE ACTIVITIES

| | 2025 | 2024 |
|--------|----------------|----------------|
| | £ | £ |
| Grants | <u>965,867</u> | <u>782,635</u> |

Grants received, included in the above, are as follows:

| | 2025 | 2024 |
|----------------------------|----------------|----------------|
| | £ | £ |
| Garfield Weston - grant | - | 18,750 |
| Mayor's Fund | 7,875 | 9,474 |
| GLA Mayor's Fund | - | 10,684 |
| Income from Room Hire | 13,427 | 10,391 |
| Student Placement | 4,620 | 10,640 |
| Donations | 543 | 16,348 |
| Performance related grants | <u>939,402</u> | <u>706,348</u> |
| | <u>965,867</u> | <u>782,635</u> |

5. CHARITABLE ACTIVITIES COSTS

| | Direct Costs £ | Support costs (see note 6) £ | Totals £ |
|---------------------|----------------------|---------------------------------------|----------------|
| Charitable activity | <u>910,292</u> | <u>37,607</u> | <u>947,899</u> |

6. SUPPORT COSTS

| | Governance costs £ |
|---------------------|--------------------------|
| Charitable activity | <u>37,607</u> |

7. NET INCOME/(EXPENDITURE)

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

| | 2025 | 2024 |
|-----------------------------|---------------|--------------|
| | £ | £ |
| Auditors' remuneration | 12,160 | 13,825 |
| Depreciation - owned assets | <u>12,286</u> | <u>9,130</u> |

Nucleus Community Action Ltd

**Notes to the Financial Statements - continued
for the year ended 31 March 2025**

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

9. STAFF COSTS

| | 2025 £ | 2024 £ |
|--------------------|-----------------------|-----------------------|
| Wages and salaries | <u>667,094</u> | <u>632,588</u> |
| | <u><u>667,094</u></u> | <u><u>632,588</u></u> |

The average monthly number of employees during the year was as follows:

| | 2025 | 2024 |
|----------------|------------------|------------------|
| Advice | 16 | 15 |
| Administration | <u>2</u> | <u>2</u> |
| | <u><u>18</u></u> | <u><u>17</u></u> |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | 2025 | 2024 |
|-------------------|----------|----------|
| £60,001 - £70,000 | <u>1</u> | <u>1</u> |

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|-----------------------------------|----------------------------|--------------------------|-------------------------|
| INCOME AND ENDOWMENTS FROM | | | |
| Donations and legacies | - | 249,158 | 249,158 |
| Charitable activities | | | |
| Charitable activity | 396,863 | 385,772 | 782,635 |
| Investment income | <u>11,429</u> | <u>-</u> | <u>11,429</u> |
| Total | <u><u>408,292</u></u> | <u><u>634,930</u></u> | <u><u>1,043,222</u></u> |
| EXPENDITURE ON | | | |
| Charitable activities | | | |
| Charitable activity | <u>305,505</u> | <u>478,009</u> | <u>783,514</u> |
| NET INCOME | 102,787 | 156,921 | 259,708 |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | 655,907 | 201,586 | 857,493 |

Nucleus Community Action Ltd

Notes to the Financial Statements - continued
for the year ended 31 March 2025**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|------------------------------------|----------------------------|--------------------------|---------------------|
| TOTAL FUNDS CARRIED FORWARD | <u>758,694</u> | <u>358,507</u> | <u>1,117,201</u> |

11. TANGIBLE FIXED ASSETS

| | Freehold property £ | Plant and machinery £ | Computer equipment £ | Totals £ |
|-----------------------|---------------------------|-----------------------------|----------------------------|----------------|
| COST | | | | |
| At 1 April 2024 | 486,757 | 104,222 | - | 590,979 |
| Additions | <u>-</u> | <u>-</u> | <u>5,100</u> | <u>5,100</u> |
| At 31 March 2025 | <u>486,757</u> | <u>104,222</u> | <u>5,100</u> | <u>596,079</u> |
| DEPRECIATION | | | | |
| At 1 April 2024 | 180,929 | 104,222 | - | 285,151 |
| Charge for year | <u>9,736</u> | <u>-</u> | <u>2,550</u> | <u>12,286</u> |
| At 31 March 2025 | <u>190,665</u> | <u>104,222</u> | <u>2,550</u> | <u>297,437</u> |
| NET BOOK VALUE | | | | |
| At 31 March 2025 | <u>296,092</u> | <u>-</u> | <u>2,550</u> | <u>298,642</u> |
| At 31 March 2024 | <u>305,828</u> | <u>-</u> | <u>-</u> | <u>305,828</u> |

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2025 £ | 2024 £ |
|---------------|---------------|---------------|
| Trade debtors | 22,297 | 7,004 |
| Other debtors | <u>2,353</u> | <u>10,105</u> |
| | <u>24,650</u> | <u>17,109</u> |

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2025 £ | 2024 £ |
|---------------------------------|---------------|---------------|
| Trade creditors | 4,507 | 12,255 |
| Social security and other taxes | 12,861 | 13,027 |
| Other creditors | 30,539 | 21,837 |
| Accruals and deferred income | <u>31,671</u> | <u>41,709</u> |
| | <u>79,578</u> | <u>88,828</u> |

Nucleus Community Action Ltd

Notes to the Financial Statements - continued
for the year ended 31 March 2025

14. MOVEMENT IN FUNDS

| | At 1.4.24 £ | Net movement in funds £ | At 31.3.25 £ |
|-------------------------------------|------------------|----------------------------------|--------------------|
| Unrestricted funds | | | |
| General fund | 758,694 | (63,176) | 695,518 |
| Restricted funds | | | |
| Debt free London/Tonybee Hall | 41,600 | 74,343 | 115,943 |
| Money project - City BridgeTrust | 24,569 | 849 | 25,418 |
| Specialist Housing/advice/LLST | 14,449 | 8,071 | 22,520 |
| Redundancy | 857 | - | 857 |
| Debt counselling/Campden | 145,611 | 4,026 | 149,637 |
| Access to justice | 4,642 | - | 4,642 |
| Kensington + Chelsea foundation | 9,356 | 18,687 | 28,043 |
| National Lottery | 9,601 | - | 9,601 |
| LBE/Ealing HSG | - | 9,171 | 9,171 |
| GLA Ealing Housing | 12,611 | 24,533 | 37,144 |
| Kensington + Chelsea Foundation | 45,706 | 6,863 | 52,569 |
| London Borough of Ealing Fuel Grant | 49,505 | (20,855) | 28,650 |
| | <u>358,507</u> | <u>125,688</u> | <u>484,195</u> |
| TOTAL FUNDS | <u>1,117,201</u> | <u>62,512</u> | <u>1,179,713</u> |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|-------------------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 292,066 | (355,242) | (63,176) |
| Restricted funds | | | |
| Debt free London/Tonybee Hall | 182,592 | (108,249) | 74,343 |
| Money project - City BridgeTrust | 49,742 | (48,893) | 849 |
| Specialist Housing/advice/LLST | 39,762 | (31,691) | 8,071 |
| Debt counselling/Campden | 77,268 | (73,242) | 4,026 |
| Kensington + Chelsea foundation | 255,891 | (237,204) | 18,687 |
| LBE/Ealing HSG | 9,171 | - | 9,171 |
| GLA Ealing Housing | 24,533 | - | 24,533 |
| Kensington + Chelsea Foundation | 55,238 | (48,375) | 6,863 |
| London Borough of Ealing Fuel Grant | 24,148 | (45,003) | (20,855) |
| | <u>718,345</u> | <u>(592,657)</u> | <u>125,688</u> |
| TOTAL FUNDS | <u>1,010,411</u> | <u>(947,899)</u> | <u>62,512</u> |

Nucleus Community Action Ltd

Notes to the Financial Statements - continued
for the year ended 31 March 2025

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

| | At 1.4.23 £ | Net movement in funds £ | At 31.3.24 £ |
|-------------------------------------|----------------|----------------------------------|--------------------|
| Unrestricted funds | | | |
| General fund | 308,907 | 102,787 | 411,694 |
| Staff contingency fund | 185,000 | - | 185,000 |
| Building maintenance | 85,000 | - | 85,000 |
| Furniture and equipment | 12,000 | - | 12,000 |
| Computer development | 20,000 | - | 20,000 |
| New office fund | 45,000 | - | 45,000 |
| | <u>655,907</u> | <u>102,787</u> | <u>758,694</u> |
| Restricted funds | | | |
| Debt free London/Tonybee Hall | 41,600 | - | 41,600 |
| Money project - City BridgeTrust | 817 | 11,945 | 12,762 |
| Specialist Housing/advice/LLST | - | 14,449 | 14,449 |
| Redundancy | 857 | - | 857 |
| Debt counselling/Campden | 122,906 | 22,705 | 145,611 |
| Access to justice | 4,642 | - | 4,642 |
| Kensington + Chelsea foundation | 9,356 | - | 9,356 |
| City of london | 11,807 | - | 11,807 |
| National Lottery | 9,601 | - | 9,601 |
| GLA Ealing Housing | - | 12,611 | 12,611 |
| Kensington + Chelsea Foundation | - | 45,706 | 45,706 |
| London Borough of Ealing Fuel Grant | - | 49,505 | 49,505 |
| | <u>201,586</u> | <u>156,921</u> | <u>358,507</u> |
| TOTAL FUNDS | <u>857,493</u> | <u>259,708</u> | <u>1,117,201</u> |

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|-------------------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 408,292 | (305,505) | 102,787 |
| Restricted funds | | | |
| Money project - City BridgeTrust | 13,525 | (1,580) | 11,945 |
| Specialist Housing/advice/LLST | 16,900 | (2,451) | 14,449 |
| Debt counselling/Campden | 496,683 | (473,978) | 22,705 |
| GLA Ealing Housing | 12,611 | - | 12,611 |
| Kensington + Chelsea Foundation | 45,706 | - | 45,706 |
| London Borough of Ealing Fuel Grant | 49,505 | - | 49,505 |
| | <u>634,930</u> | <u>(478,009)</u> | <u>156,921</u> |
| TOTAL FUNDS | <u>1,043,222</u> | <u>(783,514)</u> | <u>259,708</u> |

Nucleus Community Action Ltd

**Notes to the Financial Statements - continued
for the year ended 31 March 2025**

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2025.

NUCLEUS COMMUNITY ACTION LTD

England & Wales - Charity number 269325

Accounts

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NUCLEUS COMMUNITY ACTION LIMITED
REPORT OF THE TRUSTEES / DIRECTORS
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2024

COMPANY NUMBER 1202541

NUCLEUS COMMUNITY ACTION LIMITED
REPORT OF THE TRUSTEES/DIRECTORS

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| STATEMENT OF FINANCIAL ACTIVITIES | 11 |
| BALANCE SHEET | 12 |
| CASH FLOW STATEMENT | 13 |
| NOTES TO THE FINANCIAL STATEMENTS | 14-23 |

The trustees are pleased to present their annual directors' report together with the financial statements of the Charity for the year ended 31st March 2024, which are also prepared to meet the requirements for a directors' report and Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statements 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.

OUR PURPOSE AND ACTIVITIES

The Charity's mission is to educate, inform and advise users. The objectives are to combat poverty by education and providing expert access to advice and assistance in areas of social welfare law. The Charity's approach involves actively involving vulnerable clients in assessing their problems, consider their options, advising them on the likely consequences and helping them to choose the best way forward for them.

There have been no changes in these this year.

We believe this approach enables and empowers users to take a central role in fundamental decisions affecting their lives and creating plans to address both short-term and long-term issues.

The role and contribution of volunteers

The contribution of volunteers and university placements to deliver our work and meet our objectives is key: we rely on volunteers' time and skills across the whole organisation and in every team.

During the year we had over 100 volunteers who have helped support the work of paid staffs across the services.

Londoners, and especially in Central and West London, are facing huge increasing housing costs and general living expenses. The social welfare support system meant to be there in a time of need is not adequate in helping people: it is slow to react and offer then only offers little support.

Furthermore Londoners are more likely to be overcrowded, more likely to live in poverty than in previous years. During the year we have:

- Helped over 7920 people get advice on a social welfare law matter. Helped local people gain £2.5 million in by challenging wrong decisions and manage £5.7 million of debt.
- Our experienced specialist advisors were able to take on 4492 in depth cases of which:
 - a) 1777 were Housing cases involving possession proceedings or homeless applications/reviews.
 - b) 747 were DWP or Housing Benefit/ Support appeals against non-awards or overpayments.
 - c) 1397 were debt advice and management including DRO or bankruptcies.

Our pro bono service is built on working in partnerships with local solicitors firms. The solicitors provide pro bono appointments in areas of work for which legal aid has been severely curtailed. Over the year our volunteer solicitors helped advice 571 clients.

We have continued to provide advice in community settings across the RBKC, both jointly with other community organisations i.e. North Kensington Food Kitchen, Clement James and at venues and pop up events at community centres.

At both in the World's End and Holmfield areas we run housing advice sessions at the local children's centre directed at families with housing issues.

We continue to manage the Community Hub at the Lido Centre in West Ealing.

At the Lido centre, we have launched a number of Quick Advice sessions ourselves and in partnership with other local charities. They include sessions on digital training, completion of forms, provide better access for GP or NHS services and run digital inclusion sessions.

We continue to rent out office space, training rooms and interview spaces from the Lido to other charities.

Due to the cost of living crisis, we have administered an emergency fund and a help towards fuel costs.

With the help of KC Foundation we were able to continue a grant scheme to provide emergency cash and/ or one-off direct payments to help pay off utility arrears.

With the help of LBE we have launched a similar grant scheme to provide emergency cash and/ or one-off direct payments.

With both schemes any help was as part of a longer term plan to tackle underlying issues.

Public benefit statement

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 (PD2). The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

FINANCIAL REVIEW

The statement of Financial Activities showed a net surplus for the year of £92,879 (2023 – deficit of £161,844) and total reserves at the year-end stand at £950,372 (2023 – £857,493). At the year end the free reserves carried forward excluding tangible fixed assets total £393,858 (2023 - £340,949) of which £347,000 (2023 - £347,000) was designated to building maintenance, furniture and equipment, staff contingency and computer development. Restricted funds carried forward totalled to £250,686 (2023 - £201,586).

The Charity endeavours to run on a balanced budget in delivering the various activities carried out by Nucleus.

Risk management

The Directors and Trustees have identified the major risks to which the Charity is exposed and believe that the systems in place are adequate to mitigate those risks. The Charity's Organisational Risk Assessment has been reviewed to this end.

We make little use of financial instruments other than an operational bank account and an investment in a common investment fund so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the Charity.

The main risks are to us providing effective services to really tackle poverty are:

- a) Failure to demonstrate society's need to tackle poverty and its detrimental effects on individual.
- b) Failure to develop new services to meet needs in a cost efficient way but which are effective to people's needs and abilities i.e. provide accessible services to all.
- c) Loss of key personnel and skills leading to reduction in effectiveness.
- d) Failure to perform to the required specification for the quality assurance systems or regulatory requirements both professional and relating to effective management of the organisation and its finances.
- e) Failure to manage or control costs or expenditure and failing to take timely action.
- f) Reductions core funding grants from Local Governments due to cuts.
- g) Failure to meet conditions set in service contracts, the service level agreements or grants.
- h) Failure to maintain and keep the buildings and offices in good repair and offer a good client experience.

The Trustees and the Director have taken steps to try to mitigate the risks. The main external risk to any small independent organisation such as ours is being too dependent generally on grants and contracts and/or one source of funding

We try and minimise risks by:

- a) Diversifying the funding base, trying to ensure projects and cost centres cover costs of running them.
- b) Ensuring that we meet the requirements of the funders and continue to use best practice and expertise.
- c) Managing and avoiding fundament failure by continually focusing on our charitable aims and actively challenging ourselves to better manage and deliver services.

We believe a key to meeting our charitable aims is to keep user needs central to co-designing and developing services. To this end the Trustees have, in place, mechanisms for user input across the organisation. This includes having former service users on the board, engaging residents to get their input, encouraging feedback from users and having a transparent approach to all our work.

Retaining good staff is an ongoing issue for any charity. We recognise that, we need to try do so by paying reasonable wages close to the market levels. To this end we endeavour to try and ensure pay, for all staff, at least the London Living Wage. Furthermore we will endeavour to improve terms and conditions for staff to encourage people from a diverse background to help join us in delivering our mission. We have embraced hybrid to help create a flexible working environment and to allow staff to better manage their work-life balance.

Principal funding sources

The principal funding sources are shown under notes 2 and 3 and comprise a mix of statutory funding, grants from charitable trusts and commercial organisations. The Charity also raises funds through a number of sponsored initiatives.

Nucleus aims to develop a diverse funding base for its activities, currently we receive funding from:

- a) The Royal Borough of Kensington & Chelsea.
- b) The Camden Charities.
- c) The London Borough of Ealing including via consortium lead Ealing Mencap.
- d) Money and Pensions Advice Services (Debt Free Advice).
- e) London Legal Support Trust.
- f) K+C Foundation.
- g) AB Foundation.
- h) GLA Mayor's Fund.

We would like to offer a sincere thanks to all the above funders for their continued support. Without their understanding of the issues we would not be able to do any of our work.

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the Trustees wish. It endeavours to maximise interest income from use of free financial resources.
Reserves policy.

The Directors and Trustees consider it prudent to maintain an adequate level of unrestricted reserves to cover the Charity's contractual commitments and provide sufficient working capital and have set this at minimum of between three and nine months expenditure. This is to help preserve our independence: by allowing us underwrite new projects, protect existing projects and pump prime funding.

The Directors and Trustees have identified adequate direct and indirect compensation as a newly, emerging and growing risk to service efficacy. Traditionally the Charity has remained competitive and attracted suitable, competent staff by offering indirect benefits and non-monetary compensation i.e. flexible working especially around WFH, child and caring needs.

The Directors and Trustees, recognise acting as a model good employer is essential in meeting aims to being a progressive anti-poverty charity. Staff remuneration and rights need to be kept in review and protected. The Directors and Trustees re-commit to developing and maintaining direct and indirect remuneration for all staff.

FUTURE PLANS AND DEVELOPMENTS

The need for our services is greater than ever. We reviewed recent demand for our help. We found out that over the last 3 years:

- a) Demand for Debt advice queries has increased by 231%
- b) Demand for Housing advice queries has increased by 212%
- c) Demand for Welfare advice queries has increased by 211%

In our experience, too many Londoners face an insecure precarious existence: many are on low pay which coupled with high housing costs, has resulted in poor housing affordability. Many of our clients are spending on average 40% of their income on housing. Many are using money for food and heating to cover their housing costs.

Our client feedback showed that they most wanted was to be able to look after themselves: including sometimes avoiding any support that might be available. They repeatedly comment that they need more than anything else is affordable housing, a decent wages/income and to be debt free.

In the coming year nucleus plans to continue to develop services to tackle poverty and its effects. We will focus on developing and delivering a comprehensive holistic advice service providing housing, debt and benefit advice services.

A key objective will be to build further partnerships or consortia and to work with statutory and voluntary services to get better outcomes especially for people suffering from mental health issues.

Charitable and political donations.

During the year the Charity made no political or charitable donations.

Company Number: 1202541

Charity Number: 269325

Directors / Trustees:

Alan Murdie (Chairman)
Roy Hiscock (Treasurer)
Charles Donkoh
Charles Eder
Robert Allan
Chantal German

Secretary:
Baljit Badesha

Senior Management Team:
Baljit Badesha – Director
Megan Redhouse – Services and Development Manager
Kehinde Anifowose – Debt Advice Manager.
Shamini Thevarajah – Housing Advice Manager

Registered Office:

298 Old Brompton Road, London SW5 9JF

Auditors: Grant Harrod Lerman Davis LLP, 1st Floor, Healthaid House, Marlborough Hill Harrow, HA1 1UD

Bankers: Lloyds Bank Plc. P.O. Box 1000, BX1 1LT
CCLA Investment Management Ltd, 80 Cheapside, London EC2V 6DZ
Charity Bank Ltd, 194 High Street, Tonbridge, Kent TN9 1BE
Hampshire Trust Bank, PO Box 74003, London EC2P 2QR
Nationwide BS, Nationwide House, Pipers Way, Swindon SN38
hares.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Nucleus Community Action Limited is a company limited by guarantee and not having a capital divided by shares.

The company was incorporated on 5th March 1975 and is a registered charity constituted as a Limited Company under the Memorandum and Articles of Association. The charity registration number is 269325 and the company registration number is 1202541.

Trustee induction and training

The Trustees maintain a working knowledge of charity and company law and best practice by attendance at charity and company courses run by outside providers. New Trustees are given copies of the Memorandum and Articles of Association and Policies and Procedures of the organisation.

New members are provided with an induction by the Director. This involves a set of meetings and being provided with a committee handbook. They are offered an opportunity for co-mentoring with other members. All new and existing members are offered on-going subject based and skilled based external training. All committee members take an active part in the organisation's strategy during committee meetings and an annual strategy day.

Appointment of trustees

As set out in the Articles of Association the Chair of Trustees is nominated by Nucleus Community Action Limited Management Board. Membership of the Management Board is agreed by the charity's members at an Annual General Meeting.

The Directors in office in the year are set out on page 4. The Directors have no beneficial interest in the company other than as members and all guarantee to contribute £1 in the event of a winding up. The Board has the power to appoint additional Directors and Trustees with special expertise as it considers fit. They also have unlimited investment powers.

Organisation

The company is structured so that the Directors and Trustees meet regularly in order to manage its affairs, with Nucleus Community Action Limited Management Board meeting approximately every six weeks. The Management Board comprises individuals from a variety of backgrounds, stakeholders and users. Board members' backgrounds include care, advice and legal professions as well as finance and management. A Finance & Personnel Sub-committee is in place, meeting regularly and reporting in turn to the Management Board.

Related parties

There are no related parties to the charity other than the trustees. There were no related party transactions in the year under review.

Pay policy of senior staff

The arrangement for setting the pay and remuneration of the company's staff is done by the board of directors/trustees and included within the company's budgeting process.

STATEMENT OF DISCLOSURE TO AUDITOR

So far as the Directors and Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware. Additionally, the Directors and Trustees have taken all the necessary steps that we ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Nucleus Community Action Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its income and expenditure for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019;
- 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 Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

AUDITORS

A resolution will be proposed at the Annual General Meeting that Grant Harrod Lerman Davis LLP - Chartered Accountants re-appointed as auditors of the Charity for the ensuing year.

The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

APPROVAL

This report was approved by the Board and signed on its behalf by:

 ALAN MURDIE

Chair

30 October 2024

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
NUCLEUS COMMUNITY ACTION LIMITED
FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of Nucleus Community Action Ltd (the 'charitable company') for the year ended 31 March 2024 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 (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 2024 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
NUCLEUS COMMUNITY ACTION LIMITED
FOR THE YEAR ENDED 31 MARCH 2024

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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of trustees and inspection of policy documentation as to the Charity's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the Charity's revenue transactions are simple and low value with few, if any, judgmental aspects to revenue recognition. We are not aware of any incentives or pressures linked to revenue recognition.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of fraud risk management controls.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
NUCLEUS COMMUNITY ACTION LIMITED
FOR THE YEAR ENDED 31 MARCH 2024

We also performed procedures including identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Context of the ability of the audit to detect fraud or breaches of law or regulation.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 auditors' 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.



Jeremy Harrod FCCA (Senior Statutory Auditor)
For and on behalf of Grant Harrod Lerman Davis LLP
Chartered Accountants Statutory Auditors
1st Floor Healthaid House,
Marlborough Hill Harrow
Middlesex
HA1 1UD

Date:8th November 2024.....

NUCLEUS COMMUNITY ACTION LIMITED
 FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
 STATEMENT OF FINANCIAL ACTIVITIES

| | Notes | Unrestricted funds £ | Restricted funds £ | 2024 £ | 2023 £ |
|--|-------|-------------------------|-----------------------|----------------|------------------|
| Income | | | | | |
| Grants, donations and legacies | 2 | 0 | 249,158 | 249,158 | 200,700 |
| Income from charitable activities | | | | | |
| Donations, Grants and Contracts | 3 | 337,856 | 277,950 | 615,806 | 503,974 |
| Investment income | | | | | |
| Bank interest | 4 | 11,429 | 0 | 11,429 | 6,784 |
| Total income | | 349,285 | 527,108 | 876,393 | 711,458 |
| Expenditure | | | | | |
| <i>Expenditure on charitable activities</i> | | | | | |
| Grants paid to individual clients | | 0 | 0 | 0 | 0 |
| Other | 14 | 305,505 | 478,009 | 783,514 | 873,302 |
| Total expenditure | | 305,505 | 478,009 | 783,514 | 873,302 |
| Net income/(expenditure) and net movements in funds for the year before transfers | | | | | |
| | | 43,780 | 49,099 | 92,879 | (161,844) |
| Transfer from Unrestricted to Restricted funds | | 0 | 0 | 0 | 0 |
| | | 43,780 | 49,099 | 92,879 | (161,844) |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 655,906 | 201,587 | 857,493 | 1,019,337 |
| | | 699,686 | 250,686 | 950,372 | 857,493 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

Any incoming resources and resources expended derive from continuing activities.

The notes on pages 14 to 23 form part of these accounts

NUCLEUS COMMUNITY ACTION LIMITED
FINANCIAL STATEMENTS

BALANCE SHEET AT 31 MARCH 2024

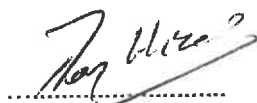
| | Notes | 2024 | 2023 |
|---------------------------------------|-------|----------------|----------------|
| Fixed assets | | | |
| Tangible fixed assets | 10 | 305,828 | 314,958 |
| Current assets | | | |
| Debtors | 11 | 22,894 | 51,967 |
| Cash at bank and in hand | | 877,306 | 715,381 |
| | | <u>900,200</u> | <u>767,348</u> |
| Liabilities | | | |
| Creditors falling due within one year | 12 | 255,657 | 224,814 |
| | | <u>644,544</u> | <u>542,534</u> |
| Net current assets | | <u>950,372</u> | <u>857,492</u> |
| | | <u>=====</u> | <u>=====</u> |
| The funds of the charity | | | |
| Unrestricted funds | | | |
| General | 14 | 352,686 | 308,907 |
| Designated | 14 | 347,000 | 347,000 |
| Restricted funds | 14 | 250,686 | 201,585 |
| | | <u>950,372</u> | <u>857,492</u> |
| | | <u>=====</u> | <u>=====</u> |

The trustees have prepared accounts in accordance with Section 398 of the Companies Act 2006 and Section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These accounts were approved by the Board of Directors and Trustees on 30/10/2024 and signed on its behalf by:



Alan Murdie - Chairman



John Roy Hiscock - Treasurer

Company Number: 1202541

The notes on pages 14 to 23 form part of these accounts.

NUCLEUS COMMUNITY ACTION LIMITED
 FINANCIAL STATEMENTS
 CASH FLOW

| | Notes | 2024 £ | 2023 £ |
|--|-------|-----------|-----------|
| Net cash (used in)/generated from operating activities | 16 | 150,495 | (143,637) |
| <hr/> | | | |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | | - |
| Interest received | | 11,429 | 6,784 |
| Interest paid | | 0 | |
| <hr/> | | | |
| Cash (used in)/generated by investing activities | | 11,429 | 6,784 |
| <hr/> | | | |
| Change in cash and cash equivalents in the year | | 161,924 | (136,853) |
| <hr/> | | | |
| Cash and cash equivalents at the beginning of the year | | 715,381 | 852,234 |
| <hr/> | | | |
| Cash and cash equivalents at the end of the year | | 877,306 | 715,381 |
| <hr/> <hr/> | | | |

Accounting policies

1.1 Basis of preparation of accounts

The financial statements have been prepared in accordance with Accounting and Reporting for Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1st January 2019 – Charity SORP FRS 102), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Nucleus Community Action Limited meets the definition of a public benefit entity under FRS 102

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

1.2 Preparation of accounts on a going-concern basis

The charity's financial statements show a net surplus of £92,879 for the year and the free reserves excluding designated funds of £352,686. The trustees are of the view that these results and fundraising plans have secured the immediate future of the charity for the next 12 months and on this basis the charity is a going concern.

1.3 Income recognition

Income is recognised when the charitable company has entitlement to the funds, any performance conditions attached to the item(s) have been met, it is probable that the income will be received and the amount can be measured reliably.

- Income received by way of grants, donations and legacies are included in full in the Statement of Financial Activities when received, unless they relate to a specified future period, in which case they are deferred.
- Income from charitable activities received by way of revenue grants and donations are credited to restricted incoming resources on the earlier date of when they are received and when they are receivable, unless they relate to a specified future period, in which case they are deferred.
- Grants, donations and legacies of a general nature which are not conditional on delivering certain levels of service are included as part of Grants, Donations and Legacies as shown under Notes 2 and 3.
- Income from activities includes income recognised as earned (as related to goods and services provided) under contract. Share of clients' compensation income are recognised when the compensation has been received.
- Investment income is included when receivable

1.4 Volunteers and donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit for the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refers to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity, which is the amount that the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market: a corresponding amount is then recognised in expenditure in the period of receipt. No such donations were received during the year.

1.5 Expenditure recognition and irrecoverable VAT

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.

Expenditure is classified under the following activity headings

- (a) Cost of raising funds, comprising costs of seeking donations and legacies, costs related to property rentals, and their associated support costs
- (b) Expenditure on charitable activities, which include expenditure associated with the main objectives of the charity and include and both direct costs and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.6 Allocation of support costs

Support costs are those functions which assist the work of the charity but do not undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between costs of raising funds and charitable activities. The basis on which support costs have been allocated are set out in Note 7.

1.7 Fund Structures

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity at the discretion of the Board Management.

The designated fund comprises the general fund set aside to be used for a specific purpose as agreed by the trustees. These funds can be reallocated back to the general fund on the agreement of the trustees when the fund is no longer needed for the particular purpose.

The restricted funds are monies raised for, and use restricted to, a specific purpose, or donations subject to donor-imposed conditions.

1.8 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Individual fixed assets costing £1,000 or more are capitalised at cost. Depreciation is charged at rates calculated to write off the cost or valuation of the fixed assets, less their estimated residual value, over their expected useful lives, on the following bases:

| | | |
|------------------------------|---|------------------|
| Leasehold land and buildings | - | 2% per annum |
| Plant and equipment | - | 25-50% per annum |
| Fixtures and fittings | - | 25% |

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amount of its tangible assets to determine whether those assets have suffered and impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and wherever there is an indication that the asset may be impaired, appropriate provision is made.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

Prepayments are valued at the amount prepaid

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 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 discount due.

1.13 Financial instruments

The charity has elected to apply the provisions of Section 11, "Basic Financial Instruments" and Section 12 "Other Financial Instruments issues" of FRS 102 to all its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes a 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.

Basic financial assets

Basic financial assets, which include debtors and bank balances, are initially measured at transaction price and include transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financial 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 creditors and bank loans, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are de-recognised when the charity's contractual obligations expire or are discharged or cancelled.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the Statement of Financial Activities on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in economic benefits from the lease asset are consumed.

NUCLEUS COMMUNITY ACTION LIMITED
 NOTES TO THE FINANCIAL STATEMENTS (continued)
 FOR THE YEAR ENDED 31 MARCH 2024

1.15 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in 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.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charge.

17 Taxation

The charity is a registered charity and therefore is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1.18 Judgement and key sources of estimation uncertainty

In the application of the charity's accounting policies, the charity is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods as an expense as they fall due.

| | | | | | |
|---|---|-----------------------|---------------------|---------|---------|
| 2 | DONATIONS AND LEGACIES | Unrestricted funds | Restricted funds | 2024 | 2023 |
| | | £ | £ | £ | £ |
| | Grant received from Royal Borough of Kensington & Chelsea | 0 | 249,158 | 249,158 | 200,700 |
| | | ===== | ===== | ===== | ===== |
| 3 | INCOME FROM CHARITABLE ACTIVITIES | Unrestricted funds | Restricted funds | 2024 | 2023 |
| | | £ | £ | £ | £ |
| | Performance related grants | 261,570 | 277,950 | 539,520 | 404,451 |
| | Garfield Weston - grant | 0 | | 0 | 20,000 |
| | AB Charitable Foundation - grant | 18,750 | | 18,750 | 20,000 |
| | Mayor's Fund | 9,474 | | 9,474 | 9,474 |
| | GLA Mayor's Fund | 10,684 | | 10,684 | 7,123 |
| | Income from Room Hire | 10,391 | | 10,391 | 21,617 |
| | Student Placement | 10,640 | | 10,640 | 10,600 |
| | Donations | 16,348 | | 16,348 | 10,709 |
| | | ----- | ----- | ----- | ----- |
| | | 337,856 | 277,950 | 615,806 | 503,974 |
| | | ===== | ===== | ===== | ===== |

NUCLEUS COMMUNITY ACTION LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2024

| 3 INCOME FROM CHARITABLE ACTIVITIES (continued) | Unrestricted funds | Restricted funds | 2024 | 2023 |
|--|--------------------|------------------|---------|---------|
| | £ | £ | £ | £ |
| Performance related grants | | | | |
| London Borough of Ealing | 185,003 | 0 | 185,003 | 120,616 |
| West Ealing Triage | 10,000 | 0 | 10,000 | 2,465 |
| Toynbee Hall | 0 | 160,530 | 160,530 | 140,239 |
| Toynbee Hall – Training | 0 | 0 | 0 | 30,372 |
| Campden Charities | 0 | 86,995 | 86,995 | 77,880 |
| Money Project - City Bridge Trust | 0 | 13,525 | 13,525 | 0 |
| Specialist Housing /advice | 0 | 16,900 | 16,900 | 10,000 |
| Employment advice/ tribunal income | 14,692 | 0 | 14,692 | (7,817) |
| Kensington & Chelsea Foundation - Assistance re grants | 40,500 | 0 | 40,500 | 0 |
| Kensington & Chelsea Foundation - Administration Fees | 2,000 | 0 | 2,000 | 8,500 |
| Cost of Living Project | 7,875 | 0 | 7,875 | 7,500 |
| Ealing Warm Space Project | 1,500 | 0 | 1,500 | 2,500 |
| Covid-19 related grants Access 2 Justice | 0 | 0 | 0 | 12,196 |
| | ----- | ----- | ----- | ----- |
| | 261,570 | 277,950 | 539,520 | 404,451 |
| | ===== | ===== | ===== | ===== |

Income from charitable activities in 2023 attributed to unrestricted funds was £127,016 and restricted funds £513,895

| 4 INVESTMENT INCOME | 2024 | 2023 |
|-----------------------------------|--------|-------|
| | £ | £ |
| Interest receivable for the year. | 11,429 | 6,784 |
| | ===== | ===== |

| 5 ANALYSIS OF EXPENDITURE | Debt counselling and other | 2024 | 2023 |
|---------------------------------------|----------------------------|---------|---------|
| | £ | £ | £ |
| Staff costs | 630,409 | 630,409 | 685,713 |
| Staff and volunteer training expenses | 26,422 | 26,422 | 27,727 |
| Communications | 19,084 | 19,084 | 19,684 |
| Equipment rental | 1,735 | 1,735 | 1,977 |
| Subscriptions and insurance | 24,224 | 24,224 | 14,112 |
| Computer and websites | 2,936 | 2,936 | 3,714 |
| Depreciation | 9,130 | 9,130 | 9,130 |
| Support costs (Note 6) | 55,411 | 55,411 | 101,290 |
| Governance costs (Note 5) | 14,164 | 14,164 | 9,955 |
| | ----- | ----- | ----- |
| | 783,514 | 783,514 | 873,302 |
| | ===== | ===== | ===== |

6 SUPPORT COSTS

The charity initially identifies the costs of its support functions and then identifies those cost which relate to the governance function. Governance costs and other support costs are apportioned separately between the charity's key activities undertaken (see Note 5) in the year. All general support and governance costs have been apportioned to various charitable activities on the basis of staff time allocated to each activity.

| | General support | Governance function | 2024 | 2023 |
|--------------------------------------|-----------------|---------------------|--------|----------|
| | £ | £ | £ | £ |
| Office expenses and supplies | 9,170 | 0 | 9,170 | 10,664 |
| Marketing and advertising | 48 | 0 | 48 | 4,999 |
| Premises and equipment costs | 33,909 | 0 | 33,909 | 6,886 |
| Premises refurbishment | 0 | 0 | 0 | 83,917 |
| Computer consumables and maintenance | 0 | 0 | 0 | 0 |
| Web design | 0 | 0 | 0 | 8,560 |
| Fundraising | 0 | 0 | 0 | 0 |
| Legal and professional costs | 3,537 | 0 | 3,537 | 788 |
| Bookkeeping | 7,198 | 0 | 7,198 | 7,427 |
| Bank charges | 331 | 0 | 331 | 203 |
| Sundry | 1,217 | 0 | 1,217 | (24,783) |
| Audit fees | 0 | 13,825 | 13,825 | 9,955 |
| Management committee expenses | 0 | 339 | 339 | 0 |
| Consultancy | 0 | 0 | 0 | 2,629 |
| | ----- | ----- | ----- | ----- |
| | 55,411 | 14,164 | 69,575 | 111,245 |
| | ===== | ===== | ===== | ===== |

| | | | |
|---|---------------------------------------|--------|-------|
| 7 | Net income/expenditure for the year | 2024 | 2023 |
| | This is after charging | £ | £ |
| | Depreciation of tangible fixed assets | 9,130 | 9,130 |
| | Auditors' remuneration | 13,825 | 9,955 |
| | | ===== | ===== |

8 Analysis of staff costs, trustees' remuneration and expenses, and cost of key management personnel

| | 2024 | 2023 |
|--|---------|---------|
| | £ | £ |
| Salaries | 569,626 | 616,570 |
| National insurance | 52,570 | 56,914 |
| Pension contribution | 8,213 | 12,229 |
| | ----- | ----- |
| | 630,409 | 685,713 |
| | ===== | ===== |
| Employee who had employee benefits in excess of £60,000 (2023 - nil) | 2024 | 2023 |
| In the range £60,001-£70,000 | 1 | 0 |

The aggregate remuneration and employee benefits payable to key management personnel in the year totalled £171,895 (2023 - £140,982).

No trustee or person connected therewith received any remuneration or benefits from the charity during the year

There were no Trustee expenses in the year (2023 - none).

NUCLEUS COMMUNITY ACTION LTD

England & Wales - Charity number 269325

Accounts

NUCLEUS COMMUNITY
ACTION LIMITED

DIRECTORS' AND
TRUSTEES' REPORT AND
ACCOUNTS

FOR THE YEAR ENDED 31ST
MARCH 2023

Company No: 1202541
Charity No: 269325

REPORT AND ACCOUNTS

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NUCLEUS COMMUNITY ACTION LIMITED DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2023

The trustees are pleased to present their annual directors' report together with the financial statements of the Charity for the year ended 31st March 2023, which are also prepared to meet the requirements for a directors' report and Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statements 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).

OUR PURPOSE AND ACTIVITIES

The Charity's mission is to educate, inform and advise users. The objectives are to combat poverty by education and providing **expert** access to advice and assistance in areas of social welfare law.

The Charity's approach involves actively involving vulnerable clients in assessing their problems, **helping them** consider options, confirming likely consequences and **helping them choosing the best** way forward. There have been no changes in these this year.

We believe this approach enables and empowers users to take a central role in fundamental decisions affecting their lives and creating plans to address both short-term and long-term issues.

The role and contribution of volunteers

The contribution of volunteers and university placements to deliver our work and meet our objectives is key: we rely on volunteers' time and skills across the whole organisation and in every team. During the year a total of 86 volunteers helped support the work of paid staffs across the services.

Londoners, and especially in Central and West London, are facing huge increasing housing costs and general living expenses. The social welfare support system meant to be there in a time of need is not adequate in helping people: it is slow to react and offer very little support. Furthermore in Londoners are more likely to be overcrowded, more likely to live in poverty after housing costs, and more likely to be living in housing in disrepair.

Achievements and Performance

Helped over 8990 people get advice on a social welfare law matter.
Helped local people gain £1.6 million in by challenging wrong decisions.

Our advisors are experienced specialist advisor were able to take on 1,854 in depth cases:

- 270 Housing cases involving possession proceedings or homeless applications.
- 116 Employment involving challenging unfair dismissal or discrimination
- 542 DWP or Housing Benefit/ Support appeals
- 926 Debt advice and management

Our pro bono service is built on partnerships with local solicitors firms. They provide pro bono appointments in areas of work for which legal aid has been severely curtailed. Over the year our volunteer solicitors helped advice 755 clients. In the main 3 areas of demand they helped with were:

- 253 Families with issues around divorce or children
- 329 Immigration case involving visa's and nationality
- 108 Housing possession or disrepair cases

We have continued to provide advice in community settings across the RBKC, both jointly with other community organisations i.e. North Kensington Food Kitchen or Pepperpot and at venues and pop up events at community using the Debt Bus and advice kiosk.

During the year, when another charitable organisation managing the Lido, in Ealing, went into receivership, we took over managing the community hub to help ensure access to services from the 7 charities based at the Lido.

To help improve access and meet the demand for advice, we have launched a number of Quick Advice sessions for local residents including sessions for Housing advice, Debt advice, Benefits forms and a social prescribing sessions for GP or NHS services.

In the World's End area, in RBKC, when the existing advice centre closed, we launched new advice services, jointly with CAKC, to help meet the need of local residents.

Due to the cost of living crisis, we have administered an emergency fund and a help towards fuel costs. With the help of KC Foundation we were able to launch a grant scheme to provide emergency cash and/ or 1 off direct payments into help pay off utility arrears. Over 22-23 we were able to distribute £128K to help our clients.

Public benefit statement

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 (PD2). The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

FINANCIAL REVIEW

The statement of Financial Activities showed a net deficit for the year of £161,844 (2022 – deficit £43,110) and total reserves stand at £857,493 (2022 – £1,019,337). As at the year end the free reserves carried forward excluding tangible fixed assets totalled to £340,949 (2022 - £348,777) of which £347,000 (2022 - £347,000) was designated to building maintenance, furniture and equipment, staff contingency and computer development. Restricted funds carried forward totalled to £201,586 (2022 - £346,472).

The Charity endeavours to run on a balance budget in delivering the various activities carried out by Nucleus. Over the year the trustees used reserves:

- Which had been set aside for repairs to carry out structural repairs and works to improve disabled access to the centre.
- To fund housing posts to continue to deliver much needed housing advice and retain skilled and expert staff in employment.

NUCLEUS COMMUNITY ACTION LIMITED DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2023 (Cont. /d).

Risk management

The Directors and Trustees have identified the major risks to which the Charity is exposed and believe that the systems in place are adequate to mitigate those risks. The Charity's Organisational Risk Assessment has been reviewed to this end.

We make little use of financial instruments other than an operational bank account and an investment in a common investment fund so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the Charity.

The main risks are to us providing effective services to really tackle poverty are:

- Failure to demonstrate poverty and its detrimental effects on individual and society to decision makers or people in power.
- Reductions or cuts to core funding grants.
- Failure to meet agreed targets in service contracts, the service level agreements or grants.
- Project work failing to cover running costs i.e. funders or contracts failing to adequately cover project cost and not recognising the need for management and development costs.
- Failure to manage or control costs or expenditure and failing to take timely action.
- Loss of key personnel and skills.
- Failure to perform to the required specification for the quality assurance systems or regulations.
- Failure to develop new digitised services to meet service users' needs and develop a cost efficient service or failure to develop services to meet the needs of digitally excluded groups
- Failure to maintain and keep the buildings and offices in good repair and offer a good client experience.

The Trustees and the Director have taken steps to try to mitigate the risks. The main external risk to any small independent organisation, such as ours, is being too dependent generally on grants and contracts and/or 1 source of funding.

We do not have direct control of this but we try and minimise risks by diversifying the funding base and trying to ensure projects and cost centres cover costs of running them. We can also ensure we meet the requirements of the funders and internal risks i.e. failure to provide relevant effective services have been managed by having good governance and management.

The Trustees manage fundamental failure by continually focusing on our charitable aims and actively challenging ourselves to better manage and deliver services.

We believe a key to us meeting our charitable aims is to keep user needs central to co-designing and developing services. The Trustees have, in place, mechanisms for user input across the organisation. Including having former service users on the board, engaging residents to get their input, encouraging feedback from users and having a transparent approach to all our work.

Retaining good staff is an ongoing issue for any charity. We recognise that, we need to try by paying reasonable wages close to the market levels. To this end we endeavour to try and ensure pay, for all staff, at least the London Living Wage. Furthermore we will endeavour to improve terms and conditions for staff to encourage people from a diverse background to help join us in delivering our mission. We have embraced hybrid to help create a flexible working environment and to allow staff to better manage their work life balance.

Principal funding sources

The principal funding sources are shown under notes 2 and 3 and comprise a mix of statutory funding, grants from charitable trusts and commercial organisations. The Charity also raises funds through a number of sponsored initiatives.

Nucleus aims to develop a diverse funding base for its activities, currently we receive funding from:

- The Royal Borough of Kensington & Chelsea
- The Campden Charities
- The London Borough of Ealing
- Money and Pensions Advice Services (Debt Free Advice)
- London Legal Support Trust
- KC Foundation
- AB Foundation
- GLA Mayor's Fund.

We would like to offer a sincere thanks to all the above funders for their continued support. Without their understanding of the issues we would not be able to do any of our work.

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the Trustees wish. It endeavours to maximise interest income from use of free financial resources.

Reserves policy

The Directors and Trustees consider it prudent to maintain an adequate level of unrestricted reserves to cover the Charity's contractual commitments and provide sufficient working capital and have set this at minimum of between three and nine months expenditure.

This is to help preserve our independence: by allowing us underwrite new projects, protect existing projects and pump prime funding. It also helps use to protect employment so as not lose key skills /services in between projects or whilst applying for and securing funding.

The Directors and Trustees have identified adequate direct and indirect compensation as a newly, emerging and growing risk to service efficacy. Traditionally the Charity has remained competitive and attracted suitable, competent staff by offering indirect benefits and non-monetary compensation i.e. flexible working especially around WFH, child and caring needs.

The Director and Trustees, recognise acting as a model good employer is essential in meeting aims to being a progressive anti-poverty charity. Staff remuneration and rights need to be kept in review and protected. The Directors and Trustees re-commit to developing and maintaining direct and indirect remuneration for all staff.

FUTURE PLANS AND DEVELOPMENTS

The need for our services is greater than ever. We reviewed recent demand for our help. We found out that over the last 3 years:

- Demand for Debt advice queries has increased by 231%
- Demand for Housing advice queries has increased by 212%
- Demand for Welfare advice queries has increased by 211%

In our experience, too many Londoners face an insecure precarious existence: many are on low pay which coupled with high housing costs, has resulted in poor housing affordability. Many of our clients are spending on average 40% of their income on housing. Many are using money for food and heating to hand on to their housing.

Our in-depth review, in December 2023, of what help our users wanted showed us that 40% of callers wanted help with housing advice. Our client feedback showed that they most wanted "an affordable home for my

family" and to just be "debt free".

In the coming year nucleus plans to continue to develop services to tackle poverty and its effects. We will focus on developing and delivering a comprehensive holistic advice service providing housing, debt and benefit advice services.

A key objective will be to build further partnerships or consortia and to work with statutory and voluntary services to get better outcomes.

Charitable and political donations.

During the year the Charity made no political or charitable donations.

REFERENCE AND ADMINISTRATIVE DETAILS

Company Number: 1202541

Charity Number: 269325

Directors / Trustees:

| | |
|---------------------------|-------------------|
| Alan Murdie | (Chairman) |
| Roy Hiscock | (Treasurer) |
| Charles Donkoh | |
| Charles Eder | |
| Lady Jasmine Cowper-Coles | Resigned 19/1/23 |
| Robert Allan | |
| Chantal German | Appointed 19/6/23 |

Secretary:

Baljit Badesha

Senior Management Team:

Baljit Badesha – Director
Megan Redhouse – Service Development Manager
Kehinde Anifowose – Debt Services Manager.

Registered Office:

298 Old Brompton Road, London SW5 9JF

Auditors:

Grant Harrod Lerman Davis LLP, 1st Floor, Healthaid House, Marlborough Hill Harrow, HA1 1UD

Bankers:

Lloyds Bank Plc. P.O. Box 1000, BX1 1LT
CCLA Investment Management Ltd, 80 Cheapside, London EC2V 6DZ
Charity Bank Ltd, 194 High Street, Tonbridge, Kent TN9 1BE
Hampshire Trust Bank , PO Box 74003, London EC2P 2QR
Nationwide BS, Nationwide House, Pipers Way, Swindon SN38 1NW

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Nucleus Community Action Limited is a company limited by guarantee and not having a capital divided by shares.

The company was incorporated on 5th March 1975 and is a registered charity constituted as a Limited Company under the Memorandum and Articles of Association. The charity registration number is 269325 and the company registration number is 1202541.

Trustee induction and training

The Trustees maintain a working knowledge of charity and company law and best practice by attendance at charity and company courses run by outside providers. New Trustees are given copies of the Memorandum and Articles of Association and Policies and Procedures of the organisation.

New members are provided with an induction by the Director. This involves a set of meetings and being provided with a committee handbook. They are offered an opportunity for co-mentoring with other members. All new and existing members are offered on-going subject based and skilled based external training. All committee members take an active part in the organisation's strategy during committee meetings and an annual strategy day.

Appointment of trustees

As set out in the Articles of Association the Chair of Trustees is nominated by Nucleus Community Action Limited Management Board. Membership of the Management Board is agreed by the charity's members at an Annual General Meeting.

The Directors in office in the year are set out on page 4. The Directors have no beneficial interest in the company other than as members and all guarantee to contribute £1 in the event of a winding up. The Board has the power to appoint additional Directors and Trustees with special expertise as it considers fit. They also have unlimited investment powers.

Organisation

The company is structured so that the Directors and Trustees meet regularly in order to manage its affairs, with Nucleus Community Action Limited Management Board meeting approximately every six weeks. The Management Board comprises individuals from a variety of backgrounds, stakeholders and users. Board members' backgrounds include care, advice and legal professions as well as finance and management. A Finance & Personnel Sub-committee is in place, meeting regularly and reporting in turn to the Management Board.

Related parties

There are no related parties to the charity other than the trustees. There were no related party transactions in the year under review.

Pay policy of senior staff

The arrangement for setting the pay and remuneration of the company's staff is done by the board of directors/trustees and included within the company's budgeting process.

STATEMENT OF DISCLOSURE TO AUDITOR

So far as the Directors and Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware. Additionally, the Directors and Trustees have taken all the necessary steps that we ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Nucleus Community Action Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its income and expenditure for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019;
- 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 Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

AUDITORS

A resolution will be proposed at the Annual General Meeting that Grant Harrod Lerman Davis LLP - Chartered Accountants re-appointed as auditors of the Charity for the ensuing year. The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

APPROVAL

This report was approved by the Board and signed on its behalf by:

Trustee



15th December 2023

Report of the Independent Auditors to the Member of Nucleus Community Action Limited

Opinion

We have audited the financial statements of Nucleus Community Action Limited (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 (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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Member of Nucleus Community Action Limited

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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of trustees and inspection of policy documentation as to the Charity's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the Charity's revenue transactions are simple and low value with few, if any, judgmental aspects to revenue recognition. We are not aware of any incentives or pressures linked to revenue recognition.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of fraud risk management controls.

**Report of the Independent Auditors to the
Member of Nucleus Community Action Limited**

We also performed procedures including identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Context of the ability of the audit to detect fraud or breaches of law or regulation.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 auditors' 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.



Jeremy Harrod FCCA (Senior Statutory Auditor)
for and on behalf of Grant Harrod Lerman Davis LLP
Chartered Accountants
Statutory
Auditors 1st
Floor Healthaid
House
Marlborough Hill
Harrow
Middlesex
HA1 1UD

Date: 15/12/2023

NUCLEUS COMMUNITY ACTION LIMITED
 STATEMENT OF FINANCIAL ACTIVITIES
 FOR THE YEAR ENDED 31 MARCH 2023
 SUMMARY INCOME AND EXPENDITURE
 ACCOUNT

| | Notes | Unrestricted funds £ | Restricted funds £ | 2023 £ | 2022 £ |
|--|-------|----------------------------|--------------------------|----------------|----------------|
| Income | | | | | |
| Grants, donations and legacies | 2 | 0 | 200,700 | 200,700 | 212,315 |
| Income from charitable activities | | | | | |
| Donations, Grants and Contracts | 3 | 255,482 | 248,492 | 503,974 | 724,647 |
| Investment income | | | | | |
| Bank interest | 4 | 6,784 | 0 | 6,784 | 5 |
| Total income | | 262,266 | 449,192 | 711,458 | 936,967 |
| Expenditure | | | | | |
| <i>Expenditure on charitable activities</i> | | | | | |
| Grants paid to individual clients | | | | 0 | 0 |
| Other | 5, 6 | 279,225 | 594,077 | 873,302 | 980,077 |
| Total expenditure | | 279,225 | 594,077 | 873,302 | 980,077 |
| Net income/(expenditure) and net movements in funds for the year before transfers | | | | | |
| | | (16,959) | (144,885) | (161,844) | (43,110) |
| Transfer from Unrestricted to Restricted funds | | | | 0 | 0 |
| | | (16,959) | (144,885) | (161,844) | (43,110) |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 672,865 | 346,472 | 1,019,337 | 1,062,447 |
| | | 655,906 | 201,587 | 857,493 | 1,019,337 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

An incoming resources and resources expended derive from continuing activities.

The notes on pages 16 to 25 form part of these accounts

NUCLEUS COMMUNITY ACTION LIMITED

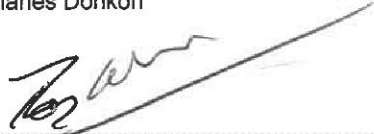
BALANCE SHEET AT 31 MARCH 2023

| | Notes | 2023 | 2022 |
|---------------------------------------|-------|---------|-----------|
| Fixed assets | | | |
| Tangible fixed assets | 10 | 314,958 | 324,088 |
| Current assets | | | |
| Debtors | 11 | 51,967 | 89,884 |
| Cash at bank and in hand | | 715,381 | 852,234 |
| | | ----- | ----- |
| | | 767,349 | 942,118 |
| Liabilities | | | |
| Creditors falling due within one year | 12 | 224,814 | 246,870 |
| | | ----- | ----- |
| Net current assets | | 542,534 | 695,248 |
| | | ----- | ----- |
| | | 857,492 | 1,019,336 |
| | | ===== | ===== |
| The funds of the charity | | | |
| Unrestricted funds | | | |
| General | 14 | 308,907 | 325,865 |
| Designated | 14 | 347,000 | 347,000 |
| Restricted funds | 14 | 201,586 | 346,472 |
| | | ----- | ----- |
| | | 857,492 | 1,019,337 |
| | | ===== | ===== |

The trustees have prepared accounts in accordance with Section 398 of the Companies Act 2006 and Section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These accounts were approved by the Board of Directors and Trustees on ^{15th} December 2023 and were signed on its behalf by


 Trustee
 Charles Donkoh


 Treasurer
 John Roy Hiscock

Company Number: 1202541

The notes on pages 16 to 25 form part of these accounts.

NUCLEUS COMMUNITY ACTION LIMITED
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31 MARCH 2023

| | Notes | 2023 £ | 2022 £ |
|--|-------|-----------|-----------|
| Net cash (used in)/generated from operating activities | | (143,637) | 71,769 |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | - | - |
| Interest received | | 6,784 | 5 |
| Interest paid | | - | - |
| Cash (used in)/generated by investing activities | | 6,784 | 5 |
| Change in cash and cash equivalents in the year | | (136,853) | 71,774 |
| Cash and cash equivalents at the beginning of the year | | 852,234 | 780,460 |
| Cash and cash equivalents at the end of the year | | 715,381 | 852,234 |

NUCLEUS COMMUNITY ACTION LIMITED
NOTES TO THE FINASNCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies

1.1 Basis of preparation of accounts.

The financial statements have been prepared in accordance with Accounting and Reporting for Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1st January 2019 – Charity SORP FRS 102), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity, Monetary amounts in these financial statements are rounded to the nearest £. Nucleus Community Action Limited meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

1.2 Preparation of accounts on a going-concern basis

The charity's financial statements show a net deficit of £161,844 for the year and the free reserves excluding designated funds of £308,907. The trustees are of the view that these results and fundraising plans have secured the immediate future of the charity for the next 12 months and on this basis the charity is a going concern.

1.3 Income recognition

Income is recognised when the charitable company has entitlement to the funds, any performance conditions attached to the item(s) have been met, it is probable that the income will be received and the amount can be measured reliably.

- Income received by way of grants, donations and legacies are included in full in the Statement of Financial Activities when received, unless they relate to a specified future period, in which case they are deferred.
- Income from charitable activities received by way of revenue grants and donations are credited to restricted incoming resources on the earlier date of when they are received and when they are receivable, unless they relate to a specified future period, in which case they are deferred.
- Grants, donations and legacies of a general nature which are not conditional on delivering certain levels of service are included as part of Grants, Donations and Legacies as shown under Notes 2 and 3.
- Income from activities includes income recognised as earned (as related to goods. and services provided) under contract. Share of clients' compensation income are recognised when the compensation has been received.
- Investment income is included when receivable

1.4 Volunteers and donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit for the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refers to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity, which is the amount that the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market: a corresponding amount is then recognised in expenditure in the period of receipt. No such donations were received during the year.

NUCLEUS COMMUNITY ACTION LIMITED
NOTES TO THE ACCOUNTS (Continued.)
FOR THE YEAR ENDED 31 MARCH 2023

1.5 Expenditure recognition and irrecoverable VAT

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.

Expenditure is classified under the following activity headings

- a) Cost of raising funds, comprising costs of seeking donations and legacies, costs related to property rentals, and their associated support costs.
- b) Expenditure on charitable activities, which include expenditure associated with the main objectives of the charity and includes both direct costs and their associated support costs. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.6 Allocation of support costs.

Support costs are those functions which assist the work of the charity but do not undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities.

These costs have been allocated between costs of raising funds and charitable activities. The basis on which support costs have been allocated are set out in Note 7.

1.7 Fund Structures.

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity at the discretion of the Board Management.

The designated fund comprises the general fund set aside to be used for a specific purpose as agreed by the trustees. These funds can be reallocated back to the general fund on the agreement of the trustees when the fund is no longer needed for the particular purpose.

The restricted funds are monies raised for, and use restricted to, a specific purpose, or donations subject to donor-imposed conditions.

1.8 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is charged at rates calculated to write off the cost or valuation of the fixed assets, less their estimated residual value, over their expected useful lives, on the following bases:

Leasehold land and buildings - 2% per annum

Plant and equipment - 25-50% per annum

Fixtures and fittings - 25%

1.9 Impairment of fixed assets.

At each reporting end date, the charity reviews the carrying amount of its tangible assets to determine whether those assets have suffered an impairment loss. If any such indication exists the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

NUCLEUS COMMUNITY ACTION LIMITED
NOTES TO THE ACCOUNTS (Continued.)
FOR THE YEAR ENDED 31 MARCH 2023

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and wherever there is an indication that the asset may be impaired, appropriate provision is made.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 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 discount due.

1.13 Financial instruments.

The charity has elected to apply the provisions of Section 11, "Basic Financial Instruments" and Section 12 "Other Financial Instruments issues" of FRS 102 to all its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes a 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.

Basic financial assets

Basic financial assets, which include debtors and bank balances, are initially measured at transaction price and include transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financial 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 creditors and bank loans, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are de-recognised when the charity's contractual obligations expire or are discharged or cancelled.

NUCLEUS COMMUNITY ACTION LIMITED
 NOTES TO THE ACCOUNTS (Continued.)
 FOR THE YEAR ENDED 31 MARCH 2023

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the Statement of Financial Activities on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in economic benefits from the lease asset are consumed.

1.15 Employee benefits.

The cost of any unused holiday entitlement is recognised in the period in 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.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Taxation

The charity is a registered charity and therefore is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1.18 Judgement and key sources of estimation uncertainty

In the application of the charity's accounting policies, the charity is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

| | Unrestricted funds | Restricted funds | 2023 | 2022 |
|---|--------------------|------------------|---------|---------|
| | £ | £ | £ | £ |
| 2 DONATIONS AND LEGACIES | | | | |
| Grant received from Royal Borough of Kensington & Chelsea | 0 | 200,700 | 200,700 | 212,315 |
| | 0 | 200,700 | 200,700 | 212,315 |

NUCLEUS COMMUNITY ACTION LIMITED
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2023

3 INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | 2023 £ | 2022 £ |
|--|----------------------------|--------------------------|------------|-----------|
| Performance related grants | 145,959.76 | 258,491.51 | 404,451.27 | 640,911 |
| Clients compensation | 0.00 | 0.00 | 0.00 | 61,066 |
| Garfield Weston – grant | 20,000.00 | 0.00 | 20,000.00 | 0.00 |
| AB Charitable Foundation - grant | 20,000.00 | 0.00 | 20,000.00 | 0.00 |
| Mayor's Fund | 9,474.00 | 0.00 | 9,474.00 | 0.00 |
| GLA Mayor's Fund | 7,122.50 | 0.00 | 7,122.50 | 0.00 |
| Income from Room Hire and post service | 21,617.00 | 0.00 | 21,617.00 | 0.00 |
| Student Placement | 10,600.00 | 0.00 | 10,600.00 | 0.00 |
| Donations | 10,709.05 | 0.00 | 10,709.05 | 22,670 |
| | 245,482.31 | 258,491.51 | 503,973.82 | 724,647 |
| Performance related grants | | | | |
| London Borough of Ealing | 120,615.77 | 0.00 | 120,615.77 | 120,616 |
| West Ealing Triage | 2,465.00 | 0.00 | 2,465.00 | 0 |
| Toynbee Hall | 0.00 | 140,238.97 | 140,238.97 | 187,027 |
| Toynbee Hall – Training | 0.00 | 30,372.54 | 30,372.54 | 73,433 |
| Campden Charities | 0.00 | 77,880.00 | 77,880.00 | 79,500 |
| Oak Foundation | 0.00 | 0.00 | 0.00 | 118,935 |
| Specialist Housing /advice | 0.00 | 10,000.00 | 10,000.00 | 0 |
| Employment advice/tribunal income | (7,817.01) | 0.00 | (7,817.01) | 17,500 |
| KC Foundation - Administration Fees | 8,500.00 | 0.00 | 8,500.00 | 6,400 |
| Cost of Living Project | 7,500.00 | 0.00 | 7,500.00 | 0 |
| Ealing Warm Space Project | 2,500.00 | 0.00 | 2,500.00 | 0 |
| Covid-19 related grants | | | | |
| Access 2 Justice | 12,196.00 | 0.00 | 12,196.00 | 0 |
| Oak Foundation | 0.00 | 0.00 | 0.00 | 37,500 |
| | 145,959.76 | 258,491.51 | 404,451.27 | 640,911 |

4 INVESTMENT INCOME

| | | | | |
|----------|--|--|-------------|----------|
| Interest | | | <u>6784</u> | <u>5</u> |
|----------|--|--|-------------|----------|

5 ANALYSIS OF EXPENDITURE

| | Debt £ | 2023 £ | 2022 £ |
|---------------------------------------|------------|------------|-----------|
| Staff costs | 685,713.21 | 685,713.21 | 769,070 |
| Staff and volunteer training expenses | 27,727.39 | 27,727.39 | 17,669 |
| Communications | 19,684.24 | 19,684.24 | 21,896 |
| Equipment rental | 1,976.64 | 1,976.64 | 2,109 |
| Subscriptions and insurance | 14,111.70 | 14,111.70 | 16,531 |
| Computer and websites | 3,713.92 | 3,713.92 | 96 |
| Depreciation | 9,130.00 | 9,130.00 | 9,130 |
| Support costs (Note 6) | 101,289.69 | 101,289.69 | 135,775 |
| Governance costs (Note 5) | 9,955.00 | 9,955.00 | 7,800 |
| | 873,301.79 | 873,301.79 | 980,076 |

NUCLEUS COMMUNITY ACTION LIMITED
 NOTES TO THE ACCOUNTS (continued)
 FOR THE YEAR ENDED 31 MARCH 2023

6 SUPPORT COSTS

The charity initially identifies the costs of its support functions and then identifies those cost which relate to the Governance function. Governance costs and other support costs are apportioned separately between the charity's key activities undertaken (see Note 5) in the year. All general support and governance costs have been apportioned to various charitable activities on the basis of staff time allocated to each activity.

| | General support | Governance Function | 2023 | 2022 |
|--------------------------------------|-----------------|---------------------|----------|---------|
| | £ | £ | £ | £ |
| Office expenses and supplies | 10,664 | | 10,664 | 9,311 |
| Marketing and advertising | 4,999 | | 4,999 | 5,630 |
| Premises and equipment costs | 6,886 | | 6,886 | 67,573 |
| Premises refurbishment | 83,917 | | 83,917 | 0 |
| Computer consumables and maintenance | 0 | | 0 | 11,594 |
| Web design | 8,560 | | 8,560 | 0 |
| Fundraising | 0 | | 0 | 24,000 |
| Legal and professional costs | 788 | | 788 | 3,093 |
| Bookkeeping | 7,427 | | 7,427 | 5,154 |
| Bank charges | 203 | | 203 | 188 |
| Sundry | (24,783) | | (24,783) | 7,444 |
| Audit fees | | 9,955 | 9,955 | 7,800 |
| Management committee expenses | | 0 | 0 | 0 |
| Consultancy | 2,629 | | 2,629 | 1,789 |
| | 101,290 | 9,955 | 111,245 | 143,576 |

7 Net income/expenditure for the year
 This is after charging

| | 2023 | 2022 |
|---------------------------------------|-------|-------|
| | £ | £ |
| Depreciation of tangible fixed assets | 9,130 | 9,130 |
| Auditors' remuneration | 9,955 | 7,800 |

8 Analysis of staff costs, trustees' remuneration and expenses, and cost of key management personnel

| | 2023 | 2022 |
|----------------------|---------|---------|
| | £ | £ |
| Salaries | 616,570 | 685,937 |
| National insurance | 56,914 | 66,375 |
| Pension contribution | 12,229 | 16,758 |
| | 685,713 | 769,070 |

No employee had employee benefits in excess of £60,000 (2022 - nil)

The aggregate remuneration and employee benefits payable to key management personnel in the year totalled £140,982 (2022 - £62,689).

No trustee or person connected therewith received any remuneration or benefits from the charity during the year

There were no Trustee expenses in the year (2022 - none).

NUCLEUS COMMUNITY ACTION LIMITED
 NOTES TO THE ACCOUNTS (continued)
 FOR THE YEAR ENDED 31 MARCH 2023

9 Staff numbers

The average number of full-time equivalent employees (including casual and part-time staff) was as follows:

| | 2023 | 2022 |
|----------------|------|------|
| Advice | 17 | 21 |
| Administration | 2 | 2 |
| | 19 | 23 |

10 Tangible fixed assets

| | Leasehold land and buildings £ | Plant and equipment £ | Fixtures and fittings £ | Total £ |
|---------------------------------|---|-----------------------------|-------------------------------|------------|
| Cost | | | | |
| At 1 April 2022 | 486,757 | 42,427 | 61,796 | 590,980 |
| Additions | 0 | 0 | 0 | 0 |
| Disposals | 0 | 0 | 0 | 0 |
| | 486,757 | 42,427 | 61,796 | 590,980 |
| Depreciation | | | | |
| At 1 April 2021 | 162,669 | 42,427 | 61,796 | 266,892 |
| Charge for year | 9,130 | 0 | 0 | 9,130 |
| Disposals | 0 | 0 | 0 | 0 |
| | 171,799 | 42,427 | 61,796 | 276,022 |
| Net book value at 31 March 2023 | 314,958 | 0 | 0 | 314,958 |
| Net book value at 31 March 2022 | 324,088 | 0 | 0 | 324,088 |

11 Debtors

| | 2023 £ | 2022 £ |
|--------------------------------|-----------|-----------|
| Trade debtors | 44,763 | 61,516 |
| Other debtors | (3,071) | 22,714 |
| Prepayments and accrued income | 10,276 | 5,654 |
| | 51,967 | 89,884 |

12 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------------|-----------|-----------|
| Social security and other taxation | 10,598 | 30,597 |
| Trade creditors | 3,0586 | 62,665 |
| Other creditors | 154,190 | 151,163 |
| Accruals and deferred income | 29,439 | 2,444 |
| | 224,814 | 246,869 |

13 DEFERRED INCOME

There is no deferred income at the year-end (2022) - nil
 Deferred income at the year-end (2022) - £17,795

NUCLEUS COMMUNITY ACTION LIMITED
 NOTES TO THE ACCOUNTS (continued)
 FOR THE YEAR ENDED 31 MARCH 2023

14 MOVEMENT IN FUNDS

| | Balance at 1 April 2022 | Income | Expenditure | Transfers | Balance at 31 March 2023 |
|---------------------------------|-------------------------------|---------|-------------|-----------|-----------------------------------|
| | £ | £ | £ | £ | £ |
| Restricted funds | | | | | |
| Redundancy | 857 | | | | 857 |
| Debt counselling | 267,791 | 449,192 | 594,077 | | 122,906 |
| City Bridge Money Project | 817 | | | | 817 |
| Trust for London | 0 | | | | 0 |
| Covid-19 related grants | | | | | |
| Toynbee Hall | 41,600 | | | | 41,600 |
| Access to Justice | 4,642 | | | | 4,642 |
| Kensington & Chelsea Foundation | 9,356 | | | | 9,356 |
| City of London | 11,807 | | | | 11,807 |
| National Lottery | 9,601 | | | | 9,601 |
| CAF Coronavirus Emergency Fund | 0 | | | | 0 |
| Transfer of funds | | | | | |
| | 346,471 | 449,192 | 594,077 | 0 | 201,586 |
| Designated funds | | | | | |
| Staff contingency fund | 185,000 | | | | 185,000 |
| Building maintenance | 85,000 | | | | 85,000 |
| Furniture and equipment | 12,000 | | | | 12,000 |
| Computer development | 20,000 | | | | 20,000 |
| New office fund | 45,000 | | | | 45,000 |
| | 347,000 | 0 | 0 | 0 | 347,000 |
| General funds | 325,865 | 262,267 | 279,225 | 0 | 308,907 |
| Transfer of funds | | | | | |
| Total unrestricted funds | 672,865 | 262,267 | 279,225 | 0 | 655,907 |
| Total funds | 1,019,336 | 711,458 | 873,302 | 0 | 857,492 |

NUCLEUS COMMUNITY ACTION LIMITED
 NOTES TO THE ACCOUNTS (continued)
 FOR THE YEAR ENDED 31 MARCH 2023

14 MOVEMENT IN FUNDS

Movement in funds - previous year

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Transfers £ | Balance at 31 March 2022 £ |
|---------------------------------|------------------------------------|-------------|------------------|----------------|--|
| Restricted funds | | | | | |
| Redundancy | 857 | | | 0 | 857 |
| Debt counselling | 256,033 | 708,710 | (696,952) | 0 | 267,791 |
| City Bridge Money Project | 817 | 0 | 0 | 0 | 817 |
| Trust for London | 0 | 17,500 | (22,643) | 5,143 | 0 |
| Covid-19 related grants | | | | | 0 |
| Toynbee Hall | 41,600 | 0 | 0 | 0 | 41,600 |
| Access to Justice | 13,976 | 0 | (9,334) | 0 | 4,642 |
| Kensington & Chelsea Foundation | 17,737 | 0 | (8,381) | 0 | 9,356 |
| City of London | 11,807 | 0 | 0 | 0 | 11,807 |
| National Lottery | 9,733 | 0 | (132) | 0 | 9,601 |
| CAF Coronavirus Emergency Fund | 0 | | | | 0 |
| Transfer of funds | | | | (5,143) | |
| | 352,560 | 726,210 | (737,442) | 0 | 346,471 |
| Designated funds | | | | | |
| Staff contingency fund | 185,000 | | | | 185,000 |
| Building maintenance | 85,000 | | | | 85,000 |
| Furniture and equipment | 12,000 | | | | 12,000 |
| Computer development | 20,000 | | | | 20,000 |
| New office fund | 45,000 | | | | 45,000 |
| | 347,000 | 0 | 0 | 0 | 347,000 |
| General funds | 362,886 | 210,757 | (242,635) | (5,143) | 325,865 |
| Transfer of funds | | | | | |
| Total unrestricted funds | 709,886 | 210,757 | (242,635) | (5,143) | 672,865 |
| Total funds | 1,062,446 | 936,967 | (980,077) | (5,143) | 1,019,336 |

NUCLEUS COMMUNITY ACTION LIMITED
 NOTES TO THE ACCOUNTS (continued)
 FOR THE YEAR ENDED 31 MARCH 2023

15 Analysis of net assets between funds

| | Unrestricted £ | Restricted £ | Total £ |
|--|-------------------|-----------------|------------|
| Tangible fixed assets | 314,958 | 0 | 314,958 |
| Net current assets/(liabilities) | 340,949 | 201,587 | 542,535 |
| | ----- | ----- | ----- |
| | 655,907 | 201,587 | 857,493 |
| | ----- | ----- | ----- |
| Analysis of fund balances between net assets - previous year | | | |
| | Unrestricted £ | Restricted £ | Total £ |
| Tangible fixed assets | 324,088 | 0 | 324,088 |
| Net current assets/(liabilities) | 348,777 | 346,472 | 695,249 |
| | 672,865 | 346,472 | 1,019,337 |

16 Reconciliation of net movement in funds to net cash flow from operating leases

| | | |
|----------------------------------|-----------|----------|
| | 2,023 | 2,022 |
| | £ | £ |
| Net movement in funds | (161,844) | (43,110) |
| Investment income | (6,784) | (5) |
| Add back: depreciation | 9,130 | 9,130 |
| Decrease/(increase) in debtors | 37,917 | 6,416 |
| Increase/(decrease) in creditors | (22,056) | 99,339 |
| | ----- | ----- |
| | (143,637) | 71,770 |
| | ----- | ----- |

17 PENSION COSTS

The charity operated an occupational pension scheme under NEST, for all its qualifying employees. The assets OF THE scheme are held separately from those of the company in an independently administered fund.

Pensions payable for the year totalled £12,229 (2022 - £16758). For some staff not subscribed to the company's Pension scheme, contributions are paid into their personal pension schemes. At the year end, contributions of £16,571 £ (2022 - nil) was due.

18 SHARE CAPITAL

The charity is constituted as a company limited by guarantee without share capital.

19 RELATED PARTY TRANSACTIONS

There were no related party transactions apart from those reported in Note 8 to these financial statements.

20 OPERATING LEASE COMMITMENTS

At the reporting date, the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases as follows:

| | | |
|------------------|--------|--------|
| | 2023 | 2022 |
| Within one year | 18,208 | 30,300 |
| Within 2-5 years | | 50,008 |

NUCLEUS COMMUNITY ACTION LTD

England & Wales - Charity number 269325

Accounts

NUCLEUS COMMUNITY ACTION LIMITED

**DIRECTORS' AND TRUSTEES' REPORT
AND ACCOUNTS**

FOR THE YEAR ENDED 31ST MARCH 2022

**Company No: 1202541
Charity No: 269325**

NUCLEUS COMMUNITY ACTION LIMITED

REPORT AND ACCOUNTS

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NUCLEUS COMMUNITY ACTION LIMITED

DIRECTORS' AND TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST MARCH 2022

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ended 31st March 2022, which are also prepared to meet the requirements for a directors' report and Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statements 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 2019).

Our Purpose and Activities

The Charity's mission is to educate, inform and advise users. The objectives are to combat poverty by education and providing access to advice and assistance in areas of social welfare law.

The Charity's approach involves actively involving vulnerable clients in assessing their problems, considering options, confirming likely consequences and choosing a way forward.

The policies adopted aim to educate, inform and advise users. There have been no changes in these this year.

We believe this approach enables and empowers users to take a central role in fundamental decisions affecting their lives and creating plans to address both short-term and long-term issues.

The role and contribution of volunteers

During the year a total of 96 volunteers helped support the work of paid staffs across the services.

Achievements and Performance

- Helped over 8,600 get advice on a social welfare law matter
- Helped local people claim an additional £2.4 million in correct entitlement by challenging wrong decisions up to Upper Tribunal level
- Helped over 1,400 people helped to manage their finances better.
- Delivered a self-funding Employment advice project to help redress discrimination/ unfair dismissal.
- Delivered, with local private solicitors, a pro bono solicitors service on key areas outside the scope of legal aid i.e., family and immigration.

Public benefit statement

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 (PD2). The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

FINANCIAL REVIEW

The statement of Financial Activities showed a net deficit for the year of £43,110 (2021 – surplus £127,708) and total reserves stand at £1,019,337 (2021 – £1,062,447). As at the year end the free reserves carried forward excluding tangible fixed assets totalled to £348,777 (2021 - £376,668) of which £347,000 (2021 - £347,000) was designated to building maintenance, furniture and equipment, staff contingency and computer development. Restricted funds carried forward totalled to £346,472 (2021 - £352,561).

The Charity endeavours to run on a balance budget in delivering the various activities carried on at the community centre.

NUCLEUS COMMUNITY ACTION LIMITED
DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2022

Risk management

The Directors and Trustees have identified the major risks to which the Charity is exposed and believe that the systems in place are adequate to mitigate those risks. The Charity's Organisational Risk Assessment has been reviewed to this end.

The charity makes little use of financial instruments other than an operational bank account and an investment in a common investment fund so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the charity.

The main risks are to providing services to tackle poverty are:

- Reductions or cuts to core funding or project work reducing services
- Loss of key personnel due to inadequate remuneration or indirect compensation
- Issues with cash flow or being paid for work especially the self-funding Employment Tribunal project
- Issues with funders failing to adequately cover project costs.
- Failure to perform to the required specification for the quality assurance systems or regulations
- Failure to develop digitise service whilst also delivering to digitally excluded groups
- Failure to meet agreed targets in service contracts, the service level agreements or grants
- Failure to maintain and keep the building and offices in good repair and offer a good client experience

The Trustees and the Director have taken steps to try to mitigate the risks. The main external risk to any small independent organisation, such as ours, is being dependant on grants and contracts. We do not have direct control of this but can minimise risks by diversifying the funding base and ensuring we meet the requirements of the funders

Internal risks , i.e. failure to provide relevant effective services have been managed by having good governance and management. It is also achieved by focusing on our charitable aims and actively challenging the way we deliver services. We have, in place, mechanisms for user input across the organisation. Including having former user on the board, encouraging feedback from users and looking a co – design for new services.

Retaining good staff is an ongoing issue for a charity. We recognise that, whilst we cannot compete with private practice, we recognise we need to try by paying reasonable wages close to the market levels. To this end we endeavour to try and ensure pay, for all staff, at least meet the London Living wage and is close, if not at, the level staff could expect in the private sector. Furthermore, we will endeavour to improve terms and conditions for staff.

Principal funding sources

The principal funding sources are shown under notes 2 and 3 and comprise a mix of statutory funding, grants from charitable trusts and commercial organisations. The charity also raises funds through a number of sponsored initiatives.

The charity also aims to develop a diverse funding base for its activities from:

- The Royal Borough of Kensington & Chelsea
- Campden Charities
- Trust For London
- The London Borough of Ealing
- Money Advice Services (DFL)
- Oak Foundation
- AB Foundation

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the Trustees wish. It endeavours to maximise interest income from use of free financial resources.

NUCLEUS COMMUNITY ACTION LIMITED
DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2022

Reserves policy

The Directors and Trustees consider it prudent to maintain an adequate level of unrestricted reserves to cover the community centre's contractual commitments and provide sufficient working capital and have set this at minimum of between six- and twelve-months expenditure. This is to help preserve our independence by allowing us to underwrite new projects, protect existing projects and pump prime in-between funding to ensure we do not lose key skills /services whilst applying for and securing funding.

The Directors and Trustees have identified adequate direct and indirect compensation as a newly, emerging and growing risk to service efficacy. Traditionally the charity has remained competitive and attracted suitable, competent staff by offering indirect benefits and non-monetary compensation i.e. flexible working especially around WFH, child and caring needs.

During the pandemic we have seen many employers have adopted similar flexibility for their work force. Post pandemic we have seen private sector pay and inflation increase especially for basic goods and services.

Staff remuneration and rights need to be reviewed and protected. The Director and Trustees, recognise acting as a model good employer is essential in meeting aims to being a progressive anti-poverty charity. The Directors and Trustees re-commit to developing and maintaining direct and indirect remuneration for all staff.

FUTURE PLANS AND DEVELOPMENTS

The Charity will continue to provide its broad range of services to tackle poverty, in line with the availability of funding. We plan to continue to build on the partnership work we developed during the Covid pandemic and take advice into the community and deliver Omni channels to best meet the needs of clients and their complex needs.

The needs for local poor people will continue to grow for a number of "traditional" reasons including:

- i) Wage stagnation and an increase in working poor.
- ii) The cost of living in London, especially the increasing housing, fuel and food costs.
- iii) Welfare reforms which are reducing support for people on low incomes.

Charitable and political donations

During the year the company made no political or charitable donations.

REFERENCE AND ADMINISTRATIVE DETAILS

Company Number: 1202541

Charity Number: 269325

Directors / Trustees:

Alan Murdie (Chairman)
Roy Hlscock (Treasurer)
Dahobo Guled (Resigned on 25 April 2022)
Charles Donkoh
Michelle Martin (Resigned on 25 April 2022)
Robert Allan
Charles Eder
Lady Jasmine Lella Myriam Cowper-Coles
Linda Bazant (Appointed In November 2021 and resigned in September 2022)

Secretary: Baljit Badesha

Senior Management Team: Baljit Badesha – Manager

Registered Office: 298 Old Brompton Road, London SW5 9JF

Auditors: SKS Audit LLP, 3 Sheen Road, Richmond, TW9 1AD

NUCLEUS COMMUNITY ACTION LIMITED
DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2022

Bankers: Lloyds Bank Plc., Old Brompton Road, P.O. Box 1000, BX1 1LT
CCLA Investment Management Ltd, 80 Cheapside, London EC2V 6DZ
Charity Bank Ltd, 194 High Street, Tonbridge, Kent TN9 1BE

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Nucleus Community Action Limited is a company limited by guarantee and not having a capital divided by shares.

The company was incorporated on 5th March 1975 and is a registered charity constituted as a Limited Company under the Memorandum and Articles of Association. The charity registration number is 269325 and the company registration number is 1202541.

Trustee induction and training

The Trustees maintain a working knowledge of charity and company law and best practice by attendance at charity and company courses run by outside providers. New Trustees are given copies of the Memorandum and Articles of Association and Policies and Procedures of the organisation.

New members are provided with an induction by the Director. This involves a set of meetings and being provided with a committee handbook. They are offered an opportunity for co-mentoring with other members. All new and existing members are offered on-going subject based and skilled based external training.

All committee members take an active part in the organisation's strategy during committee meetings and an annual strategy day.

Appointment of trustees

As set out in the Articles of Association the Chair of Trustees is nominated by Nucleus Community Action Limited Management Board. Membership of the Management Board is agreed by the charity's members at an Annual General Meeting.

The Directors in office in the year are set out on page 4. The Directors have no beneficial interest in the company other than as members and all guarantee to contribute £1 in the event of a winding up. The Board has the power to appoint additional Directors and Trustees with special expertise as it considers fit.

They also have unlimited investment powers.

Organisation

The company is structured so that the Directors and Trustees meet regularly in order to manage its affairs, with Nucleus Community Action Limited Management Board meeting approximately every six weeks. The Management Board comprises individuals from a variety of backgrounds, stakeholders and users. Board members' backgrounds include care, advice and legal professions as well as finance and management. A Finance & Personnel Sub-committee is in place, meeting regularly and reporting in turn to the Management Board.

Related parties

There are no related parties to the charity other than the trustees. There were no related party transactions in the year under review.

Pay policy of senior staff

The arrangement for setting the pay and remuneration of the company's staff is done by the board of directors/trustees and included within the company's budgeting process.

NUCLEUS COMMUNITY ACTION LIMITED
DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2022

STATEMENT OF DISCLOSURE TO AUDITOR

So far as the Directors and Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware. Additionally, the Directors and Trustees have taken all the necessary steps that we ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Nucleus Community Action Limited for the purposes of company law) are responsible for preparing the preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its income and expenditure for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019;
- 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 Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

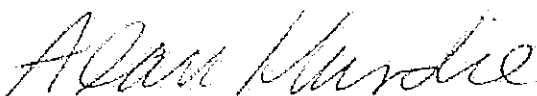
AUDITORS

A resolution will be proposed at the Annual General Meeting that SKS Audit LLP be re-appointed as auditors of the Charity for the ensuing year.

The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

APPROVAL

This report was approved by the Board and signed on its behalf by:



Alan Murdie
Trustee

08th December 2022

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF NUCLEUS COMMUNITY ACTION LIMITED

Opinion

We have audited the financial statements of Nucleus Community Action Limited for the year ended 31st March 2022, which comprise the Statement of Financial Activities (Summary Income and Expenditure Account), balance sheet, the 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 31st March 2022 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 and Charities Act 2011.

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 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 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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' report 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF (Cont/d)

NUCLEUS COMMUNITY ACTION LIMITED

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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit;
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' and Trustees' Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statements set out on page 6, the trustees 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 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 a Report of the Auditors 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.

Discussions were held with, and enquiries made of, management and those charged with governance with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards SORP 2019, Charity act, Company Law, Tax and Pensions legislation
- It is considered that there are no laws and regulations for which non-compliance may be fundamental to the operating aspects of the business.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF (Cont/d)

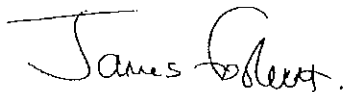
NUCLEUS COMMUNITY ACTION LIMITED

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 auditors' 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.



James Foskett (Senior Statutory Auditor)
For and on behalf of SKS Audit LLP
3 Sheen Road, Richmond
TW9 1AD

Date: 13th December 2022

NUCLEUS COMMUNITY ACTION LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2022
SUMMARY INCOME AND EXPENDITURE ACCOUNT

| | Notes | Unrestricted Funds £ | Restricted Funds £ | 2022 £ | 2021 £ |
|--|-------|----------------------------|--------------------------|------------------|------------------|
| Income | | | | | |
| Grants, donations and legacies | 2 | - | 212,315 | 212,315 | 223,929 |
| <i>Income from charitable activities:</i> | | | | | |
| Donation, Grants and contracts | 3 | 210,751 | 513,895 | 724,647 | 767,204 |
| <i>Investment Income:</i> | | | | | |
| Bank interest | 4 | 5 | - | 5 | 1,042 |
| Total Income | | 210,757 | 726,210 | 936,967 | 992,175 |
| Expenditure | | | | | |
| <i>Expenditure on charitable activities</i> | | | | | |
| Others | 5, 14 | 242,635 | 737,442 | 980,077 | 864,467 |
| Total expenditure | | 242,635 | 737,442 | 980,077 | 864,467 |
| Net income / (expenditure) and net movements in funds for the year before transfers | | (31,878) | (11,232) | (43,110) | 127,708 |
| Transfer between funds | 14 | (5,143) | 5,143 | - | - |
| Net movements of funds | | (37,021) | (6,089) | (43,110) | 127,708 |
| Reconciliation of funds: | | | | | |
| Total funds, brought forward | | 709,886 | 352,561 | 1,062,447 | 934,739 |
| Total funds, carried forward | | 672,865 | 346,472 | 1,019,337 | 1,062,447 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 13 to 23 form part of these accounts.


NUCLEUS COMMUNITY ACTION LIMITED
BALANCE SHEET AS AT 31ST MARCH 2022

| | Notes | 2022 | | 2021 | |
|---------------------------------------|-------|---------|-----------|---------|-----------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible fixed assets | 10 | | 324,088 | | 333,218 |
| Current assets | | | | | |
| Debtors | 11 | 89,884 | | 96,300 | |
| Cash at bank and in hand | | 852,234 | | 780,460 | |
| | | 942,118 | | 876,760 | |
| Liabilities | | | | | |
| Creditors falling due within one year | 12 | 246,870 | | 147,531 | |
| | | | | | |
| Net current assets | | | 695,249 | | 729,229 |
| Net assets | | | 1,019,337 | | 1,062,447 |
| The funds of the charity | | | | | |
| Unrestricted funds: | | | | | |
| General | 14 | | 325,865 | | 362,886 |
| Designated | 14 | | 347,000 | | 347,000 |
| Restricted funds | 14 | | 346,472 | | 352,561 |
| Total charity funds | | | 1,019,337 | | 1,062,447 |

The Trustees have prepared accounts in accordance with Section 398 of the Companies Act 2006 and Section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These accounts were approved by the Board of Directors and Trustees on 08th December 2022 and were signed on its behalf by:


..... Chairman
Alan Murdie


..... Treasurer
John Roy Hiscock

Company Number **1202541**

The notes on pages 13 to 23 form part of these accounts.

NUCLEUS COMMUNITY ACTION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2022

| | 2022 | 2021 |
|---|-----------------------|-----------------------|
| | £ | £ |
| Net cash (used in)/generated from operating activities | <u>71,769</u> | <u>205,273</u> |
| Cash flows from investing activities | | |
| Purchase of tangible fixed assets | - | - |
| Interest received | 5 | 1,042 |
| Interest paid | - | - |
| Cash (used in) / generated by Investing activities | <u>5</u> | <u>1,042</u> |
| Repayment of bank loans | - | - |
| Cash (used in) / generated in financing activities | <u>-</u> | <u>-</u> |
| Change in cash & cash equivalents in the year | <u>71,774</u> | <u>206,315</u> |
| Cash & cash equivalents at the beginning of the year | 780,460 | 574,145 |
| Total cash & cash equivalents at the end of the year | <u><u>852,234</u></u> | <u><u>780,460</u></u> |

The notes on pages 13 to 23 form part of these accounts.

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2022

1. ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

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

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

Nucleus Community Action Limited meets the definition of a public benefit entity under FRS 102.

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

1.2 Preparation of accounts on a going concern basis

The Charity's financial statements show net deficit of £43,110 for the year and free reserves excluding designated funds of £325,865. The trustees are of the view that these results and fundraising plans have secured the immediate future of the charity for the next 12 months and on this basis the charity is a going concern.

1.3 Income recognition

Income is recognised when the charitable company has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and amount can be measured reliably.

- Income received by way of grants, donations and legacies are included in full in the Statement of Financial Activities when received, unless they relate to a specified future period, in which case they are deferred.
- Income from charitable activities received by way of revenue grants and donations are credited to restricted incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.
- Grants, donations and legacies of general nature which are not conditional on delivering certain levels of service are included as part of Grants, Donations and Legacies as shown under note 2 and 3.
- Income from activities includes income recognised as earned (as related to goods and services provided) under contract. Share of client's compensation income are recognised when the compensation have been received.
- Investment income is included when receivable.

1.4 Volunteers and donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refers to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. No such donations were received during the year.

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2022

1.5 Expenditure recognition and irrecoverable VAT

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.

Expenditure is classified under the following activity headings:

- (a) Cost of raising funds comprises costs of seeking donations and legacies, costs related to property rentals and their associated support costs.
- (b) Expenditure on charitable activities include expenditure associated with the main objectives of the charity and include both direct costs and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.6 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll, and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 7.

1.7 Fund structures

The general fund comprises those monies, which may be used toward meeting the charitable objectives of the company at the discretion of the Management Board.

The designated fund comprises of general fund set aside to be used for a specific purpose as agreed by the Trustees. These funds can be reallocated back to general fund on the agreement of the Trustees when the fund is no longer needed for their particular purpose.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor-imposed conditions.

1.8 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases.

| | | |
|------------------------------|---|------------------|
| Leasehold land and buildings | - | 2% per annum |
| Plant and equipment | - | 25-50% per annum |
| Fixtures and fittings | - | 25% per annum |

1.9 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and wherever there is an indication that the asset maybe impaired.

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont./d)

FOR THE YEAR ENDED 31ST MARCH 2022

1.10 Debtor

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.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 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.

1.13 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 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.

Basic financial assets

Basic financial assets, which include 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 financial 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.

Based financial liabilities

Basic financial liabilities, including creditors and bank loans, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are de-recognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the Statement of Financial Activities on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease assets are consumed.

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont'd)

FOR THE YEAR ENDED 31ST MARCH 2022

1.15 Employee benefits

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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination of benefits.

1.16 Retirement benefits

Payments to defined contribution retirement benefits schemes are charged as an expense as they fall due.

1.17 Taxation

The charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1.18 Judgement and key sources of estimation uncertainty

In the application of the charity's accounting policies, the charity is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlining assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2. DONATIONS AND LEGACIES

| | Unrestricted £ | Restricted £ | 2022 £ | 2021 £ |
|---|-------------------|-----------------|----------------|----------------|
| Grant received from Royal Borough of Kensington & Chelsea | - | 212,315 | 212,315 | 223,929 |
| | <u>-</u> | <u>212,315</u> | <u>212,315</u> | <u>223,929</u> |

The grant income in 2021 totalling £223,929 was attributed to restricted funds and £nil to unrestricted funds.

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2022

3. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted £ | Restricted £ | 2022 £ | 2021 £ |
|---|-------------------|-----------------|----------------|----------------|
| Performance related grants | 127,016 | 513,895 | 640,911 | 710,849 |
| Clients compensation | 61,066 | - | 61,066 | 43,515 |
| Donations | 22,670 | - | 22,870 | 12,840 |
| | <u>210,751</u> | <u>513,895</u> | <u>724,647</u> | <u>767,204</u> |
| Performance related grants | | | | |
| London Borough of Ealing | 120,616 | - | 120,616 | 128,297 |
| Toynbee Hall | - | 187,027 | 187,027 | 135,797 |
| Toynbee Hall - Training | - | 73,433 | 73,433 | - |
| Campden Charities | - | 79,500 | 79,500 | 55,400 |
| Oak Foundation | - | 118,935 | 118,935 | 117,106 |
| Trust for London | - | 17,500 | 17,500 | 87,500 |
| Kensington & Chelsea Foundation - Administration Fees | 6,400 | - | 6,400 | - |
| Covid-19 related grants | | | | |
| Toynbee Hall | - | - | - | 44,232 |
| Access to Justice | - | - | - | 45,400 |
| RBKC - Homelessness | - | - | - | 28,045 |
| City of London | - | - | - | 14,372 |
| National Lottery | - | - | - | 48,660 |
| CAF Coronavirus Emergency Fund | - | - | - | 6,000 |
| Oak Foundation | - | 37,500 | 37,500 | - |
| | <u>127,016</u> | <u>513,895</u> | <u>640,911</u> | <u>710,809</u> |

Income from charitable activities in 2021 totalling £710,809 was attributed to unrestricted funds of £128,297 and restricted funds of £582,552.

4. INVESTMENT INCOME

Interest receivable for the year totalled to £5 (2021 - £1,042). Interest income for both years attributed to unrestricted fund.

5. ANALYSIS OF EXPENDITURE

| | Debt Counselling and others £ | 2022 £ | 2021 £ |
|---|--|----------------|----------------|
| Staff costs | 769,070 | 769,070 | 635,510 |
| Staff and volunteer training and expenses | 17,669 | 17,669 | 8,204 |
| Communications | 21,896 | 21,896 | 35,521 |
| Equipment rental | 2,109 | 2,109 | 3,999 |
| Subscriptions and Insurance | 16,531 | 16,531 | 11,094 |
| Computer and websites | 96 | 96 | 10,800 |
| Depreciation | 9,130 | 9,130 | 9,130 |
| Loss on fraudulent activity recovered plus interest | - | - | (34,542) |
| Support costs (Note 6) | 135,775 | 135,775 | 176,951 |
| Governance costs (Note 6) | 7,800 | 7,800 | 7,800 |
| | <u>980,077</u> | <u>980,077</u> | <u>864,467</u> |

Of the £980,077 expenditure in 2022 (2021 - £864,467), £242,635 was charged to general funds (2021 - £148,536) and £737,442 to restricted funds (2021 - £715,932).

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2022

6. SUPPORT COSTS

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between charity's key activity undertaken (see note 5) in the year. All the general support and governance costs have been apportioned to the various charitable activities based on staff time allocated to each activity.

| | General Support | Governance Function | 2022 | 2021 |
|------------------------------|----------------------------|--------------------------------|----------------|----------------|
| | £ | £ | £ | £ |
| Office expenses and supplies | 9,311 | - | 9,311 | 8,796 |
| Marketing | 5,630 | - | 5,630 | 10,784 |
| Premises and equipment costs | 67,573 | - | 67,573 | 98,697 |
| Computer consumables | 11,594 | - | 11,594 | 7,577 |
| Fundraising | 24,000 | - | 24,000 | 39,827 |
| Legal and professional costs | 3,093 | - | 3,093 | 575 |
| Bookkeeping | 5,154 | - | 5,154 | 3,265 |
| Bank charges | 188 | - | 188 | 216 |
| Sundry | 7,444 | - | 7,444 | 7,215 |
| Audit fees | - | 7,800 | 7,800 | 7,800 |
| Consultancy | 1,789 | - | 1,789 | - |
| | <u>135,775</u> | <u>7,800</u> | <u>143,575</u> | <u>184,752</u> |

7. NET INCOME / (EXPENDITURE) FOR THE YEAR

| This is stated after charging: | 2022 | 2021 |
|---------------------------------------|--------------|--------------|
| | £ | £ |
| Depreciation of tangible fixed assets | 9,130 | 9,130 |
| Auditors' remuneration | 7,800 | 7,800 |
| | <u>7,800</u> | <u>7,800</u> |

8. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES, AND COST OF KEY MANAGEMENT PERSONNEL

| | 2022 | 2021 |
|----------------------|----------------|----------------|
| | £ | £ |
| Salaries | 685,937 | 563,480 |
| National Insurance | 66,375 | 55,499 |
| Pension contribution | 16,758 | 16,172 |
| | <u>769,070</u> | <u>635,151</u> |

Balljit Badesha (KMP) employee had employee benefits in excess of £60,000 (2021 – No employee benefits in excess of £60,000).

The aggregate remuneration and employee benefits payable to Key Management Personnel in the year totalled to £62,689 (2021 - £59,803).

No trustee or person connected therewith received any remuneration or benefits from the charity during the year.

No trustee had reimbursed expenses in the year (2021 - £567).

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2022

9. STAFF NUMBERS

The average number of full-time equivalent employees (including casual and part-time staff) was as follows:

| | 2022 | 2021 |
|----------------|-----------|-----------|
| Advice | 21 | 17 |
| Administration | 2 | 2 |
| | <u>23</u> | <u>19</u> |

10. TANGIBLE FIXED ASSETS

| | Leasehold land and buildings £ | Plant and equipment £ | Fixtures and fittings £ | Total £ |
|------------------------|---|-----------------------------|-------------------------------|----------------|
| COST | | | | |
| As at 1st April 2021 | 486,757 | 42,427 | 61,796 | 590,980 |
| Disposals | - | - | - | - |
| As at 31st March 2022 | <u>486,757</u> | <u>42,427</u> | <u>61,796</u> | <u>590,980</u> |
| DEPRECIATION | | | | |
| As at 1st April 2021 | 153,539 | 42,427 | 61,796 | 257,762 |
| Charge for the year | 9,130 | - | - | 9,130 |
| Disposals | - | - | - | - |
| As at 31st March 2022 | <u>162,669</u> | <u>42,427</u> | <u>61,796</u> | <u>266,892</u> |
| NET BOOK VALUES | | | | |
| As at 31st March 2022 | <u>324,088</u> | <u>(0)</u> | <u>-</u> | <u>324,088</u> |
| As at 31st March 2021 | <u>333,218</u> | <u>(0)</u> | <u>-</u> | <u>333,218</u> |

11. DEBTORS

| | 2022 £ | 2021 £ |
|--------------------------------|---------------|---------------|
| Trade debtors | 61,516 | 61,938 |
| Other debtors | 22,714 | 53 |
| Prepayments and accrued income | 5,654 | 34,309 |
| | <u>89,884</u> | <u>96,300</u> |

12. CREDITORS: amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------------|----------------|----------------|
| Other taxation and social security | 30,597 | 31,068 |
| Trade creditors | 62,665 | 28,849 |
| Other creditors | 151,163 | 85,170 |
| Accruals and deferred income | 2,444 | 2,444 |
| | <u>246,870</u> | <u>147,531</u> |

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2022

13. DEFERRED INCOME

There is no deferred income as at the year end. Previous year's deferred income relates to grant income relating to period after year end.

14. MOVEMENT IN FUNDS

| | Balance as at 01.04.21 £ | Income £ | Expenditure £ | Transfers £ | Balance as at 31.03.22 £ |
|-------------------------------|--------------------------------|----------------|------------------|----------------|--------------------------------|
| RESTRICTED FUNDS: | | | | | |
| Redundancy | 857 | - | - | - | 857 |
| Debt Counselling | 256,033 | 708,710 | (696,952) | - | 267,791 |
| City Bridge Money project | 817 | - | - | - | 817 |
| Trust for London | - | 17,500 | (22,643) | 5,143 | 0 |
| Covid-19 related grants | | | | | |
| Toynbee Hall | 41,600 | - | - | - | 41,600 |
| Access to Justice | 13,976 | - | (9,334) | - | 4,642 |
| Kensington+Chelsea Foundation | 17,737 | - | (8,381) | - | 9,356 |
| City of London | 11,807 | - | - | - | 11,807 |
| National Lottery | 9,733 | - | (132) | - | 9,601 |
| | <u>352,561</u> | <u>726,210</u> | <u>(737,442)</u> | <u>5,143</u> | <u>346,472</u> |
| DESIGNATED FUNDS : | | | | | |
| Staff contingency fund | 185,000 | - | - | - | 185,000 |
| Building maintenance | 85,000 | - | - | - | 85,000 |
| Furniture and equipment | 12,000 | - | - | - | 12,000 |
| Computer development | 20,000 | - | - | - | 20,000 |
| New office fund | 45,000 | - | - | - | 45,000 |
| | <u>347,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>347,000</u> |
| GENERAL FUNDS: | 362,886 | 210,757 | (242,635) | (5,143) | 325,865 |
| Total unrestricted funds | <u>709,886</u> | <u>210,757</u> | <u>(242,635)</u> | <u>(5,143)</u> | <u>672,865</u> |
| Total funds | <u>1,062,447</u> | <u>936,967</u> | <u>(980,077)</u> | <u>-</u> | <u>1,019,337</u> |

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2022

14. MOVEMENT IN FUNDS (CONTINUED)

Movement in funds – previous year

| | Balance as at 01.04.20 £ | Income £ | Expenditure £ | Transfers £ | Balance as at 31.03.21 £ |
|--------------------------------|--------------------------------|----------------|------------------|----------------|--------------------------------|
| RESTRICTED FUNDS: | | | | | |
| Redundancy | 857 | - | - | - | 857 |
| Debt Counselling | 255,420 | 532,272 | (531,659) | - | 256,033 |
| City Bridge Money project | 5,734 | - | (4,917) | - | 817 |
| Trust for London | - | 87,500 | (87,500) | - | (0) |
| Covid-19 related grants | | | | | |
| Toynbee Hall | - | 44,232 | (2,632) | - | 41,600 |
| Access to Justice | - | 45,400 | (31,424) | - | 13,976 |
| Kensington+Chelsea Foundation | - | 28,045 | (10,308) | - | 17,737 |
| City of London | - | 14,372 | (2,565) | - | 11,807 |
| National Lottery | - | 48,660 | (38,927) | - | 9,733 |
| CAF Coronavirus Emergency Fund | - | 6,000 | (6,000) | - | - |
| | <u>262,011</u> | <u>806,481</u> | <u>(715,932)</u> | <u>-</u> | <u>352,561</u> |
| DESIGNATED FUNDS : | | | | | |
| Staff contingency fund | 120,000 | - | - | 65,000 | 185,000 |
| Building maintenance | 30,000 | - | - | 55,000 | 85,000 |
| Furniture and equipment | 12,000 | - | - | - | 12,000 |
| Computer development | 20,000 | - | - | - | 20,000 |
| New office fund | - | - | - | 45,000 | 45,000 |
| | <u>182,000</u> | <u>-</u> | <u>-</u> | <u>165,000</u> | <u>347,000</u> |
| GENERAL FUNDS: | 490,728 | 185,894 | (148,536) | (165,000) | 362,886 |
| Total unrestricted funds | <u>672,728</u> | <u>185,694</u> | <u>(148,536)</u> | <u>-</u> | <u>709,886</u> |
| Total funds | <u>934,739</u> | <u>992,175</u> | <u>(864,467)</u> | <u>-</u> | <u>1,062,447</u> |

Description, nature, and purpose of restricted funds:

Redundancy:

This is leftover grant received from Housing to be used for the purpose of redundancy payments and staffing costs.

Debt Counselling:

Debt counselling project is funded by grants received from Campden Charities, Toynbee Hall, Oak Foundation and the Royal Borough of Kensington and Chelsea. Debt counselling is one of the main activities of the Charity over the last few years for clients facing evictions, forced bankruptcy and severe poverty.

City Bridge Money Project:

Grants from City Bridge and Natwest are restricted to be used specifically for advice and activities related to personal budgeting and money management. The project was initially for a period of three years (to May 2020) but was extended during the year under the grant from Natwest/Royal Bank of Scotland.

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2022

Trust for London:

Grant received to be used as contribution towards the Charity's self-funding tribunal project. The grant is for the period of three years on a diminishing basis over three years and at the end of the term the project will be self-funding.

Covid-19 related grants:

(1) Toynbee Hall:

Sub-grant is awarded to deliver Debt Advice Capacity 2022.

(2) Access to Justice:

This fund was for specialist advice agencies to improve access to tribunal and courts.

(3) Kensington+Chelsea Foundation:

Grant has been awarded to support housing advice and support service over the next 12 months of the pandemic.

(4) City of London:

Grant has been awarded to fund the essential and urgent costs during the pandemic so as to carry on providing support to Londoners.

(5) National Lottery:

The funding received will be used to deliver activities specifically aimed to support communities through the COVID-19 crisis.

(6) CAF Coronavirus Emergency Fund:

Grant received is to be used for charitable purposes only to continue organisation's core work or Covid-19 emergency response activities during the current health emergency.

Description, nature and purpose of unrestricted funds:

General funds:

General fund represents funds available to spend at the discretion of the Trustees after allowing for all the designated funds.

Designated fund

General funds set aside to be used for a specific purpose as agreed by the Trustees. These funds can be reallocated back to general fund on the agreement of the Trustees when the funds are no longer needed for their particular purpose. Funds have been designated for four purposes as follows:

- Staff Contingent
- Building maintenance
- Furniture and equipment
- Computer development
- New office

No spending was made from designated fund during the year.

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2022

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted £ | Restricted £ | Total £ |
|------------------------------------|-------------------|-----------------|------------------|
| Tangible fixed assets | 324,088 | - | 324,088 |
| Net current assets / (liabilities) | 348,777 | 346,472 | 695,249 |
| | <u>672,865</u> | <u>346,472</u> | <u>1,019,337</u> |

Analysis of fund balances between net assets – previous year

| | Unrestricted £ | Restricted £ | Total £ |
|------------------------------------|-------------------|-----------------|------------------|
| Tangible fixed assets | 333,218 | - | 333,218 |
| Net current assets / (liabilities) | 376,668 | 352,561 | 729,229 |
| | <u>709,886</u> | <u>352,561</u> | <u>1,062,447</u> |

16. RECONCILIATION OF NET MOVEMENTS IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

| | 2022 £ | 2021 £ |
|---|---------------|----------------|
| Net movement in funds | (43,110) | 127,707 |
| Investment income | (5) | (1,042) |
| Add back depreciation | 9,130 | 9,130 |
| Decrease / (Increase) in debtors | 6,416 | 14,944 |
| Increase / (Decrease) in creditors | 99,339 | 54,533 |
| Net cash generated / used in operating activities | <u>71,769</u> | <u>205,272</u> |

17. PENSION COSTS

The charity operated an occupational pension scheme under NEST, for all its qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Pension payable for the year totalled to £16,758 (2021 - £16,172). For some staffs not subscribed to the company's pension scheme, contributions are paid into their personal pension schemes. At the year end, contribution of £nil (2021 - £nil) was due.

18. SHARE CAPITAL

The charity is constituted as a company limited by guarantee without share capital.

19. RELATED PARTY TRANSACTIONS

There was no other related party transaction apart from those report in Note 8 to these financial statements.

20. OPERATING LEASE COMMITMENTS

At the reporting end date, the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases as follows:

| | 2022 £ | 2021 £ |
|----------------------------|---------------|----------------|
| Within one year | 35,300 | 35,300 |
| Between one and five years | 50,008 | 85,308 |
| | <u>85,308</u> | <u>120,608</u> |

NUCLEUS COMMUNITY ACTION LTD

England & Wales - Charity number 269325

Accounts

NUCLEUS COMMUNITY ACTION LIMITED

**DIRECTORS' AND TRUSTEES' REPORT
AND ACCOUNTS**

FOR THE YEAR ENDED 31ST MARCH 2021

**Company No: 1202541
Charity No: 269325**

NUCLEUS COMMUNITY ACTION LIMITED

REPORT AND ACCOUNTS

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NUCLEUS COMMUNITY ACTION LIMITED
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST MARCH 2021

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ended 31st March 2021, which are also prepared to meet the requirements for a directors' report and Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statements 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 2019).

The Charity's mission is to educate, inform and advise users. The objectives are to combat poverty by education and providing access to advice and assistance in areas of social welfare law.

The Charity's approach involves actively involving vulnerable clients in assessing their problems, considering options, confirming likely consequences and choosing a way forward.

The policies adopted aim to educate, inform and advise users. There have been no changes in these this year.

We believe this approach enables and empowers users to take a central role in fundamental decisions affecting their lives and creating plans to address both short-term and long-term issues.

The role and contribution of volunteers

During the year a total of 96 volunteers helped support the work of paid staffs across the services.

Achievements and Performance

- Helped over 7800 get advice on a social welfare law matter
- Helped local people claim their correct entitlement by challenging wrong decisions up to Upper Tribunal level
- Helped over 1500 people helped to manage their finances better.
- Delivered a self-funding Employment advice project to help redress discrimination/ unfair dismissal.
- Delivered, with local private solicitors, a pro bono solicitors service on key areas outside the scope of legal aid ie family an immigration

Public benefit statement

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 (PD2). The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

FINANCIAL REVIEW

The statement of Financial Activities showed a net surplus for the year of £127,707 (2020 – £65,747) and total reserves stand at £1,062,446 (2020 – £934,739). As at the year end the free reserves carried forward excluding tangible fixed assets totalled to £376,667 (2020 - £330,380) of which £347,000 (2020 - £182,000) was designated to building maintenance, furniture and equipment, staff contingency and computer development. Restricted funds carried forward totalled to £352,561 (2020 - £262,011).

The Charity endeavours to run on a balance budget in delivering the various activities carried on at the community centre.

NUCLEUS COMMUNITY ACTION LIMITED

DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2021

Risk management

The Directors and Trustees have identified the major risks to which the Charity is exposed and believe that the systems in place are adequate to mitigate those risks. The Charity's Organisational Risk Assessment has been reviewed to this end.

The charity makes little use of financial instruments other than an operational bank account and an investment in a common investment fund so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the charity.

The main risks are to providing services to tackle poverty are:

- Reductions or cuts to core funding or project work reducing services
- Loss of key personnel due to inadequate remuneration or indirect compensation
- Issues with cash flow or being paid for work especially the self-funding Employment Tribunal project
- Issues with funders failing to adequately cover project costs.
- Failure to perform to the required specification for the quality assurance systems or regulations
- Failure to develop digitise service whilst also delivering to digitally excluded groups
- Failure to meet agreed targets in service contracts, the service level agreements or grants
- Failure to maintain and keep the building and offices in good repair and offer a good client experience

Principal funding sources

The principal funding sources are shown under notes 2 and 3 and comprise a mix of statutory funding, grants from charitable trusts and commercial organisations. The charity also raises funds through a number of sponsored initiatives.

The charity also aims to develop a diverse funding base for its activities from:

- The Royal Borough of Kensington & Chelsea
- Camden Charities
- Trust For London
- The London Borough of Ealing
- Money Advice Services (DFL)
- Oak Foundation
- Access to Justice
- London Legal Support Trust

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the Trustees wish. It endeavours to maximise interest income from use of free financial resources.

Reserves policy

The Directors and Trustees consider it prudent to maintain an adequate level of unrestricted reserves to cover the community centre's contractual commitments and provide sufficient working capital and have set this at minimum of twelve months expenditure. This is to help underwrite new projects and existing projects in-between funding to ensure we do not lose key skills /services whilst applying for and securing funding.

The Directors and Trustees have identified adequate direct and indirect compensation as a newly, emerging and growing risk to service efficacy. Traditionally the charity has remained competitive and attracted suitable, competent staff by offering indirect benefits and non-monetary compensation ie flexible working especially around WFH, child and caring needs.

During the pandemic we have seen many employers have adopted similar flexibility for their work force.

Since 2008, to remain competitive the charity has reduced or curtail direct and indirect compensation. This has seen wages and indirect compensation reductions, in the case of maternity and sickness benefits limited to the statutory minimum. This particularly affects newer (and younger) staff.

The Director and Trustees, recognise acting as a model good employer is essential in meeting aims to being a progressive anti-poverty charity. The Directors and Trustees re-commit to developing and maintaining direct and indirect remuneration for all staff.

NUCLEUS COMMUNITY ACTION LIMITED
DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2021

FUTURE PLANS AND DEVELOPMENTS

The Charity will continue to provide its broad range of services to tackle poverty, in line with the availability of funding. We plan to continue to build on the partnership work we developed during the Covid pandemic and take advice into the community and deliver Omni channels to best meet the needs of clients and their complex needs.

The needs for local poor people will continue to grow for a number of "traditional" reasons including:

- i) Wage stagnation and an increase in working poor.
- ii) The cost of living in London, especially the increasing housing, fuel and food costs.
- iii) Welfare reforms which are reducing support for people on low incomes.

Charitable and political donations

During the year the company made no political or charitable donations.

REFERENCE AND ADMINISTRATIVE DETAILS

Company Number: 1202541

Charity Number: 269325

Directors / Trustees:

Alan Murdie (Chairman)
Roy Hiscock (Treasurer)
Dahobo Guled
Charles Donkoh
Michelle Martin
Robert Allan
Charles Eder
Lady Jasmine Leila Myriam Cowper-Coles

Secretary: Baljit Badesha

Senior Management Team: Baljit Badesha – Manager

Registered Office: 298 Old Brompton Road, London SW5 9JF

Auditors: SKS Audit LLP, 3 Sheen Road, Richmond, TW9 1AD

Bankers: Lloyds Bank Plc., Old Brompton Road, P.O. Box 1000, BX1 1LT
CCLA Investment Management Ltd, 80 Cheapside, London EC2V 6DZ
Charity Bank Ltd, 194 High Street, Tonbridge, Kent TN9 1BE

NUCLEUS COMMUNITY ACTION LIMITED
DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Nucleus Community Action Limited is a company limited by guarantee and not having a capital divided by shares.

The company was incorporated on 5th March 1975 and is a registered charity constituted as a Limited Company under the Memorandum and Articles of Association. The charity registration number is 269325 and the company registration number is 1202541.

Trustee induction and training

The Trustees maintain a working knowledge of charity and company law and best practice by attendance at charity and company courses run by outside providers. New Trustees are given copies of the Memorandum and Articles of Association and Policies and Procedures of the organisation.

New members are provided with an induction by the Director. This involves a set of meetings and being provided with a Committee handbook. They are offered an opportunity for co-mentoring with other members. All new and existing members are offered on-going subject based and skilled based external training.

All committee members take an active part in the organisation's strategy during committee meetings and an annual strategy day.

Appointment of trustees

As set out in the Articles of Association the Chair of Trustees is nominated by Nucleus Community Action Limited Management Board. Membership of the Management Board is agreed by the charity's members at an Annual General Meeting.

The Directors in office in the year are set out on page 4. The Directors have no beneficial interest in the company other than as members and all guarantee to contribute £1 in the event of a winding up. The Board has the power to appoint additional Directors and Trustees with special expertise as it considers fit.

They also have unlimited investment powers.

Organisation

The company is structured so that the Directors and Trustees meet regularly in order to manage its affairs, with Nucleus Community Action Limited Management Board meeting approximately every six weeks. The Management Board comprises individuals from a variety of backgrounds, stakeholders and users. Board members' backgrounds include care, advice and legal professions as well as finance and management. A Finance & Personnel Sub-committee is in place, meeting regularly and reporting in turn to the Management Board.

Risk management

The trustees have conducted a review of the major risks to which the charity is exposed. Where possible systems have been put in place to mitigate those risks.

Related parties

There are no related parties to the charity other than the trustees. There were no related party transactions in the year under review.

Pay policy of senior staff

The arrangement for setting the pay and remuneration of the company's staff is done by the board of directors/trustees and included within the company's budgeting process.

NUCLEUS COMMUNITY ACTION LIMITED
DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2021

STATEMENT OF DISCLOSURE TO AUDITOR

So far as the Directors and Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware. Additionally, the Directors and Trustees have taken all the necessary steps that we ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Nucleus Community Action Limited for the purposes of company law) are responsible for preparing the preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its income and expenditure for that period. In preparing these financial statements, the Directors 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 Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

AUDITORS

A resolution will be proposed at the Annual General Meeting that SKS Audit LLP be re-appointed as auditors of the Charity for the ensuing year.

The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

APPROVAL

This report was approved by the Board and signed on its behalf by:



Alan Murdie
Trustee

31 January 2022

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF NUCLEUS COMMUNITY ACTION LIMITED

Opinion

We have audited the financial statements of Nucleus Community Action Limited for the year ended 31st March 2021, which comprise the Statement of Financial Activities (Summary Income and Expenditure Account), balance sheet, the 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 31st March 2021 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 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 directors' 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 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 directors 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 annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The directors' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF (Cont'd)

NUCLEUS COMMUNITY ACTION LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit;
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' and Trustees' Report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statements set out on page 6, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the 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 a Report of the Auditors 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.

Discussions were held with, and enquiries made of, management and those charged with governance with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and distributable profits legislation.
- It is considered that there are no laws and regulations for which non-compliance may be fundamental to the operating aspects of the business.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF (Cont/d)

NUCLEUS COMMUNITY ACTION LIMITED

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

J Foscett

JAMES FOSKETT (Senior Statutory Auditor)
for and on behalf of SKS AUDIT LLP
CHARTERED ACCOUNTANTS
STATUTORY AUDITOR

**3 SHEEN ROAD
RICHMOND TW9 1AD**

31 January 2022

NUCLEUS COMMUNITY ACTION LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2021
SUMMARY INCOME AND EXPENDITURE ACCOUNT

| | Notes | Unrestricted Funds £ | Restricted Funds £ | 2021 £ | 2020 £ |
|--|-------|----------------------------|--------------------------|------------------|----------------|
| Income | | | | | |
| Grants, donations and legacies | 2 | - | 223,929 | 223,929 | 222,938 |
| <i>Income from charitable activities:</i> | | | | | |
| Donations | | 12,840 | - | 12,840 | 13,041 |
| Grants and contracts | 3 | 171,812 | 582,552 | 754,364 | 501,774 |
| <i>Investment income:</i> | | | | | |
| Bank interest | 4 | 1,042 | - | 1,042 | 1,441 |
| Total income | | 185,694 | 806,481 | 992,175 | 739,194 |
| Expenditure | | | | | |
| <i>Expenditure on charitable activities</i> | | | | | |
| Others | 5, 14 | 148,536 | 715,932 | 864,467 | 673,447 |
| Total expenditure | | 148,536 | 715,932 | 864,467 | 673,447 |
| Net income / (expenditure) and net movements in funds for the year before transfers | | | | | |
| | | 37,158 | 90,550 | 127,707 | 65,747 |
| Transfer between funds | 14 | - | - | - | - |
| Net movements of funds | | 37,158 | 90,550 | 127,707 | 65,747 |
| Reconciliation of funds: | | | | | |
| Total funds, brought forward | | 672,728 | 262,011 | 934,739 | 868,992 |
| Total funds, carried forward | | 709,886 | 352,561 | 1,062,446 | 934,739 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 13 to 24 form part of these accounts.


NUCLEUS COMMUNITY ACTION LIMITED


BALANCE SHEET AS AT 31ST MARCH 2021

| | Notes | 2021 | 2020 |
|---------------------------------------|-------|------------------|----------------|
| | | £ | £ |
| Fixed assets | | | |
| Tangible fixed assets | 10 | 333,218 | 342,348 |
| Current assets | | | |
| Debtors | 11 | 96,300 | 111,244 |
| Cash at bank and in hand | | 780,459 | 574,145 |
| | | <u>876,759</u> | <u>685,389</u> |
| Liabilities | | | |
| Creditors falling due within one year | 12 | 147,531 | 92,998 |
| | | | |
| Net current assets | | 729,228 | 592,391 |
| Net assets | | <u>1,062,446</u> | <u>934,739</u> |
| | | | |
| The funds of the charity | | | |
| Unrestricted funds: | | | |
| General | 14 | 362,886 | 490,728 |
| Designated | 14 | 347,000 | 182,000 |
| Restricted funds | 14 | 352,561 | 262,011 |
| Total charity funds | | <u>1,062,446</u> | <u>934,739</u> |

The Trustees have prepared accounts in accordance with Section 398 of the Companies Act 2006 and Section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These accounts were approved by the Board of Directors and Trustees on 31 January 2022 and were signed on its behalf by:


 Chairman
Alan Murdie


 Treasurer
John Roy Hiscock

Company Number 1202541

The notes on pages 13 to 24 form part of these accounts.

NUCLEUS COMMUNITY ACTION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2021

| | 2021 £ | 2020 £ |
|---|-----------------------|-----------------------|
| Net cash (used in)/generated from operating activities | <u>205,273</u> | <u>(117,411)</u> |
| Cash flows from investing activities | | |
| Purchase of tangible fixed assets | - | - |
| Interest received | 1,042 | 1,441 |
| Interest paid | - | (95) |
| Cash (used in) / generated by investing activities | <u>1,042</u> | <u>1,346</u> |
| Repayment of bank loans | - | (8,146) |
| Cash (used in) / generated in financing activities | <u>-</u> | <u>(8,146)</u> |
| Change in cash & cash equivalents in the year | <u>206,314</u> | <u>(124,211)</u> |
| Cash & cash equivalents at the beginning of the year | 574,145 | 698,356 |
| Total cash & cash equivalents at the end of the year | <u><u>780,459</u></u> | <u><u>574,145</u></u> |

The notes on pages 13 to 24 form part of these accounts.

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2021

1. ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

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

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

Nucleus Community Action Limited meets the definition of a public benefit entity under FRS 102.

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

1.2 Preparation of accounts on a going concern basis

The Charity's financial statements show net income of £127,707 for the year and free reserves excluding designated funds of £362,886. The trustees are of the view that these results and fundraising plans have secured the immediate future of the charity for the next 12 months and on this basis the charity is a going concern.

1.3 Income recognition

Income is recognised when the charitable company has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and amount can be measured reliably.

- Income received by way of grants, donations and legacies are included in full in the Statement of Financial Activities when received, unless they relate to a specified future period, in which case they are deferred.
- Income from charitable activities received by way of revenue grants and donations are credited to restricted incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.
- Grants, donations and legacies of general nature which are not conditional on delivering certain levels of service are included as part of Grants, Donations and Legacies as shown under note 2 and 3.
- Income from activities includes income recognised as earned (as related to goods and services provided) under contract. Share of clients compensation income are recognised when the compensation have been received.
- Investment income is included when receivable.

1.4 Volunteers and donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refers to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. No such donations were received during the year.

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2021

1.5 Expenditure recognition and irrecoverable VAT

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.

Expenditure is classified under the following activity headings:

- (a) Cost of raising funds comprises costs of seeking donations and legacies, costs related to property rentals and their associated support costs.
- (b) Expenditure on charitable activities include expenditure associated with the main objectives of the charity and include both direct costs and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Following the audit of financial statements for the year ended 31 March 2021, it has been agreed by the Trustees that some expenditure would be more accurately presented under different headings. Note 5 and 6 have been amended to this effect and the prior year's information has been reclassified for comparability.

1.6 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 7.

1.7 Fund structures

The general fund comprises those monies, which may be used toward meeting the charitable objectives of the company at the discretion of the Management Board.

The designated fund comprise of general fund set aside to be used for a specific purpose as agreed by the Trustees. These fund can be reallocated back to general fund on the agreement of the Trustees when the fund is no longer needed for their particular purpose.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor imposed conditions.

1.8 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases.

| | | |
|------------------------------|---|------------------|
| Leasehold land and buildings | = | 2% per annum |
| Plant and equipment | = | 25-50% per annum |
| Fixtures and fittings | = | 25% per annum |

1.9 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and wherever there is an indication that the asset maybe impaired.

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2021

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 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 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.

Basic financial assets

Basic financial assets, which include 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 financial 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.

Based financial liabilities

Basic financial liabilities, including creditors and bank loans, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are de-recognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the Statement of Financial Activities on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease assets are consumed.

1.13 Employee benefits

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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination of benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefits schemes are charged as an expense as they fall due.

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2021

1.15 Taxation

The charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1.16 Judgement and key sources of estimation uncertainty

In the application of the charity's accounting policies, the charity is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlining assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2. DONATIONS AND LEGACIES

| | Unrestricted £ | Restricted £ | 2021 £ | 2020 £ |
|---|-------------------|-----------------|-----------|-----------|
| Grant received from Royal Borough of Kensington & Chelsea | - | 223,929 | 223,929 | 222,938 |
| | - | 223,929 | 223,929 | 222,938 |
| | - | 223,929 | 223,929 | 222,938 |

The grant income in 2020 totalling £222,938 was attributed to restricted funds and £nil to unrestricted funds.

3. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted £ | Restricted £ | 2021 £ | 2020 £ |
|--|-------------------|-----------------|-----------|-----------|
| Performance related grants | 128,297 | 582,552 | 710,849 | 462,562 |
| Clients compensation | 43,515 | - | 43,515 | 39,212 |
| | 171,812 | 582,552 | 754,364 | 501,774 |
| <i>Performance related grants</i> | | | | |
| London Borough of Ealing | 128,297 | - | 128,297 | 122,415 |
| Toynbee Hall | - | 135,797 | 135,797 | 67,685 |
| Campden Charities | - | 55,440 | 55,440 | 56,700 |
| Oak Foundation | - | 117,106 | 117,106 | 119,481 |
| Trust for London | - | 87,500 | 87,500 | 35,000 |
| Covid-19 related grants | | | | |
| Toynbee Hall | - | 44,232 | 44,232 | - |
| Access to Justice | - | 45,400 | 45,400 | - |
| RBKC - Homelessness | - | 28,045 | 28,045 | - |
| City of London | - | 14,372 | 14,372 | - |
| National Lottery | - | 48,660 | 48,660 | - |
| CAF Coronavirus Emergency Fund | - | 6,000 | 6,000 | - |
| City Bridge Trust | - | - | - | 8,167 |
| Money Project - Natwest | - | - | - | 12,500 |
| RBS Skills and Opportunities | - | - | - | 24,695 |
| EDF Energy | - | - | - | 15,919 |
| | 128,297 | 582,552 | 710,849 | 462,562 |
| | 128,297 | 582,552 | 710,849 | 462,562 |

Income from charitable activities in 2020 totalling £462,562 was attributed to unrestricted funds of £138,334 and restricted funds of £324,228.

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2021

4. INVESTMENT INCOME

Interest receivable for the year totalled to £1,042 (2020 - £1,441). Interest income for both years attributed to unrestricted fund.

5. ANALYSIS OF EXPENDITURE

| | Debt Counselling and others £ | 2021 £ | 2020 £ |
|---|--|-------------------|-------------------|
| Staff costs | 635,510 | 635,510 | 475,450 |
| Staff and volunteer training and expenses | 8,204 | 8,204 | 20,093 |
| Communications | 35,521 | 35,521 | 11,305 |
| Equipment rental | 3,999 | 3,999 | 2,322 |
| Subscriptions and Insurance | 11,094 | 11,094 | 10,982 |
| Computer and websites | 10,800 | 10,800 | 10,980 |
| Depreciation | 9,130 | 9,130 | 10,619 |
| Loss on fraudulent activity recovered plus interest | (34,542) | (34,542) | - |
| Loss due to fraudulent activity on charity's bank account | - | - | 30,995 |
| Support costs (Note 6) | 176,951 | 176,951 | 88,314 |
| Governance costs (Note 6) | 7,800 | 7,800 | 12,387 |
| | <u>864,467</u> | <u>864,467</u> | <u>673,447</u> |

Of the £864,467 expenditure in 2021 (2020 - £673,447), £148,536 was charged to general funds (2020 - £236,579) and £715,932 to restricted funds (2020 - £436,868).

6. SUPPORT COSTS

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between charity's key activity undertaken (see note 5) in the year. All the general support and governance costs have been apportioned to the various charitable activities on the basis of staff time allocated to each activity.

| | General Support £ | Governance Function £ | 2021 £ | 2020 £ |
|---------------------------------|----------------------------------|--------------------------------------|-------------------|-------------------|
| Office expenses and supplies | 8,796 | - | 8,796 | 9,860 |
| Marketing | 10,784 | - | 10,784 | 10,037 |
| Premises and equipment costs | 98,697 | - | 98,697 | 41,163 |
| Computer consumables | 7,577 | - | 7,577 | 9,878 |
| Fundraising | 39,827 | - | 39,827 | 2,400 |
| Legal and professional costs | 575 | - | 575 | 1,827 |
| Subscriptions and Insurance | - | - | - | 1,559 |
| Bookkeeping | 3,265 | - | 3,265 | 5,885 |
| Bank charges | 216 | - | 216 | 225 |
| Loan interests | - | - | - | 95 |
| Sundry | 7,215 | - | 7,215 | 5,385 |
| Audit fees | - | 7,800 | 7,800 | 9,050 |
| Management committee's expenses | - | - | - | 927 |
| Consultancy | - | - | - | 2,410 |
| | <u>176,951</u> | <u>7,800</u> | <u>184,751</u> | <u>100,701</u> |

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2021

7. NET INCOME / (EXPENDITURE) FOR THE YEAR

| | | |
|--|-------------|-------------|
| This is stated after charging: | 2021 | 2020 |
| | £ | £ |
| Depreciation of tangible fixed assets | 9,130 | 10,619 |
| Auditors' remuneration – current year audit | 7,800 | 7,200 |
| Auditors' remuneration – previous year audit | - | 1,850 |
| | - | 1,850 |

8. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES, AND COST OF KEY MANAGEMENT PERSONNEL

| | | |
|----------------------|-------------|-------------|
| | 2021 | 2020 |
| | £ | £ |
| Salaries | 563,480 | 417,241 |
| National Insurance | 55,499 | 41,533 |
| Pension contribution | 16,172 | 12,490 |
| | 635,151 | 471,264 |

No employee had employee benefits in excess of £60,000 (2020 - nil).

The aggregate remuneration and employee benefits payable to Key Management Personnel in the year totalled to £59,803 (2020 - £58,857).

No trustee or person connected therewith received any remuneration or benefits from the charity during the year.

One trustee was reimbursed expenses of £567 (2020 - £1,222).

9. STAFF NUMBERS

The average number of full- time equivalent employees (including casual and part-time staff) was as follows:

| | | |
|----------------|-------------|-------------|
| | 2021 | 2020 |
| Advice | 17 | 12 |
| Administration | 2 | 2 |
| | 19 | 14 |

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2021

10. TANGIBLE FIXED ASSETS

| | Leasehold land and buildings £ | Plant and equipment £ | Fixtures and fittings £ | Total £ |
|------------------------|---|--------------------------------------|--|--------------------|
| COST | | | | |
| As at 1st April 2020 | 486,757 | 42,427 | 61,796 | 590,980 |
| Disposals | - | - | - | - |
| As at 31st March 2021 | <u>486,757</u> | <u>42,427</u> | <u>61,796</u> | <u>590,980</u> |
| DEPRECIATION | | | | |
| As at 1st April 2020 | 144,409 | 42,427 | 61,796 | 248,632 |
| Charge for the year | 9,130 | - | - | 9,130 |
| Disposals | - | - | - | - |
| As at 31st March 2021 | <u>153,539</u> | <u>42,427</u> | <u>61,796</u> | <u>257,762</u> |
| NET BOOK VALUES | | | | |
| As at 31st March 2021 | <u>333,218</u> | <u>-</u> | <u>-</u> | <u>333,218</u> |
| As at 31st March 2020 | <u>342,348</u> | <u>-</u> | <u>-</u> | <u>342,348</u> |

11. DEBTORS

| | 2021 £ | 2020 £ |
|--------------------------------|-------------------|-------------------|
| Trade debtors | 61,938 | 102,445 |
| Other debtors | 53 | 9 |
| Prepayments and accrued income | 34,309 | 8,790 |
| | <u>96,300</u> | <u>111,244</u> |

12. CREDITORS: amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------------|-------------------|-------------------|
| Other taxation and social security | 31,068 | 19,776 |
| Trade creditors | 28,849 | 13,421 |
| Other creditors | 85,170 | 57,356 |
| Accruals and deferred income | 2,444 | 2,445 |
| | <u>147,531</u> | <u>92,998</u> |

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2021

13. DEFERRED INCOME

| | 2021 | 2020 |
|---------------------------------------|----------|-----------|
| | £ | £ |
| Balance as at 1st April | - | 144,111 |
| Amount released to income in the year | - | (144,111) |
| Amount deferred in the year | - | - |
| Balance as at 31st March | <u>-</u> | <u>-</u> |

There is no deferred income as at the year end. Previous year's deferred income relates to grant income relating to period after year end.

14. MOVEMENT IN FUNDS

| | Balance as at 01.04.20 | Income | Expenditure | Transfers | Balance as at 31.03.21 |
|--------------------------------|---------------------------|----------------|------------------|----------------|---------------------------|
| | £ | £ | £ | £ | £ |
| RESTRICTED FUNDS: | | | | | |
| Redundancy | 857 | - | - | - | 857 |
| Debt Counselling | 255,420 | 532,272 | (531,659) | - | 256,033 |
| City Bridge Money project | 5,734 | - | (4,917) | - | 817 |
| Trust for London | - | 87,500 | (87,500) | - | (0) |
| Covid-19 related grants | | | | | |
| Toynbee Hall | - | 44,232 | (2,632) | - | 41,600 |
| Access to Justice | - | 45,400 | (31,424) | - | 13,976 |
| Kensington+Chelsea Foundation | - | 28,045 | (10,308) | - | 17,737 |
| City of London | - | 14,372 | (2,565) | - | 11,807 |
| National Lottery | - | 48,660 | (38,927) | - | 9,733 |
| CAF Coronavirus Emergency Fund | - | 6,000 | (6,000) | - | - |
| | <u>262,011</u> | <u>806,481</u> | <u>(715,932)</u> | <u>-</u> | <u>352,561</u> |
| DESIGNATED FUNDS : | | | | | |
| Staff contingency fund | 120,000 | - | - | 65,000 | 185,000 |
| Building maintenance | 30,000 | - | - | 55,000 | 85,000 |
| Furniture and equipment | 12,000 | - | - | - | 12,000 |
| Computer development | 20,000 | - | - | - | 20,000 |
| New office fund | - | - | - | 45,000 | 45,000 |
| | <u>182,000</u> | <u>-</u> | <u>-</u> | <u>165,000</u> | <u>347,000</u> |
| GENERAL FUNDS: | 490,728 | 185,694 | (148,536) | (165,000) | 362,886 |
| Total unrestricted funds | <u>672,728</u> | <u>185,694</u> | <u>(148,536)</u> | <u>-</u> | <u>709,886</u> |
| Total funds | <u>934,739</u> | <u>992,175</u> | <u>(864,467)</u> | <u>-</u> | <u>1,062,446</u> |

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2021

14. MOVEMENT IN FUNDS (CONTINUED)

Movement in funds – previous year

| | Balance as 01.04.19 £ | Income £ | Expenditure £ | Transfers £ | Balance as 31.03.20 £ |
|---------------------------|-----------------------------|----------------|------------------|----------------|-----------------------------|
| RESTRICTED FUNDS: | | | | | |
| Redundancy | 857 | - | - | - | 857 |
| Debt Counselling | 154,899 | 491,499 | (390,978) | - | 255,420 |
| City Bridge Money project | 2,418 | 20,667 | (17,351) | - | 5,734 |
| Garfield Weston | 10,000 | - | (10,000) | - | - |
| Trust for London | - | 35,000 | (35,000) | - | - |
| | <u>168,174</u> | <u>547,166</u> | <u>(453,329)</u> | <u>-</u> | <u>262,011</u> |
| DESIGNATED FUNDS : | | | | | |
| Staff contingency fund | 120,000 | - | - | - | 120,000 |
| Building maintenance | 30,000 | - | - | - | 30,000 |
| Furniture and equipment | 12,000 | - | - | - | 12,000 |
| Computer development | 20,000 | - | - | - | 20,000 |
| | <u>182,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>182,000</u> |
| GENERAL FUNDS: | 518,818 | 192,028 | (220,118) | - | 490,728 |
| Total unrestricted funds | <u>700,818</u> | <u>192,028</u> | <u>(220,118)</u> | <u>-</u> | <u>672,728</u> |
| Total funds | <u>868,992</u> | <u>739,194</u> | <u>(673,447)</u> | <u>-</u> | <u>934,739</u> |

Description, nature and purpose of restricted funds:

Redundancy:

This is leftover grant received from Housing to be used for the purpose of redundancy payments and staffing costs.

Debt Counselling:

Debt counselling project is funded by grants received from Campden Charities, Toynbee Hall, Oak Foundation and the Royal Borough of Kensington and Chelsea. Debt counselling is one of the main activities of the Charity over the last few years for clients facing evictions, forced bankruptcy and severe poverty.

City Bridge Money Project:

Grants from City Bridge and Natwest are restricted to be used specifically for advice and activities related to personal budgeting and money management. The project was initially for a period of three years (to May 2020) but was extended during the year under the grant from Natwest/Royal Bank of Scotland.

Trust for London:

Grant received to be used as contribution towards the Charity's self funding tribunal project. The grant is for the period of three years on a diminishing basis over three years and at the end of the term the project will be self funding.

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2021

Covid-19 related grants:

(1) Toynbee Hall:

Sub-grant is awarded to deliver Debt Advice Capacity 2020.

(2) Access to Justice:

This fund was for specialist advice agencies to improve access to tribunal and courts.

(3) Kensington+Chelsea Foundation:

Grant has been awarded to support housing advice and support service over the next 12 months of the pandemic.

(4) City of London:

Grant has been awarded to fund the essential and urgent costs during the pandemic so as to carry on providing support to Londoners.

(5) National Lottery:

The funding received will be used to deliver activities specifically aimed to support communities through the COVID-19 crisis.

(6) CAF Coronavirus Emergency Fund:

Grant received is to be used for charitable purposes only to continue organisation's core work or Covid-19 emergency response activities during the current health emergency.

Description, nature and purpose of unrestricted funds:

General funds:

General fund represents funds available to spend at the discretion of the Trustees after allowing for all the designated funds.

Designated fund

General funds set aside to be used for a specific purpose as agreed by the Trustees. These funds can be reallocated back to general fund on the agreement of the Trustees when the funds are no longer needed for their particular purpose. Funds have been designated for four purpose as follows :

- Staff Contingent
- Building maintenance
- Furniture and equipment
- Computer development
- New office

No spending was made from designated fund during the year. A further £165,000 was designated in the year to cover additional anticipated future costs.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted £ | Restricted £ | Total £ |
|------------------------------------|-------------------|-----------------|------------------|
| Tangible fixed assets | 333,218 | - | 333,218 |
| Net current assets / (liabilities) | 376,667 | 352,561 | 729,228 |
| | <u>709,885</u> | <u>352,561</u> | <u>1,062,446</u> |

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2021

Analysis of fund balances between net assets – previous year

| | Unrestricted £ | Restricted £ | Total £ |
|------------------------------------|-------------------|-----------------|----------------|
| Tangible fixed assets | 342,348 | - | 342,348 |
| Net current assets / (liabilities) | 330,380 | 262,011 | 592,391 |
| | <u>672,728</u> | <u>262,011</u> | <u>934,739</u> |

16. RECONCILIATION OF NET MOVEMENTS IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

| | 2021 £ | 2020 £ |
|---|----------------|------------------|
| Net movement in funds | 127,707 | 65,747 |
| Investment income | (1,042) | (1,441) |
| Finance cost | - | 95 |
| Add back depreciation | 9,130 | 10,619 |
| Decrease / (Increase) in debtors | 14,944 | 11,969 |
| Increase / (Decrease) in creditors | 54,533 | (204,400) |
| Net cash generated / used in operating activities | <u>205,273</u> | <u>(117,411)</u> |

17. PENSION COSTS

The charity operated an occupational pension scheme under NEST, for all its qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Pension payable for the year totalled to £16,172 (2020 - £12,490). For some staffs not subscribed to the company's pension scheme, contributions are paid into their personal pension schemes. At the year end, contribution of £nil (2020 - £nil) was due.

18. SHARE CAPITAL

The charity is constituted as a company limited by guarantee without share capital.

19. RELATED PARTY TRANSACTIONS

There was no other related party transaction apart from those report in Note 8 to these financial statements.

20. OPERATING LEASE COMMITMENTS

At the reporting end date, the charity had outstanding commitments for future minimum lease payments under non cancellable operating leases as follows:

| | 2020 £ | 2019 £ |
|----------------------------|----------------|-----------|
| Within one year | 35,300 | - |
| Between one and five years | 85,308 | - |
| | <u>120,608</u> | <u>-</u> |

NUCLEUS COMMUNITY ACTION LIMITED

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2021

21. Post balance sheet events

During the year, the Coronavirus (COVID-19) pandemic had spread globally resulting in a significant impact on organisations worldwide. As a result, some organisation operations have been restricted. The Charity continues to operate using alternative methods and amend its working practices as appropriate.

The trustees are unable to evaluate the overall financial impact on the Charity at present. Hence financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The trustees are continuing to monitor, assess and act to the current changing environment in order to position the Charity to ensure its future success, as outlined on page 4 of the trustees' report.