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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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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 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

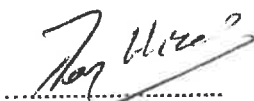
	Notes	2024	2023
Fixed assets			
Tangible fixed assets	10	305,828	314,958
Current assets			
Debtors	11	22,894	51,967
Cash at bank and in hand		877,306	715,381
		<u>900,200</u>	<u>767,348</u>
Liabilities			
Creditors falling due within one year	12	255,657	224,814
		<u>644,544</u>	<u>542,534</u>
Net current assets		<u>950,372</u>	<u>857,492</u>
		=====	=====
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>
		=====	=====

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)
Cash flows from investing activities			
Purchase of tangible fixed assets			-
Interest received		11,429	6,784
Interest paid		0	
Cash (used in)/generated by investing activities		11,429	6,784
Change in cash and cash equivalents in the year		161,924	(136,853)
Cash and cash equivalents at the beginning of the year		715,381	852,234
Cash and cash equivalents at the end of the year		877,306	715,381

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 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).

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 £	Governan- ce 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)
In the range £60,001-£70,000

2024	2023
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).