

**Nudge Community Builders**

**Annual Report and Unaudited Financial Statements  
Period from 1 April 2018 to 31 December 2018**

**Registration number: RS007632**

Draft

# Nudge Community Builders

## Contents

Directors' Report	1 to 2
Profit and Loss Account	3
Balance Sheet	4 to 5
Notes to the Financial Statements	6 to 9
Non-statutory pages	10 to 11
Accountants' Report	12

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# **Nudge Community Builders**

## **Directors' Report**

**Period from 1 April 2018 to 31 December 2018**

The directors present their report and the financial statements for the period from 1 April 2018 to 31 December 2018.

### **Directors of the company**

The directors who held office during the period were as follows:

Wendy Hart

Hannah Sloggett

Milos Ebre

Andrew Downey

Patrick Knight

Susan Johns

Lizzie Guest

Doc Price

### **Objectives**

The Society is formed for the benefit of the community in the city of Plymouth and the surrounding area.

The Objects of the Society are to further the social, economic and/or environmental interest of people who lived and/or have worked, or who now live and/or work, or who want to live and/or work, in the area benefit by some or all of the following means:

- a. Promoting, facilitating, supporting and developing community-led initiatives aimed at regenerating the area of benefit, including but not limited to housing, property development, community facilities, community businesses and renewable energy.
- b. Providing information, advice, assistance, training, support, facilities, amenities and service incidental to the provision and promotion of community-led regeneration initiatives.
- c. Promoting arts and culture in the area of benefit.
- d. Relieving poverty and hardship in whatever ways the directors think fit, and
- e. Carrying out any other activity that the directors consider would be the social, economic and environmental interests of the area of benefit.

# Nudge Community Builders

## Directors' Report

Period from 1 April 2018 to 31 December 2018

### Business Review

These accounts show trading activity since Nudge started from 4th Sept - March 18 and from April to Dec for our shareholder members to review activity at our first shareholder AGM in April 2019. Subsequent financial years will be presented each calendar year and following the AGM we will change our accounting year end with the FCA.

During our first 6 months of trading we made a loss of £8,118 due to business rates on the Clipper based on it being a 24 hour pub. We received a refund of business rates in July 2018.

During the following 9 months Nudge broke-even.

We had consultancy income of £16,000 (compared to 9 months anticipated income of £26,250) but had £10,000 income from the trade-up programme with SSE.

We achieved our anticipated trading income for the retail units in the Clipper opening for 3 days per week. We expect to complete the flat refurbishment at the end of summer 2019, renting them out and increasing the opening hours at The Clipper to up to 6 days per week.

### Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the Co-operative and Community Benefit Societies Act 2014.

Approved by the Board on ..... and signed on its behalf by:

.....  
Wendy Hart  
Director

.....  
Hannah Sloggett  
Director

## Nudge Community Builders

### Profit and Loss Account

Period from 1 April 2018 to 31 December 2018

	Note	31 December 2018 £	31 March 2018 £
Turnover		20,321	19,320
Cost of sales		<u>(65,405)</u>	<u>(32,344)</u>
Gross loss		(45,084)	(13,024)
Administrative expenses		(23,731)	(11,076)
Other operating income		<u>75,374</u>	<u>16,762</u>
Operating profit/(loss)		<u>6,559</u>	<u>(7,338)</u>
Interest payable and similar expenses		<u>(2,913)</u>	<u>(680)</u>
		<u>(2,913)</u>	<u>(680)</u>
Profit/(loss) before tax		<u>3,646</u>	<u>(8,018)</u>
Profit/(loss) for the financial period		<u><u>3,646</u></u>	<u><u>(8,018)</u></u>

# Nudge Community Builders

## Balance Sheet

31 December 2018

	Note	31 December 2018 £	31 March 2018 £
<b>Fixed assets</b>			
Tangible assets	4	157,500	126,606
<b>Current assets</b>			
Debtors	5	2,904	420
Cash at bank and in hand		<u>165,498</u>	<u>44,886</u>
		168,402	45,306
<b>Creditors: Amounts falling due within one year</b>	6	<u>(63,524)</u>	<u>(94,930)</u>
<b>Net current assets/(liabilities)</b>		<u>104,878</u>	<u>(49,624)</u>
<b>Total assets less current liabilities</b>		262,378	76,982
<b>Creditors: Amounts falling due after more than one year</b>	6	<u>(266,750)</u>	<u>(85,000)</u>
<b>Net liabilities</b>		<u>(4,372)</u>	<u>(8,018)</u>
<b>Capital and reserves</b>			
Profit and loss account		<u>(4,372)</u>	<u>(8,018)</u>
<b>Total funds</b>		<u>(4,372)</u>	<u>(8,018)</u>

# Nudge Community Builders

## Balance Sheet

31 December 2018

For the financial period ending 31 December 2018 the Community Benefit Society was entitled to exemption from audit under the Co-operative and Community Benefit Societies Act 2014.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared and delivered in accordance with the special provisions relating to the Co-operative and Community Benefit Societies Act 2014.

Approved and authorised by the Board on ..... and signed on its behalf by:

.....  
Wendy Hart  
Director

.....  
Hannah Sloggett  
Director

Company Registration Number: RS007632

# Nudge Community Builders

## Notes to the Financial Statements

Period from 1 April 2018 to 31 December 2018

### 1 General information

The Community Benefit Society is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Union Corner  
96 Union Street  
Plymouth  
PL1 3EZ

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Community Benefit Society's activities. Turnover is shown net of value added tax, returns, rebates and discounts and after eliminating sales within the company.

The Community Benefit Society recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the Community Benefit Society's activities.

#### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold property	Not Depreciated
Plant and machinery	25% Reducing balance

# Nudge Community Builders

## Notes to the Financial Statements

Period from 1 April 2018 to 31 December 2018

### Financial instruments

#### Classification

The Community Benefit Society holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Cash and bank balances.

All financial instruments are classified as basic.

#### Recognition and measurement

The Community Benefit Society has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the Community Benefit Society becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

### 3 Staff numbers

The average number of persons employed by the Community Benefit Society (including directors) during the period, was 3 (2018 - 3).

### 4 Tangible assets

	Land and buildings £	Other property, plant and equipment £	Total £
<b>Cost or valuation</b>			
At 1 April 2018	122,519	5,449	127,968
Additions	28,405	4,681	33,086
At 31 December 2018	150,924	10,130	161,054
<b>Depreciation</b>			
At 1 April 2018	-	1,362	1,362
Charge for the period	-	2,192	2,192
At 31 December 2018	-	3,554	3,554
<b>Carrying amount</b>			
At 31 December 2018	150,924	6,576	157,500
At 31 March 2018	122,519	4,087	126,606

# Nudge Community Builders

## Notes to the Financial Statements

Period from 1 April 2018 to 31 December 2018

Included within the net book value of land and buildings above is £150,924 (2018 - £122,519) in respect of freehold land and buildings.

### 5 Debtors

	31 December 2018 £	31 March 2018 £
Trade debtors	1,519	420
Other debtors	1,250	-
Prepayments	135	-
	<u>2,904</u>	<u>420</u>

### 6 Creditors

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

	Note	31 December 2018 £	31 March 2018 £
<b>Due within one year</b>			
Loans and borrowings	7	-	35,000
Trade creditors		24	-
Other creditors		200	-
Accrued expenses		3,300	1,300
Deferred income		60,000	58,630
		<u>63,524</u>	<u>94,930</u>

#### Creditors: amounts falling due after more than one year

	Note	31 December 2018 £	31 March 2018 £
<b>Due after one year</b>			
Loans and borrowings	7	60,000	85,000
Community shares		206,750	-
		<u>266,750</u>	<u>85,000</u>

# Nudge Community Builders

## Notes to the Financial Statements

Period from 1 April 2018 to 31 December 2018

### 7 Loans and borrowings

	31 December 2018 £	31 March 2018 £
<b>Loans and borrowings due after one year</b>		
Other borrowings	<u>60,000</u>	<u>85,000</u>
<b>Current loans and borrowings</b>		
Other borrowings	<u>-</u>	<u>35,000</u>

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# Nudge Community Builders

## Detailed Profit and Loss

Period from 1 April 2018 to 31 December 2018

	1 April 2018 to 31 December 2018 £	4 September 2017 to 31 March 2018 £
<b>Turnover</b>		
Consultancy	16,000	19,320
Sales	4,321	-
	<u>20,321</u>	<u>19,320</u>
<b>Cost of sales</b>		
Direct costs	7,464	3,523
Wages and salaries	57,941	200
Consultancy	-	28,571
Staff training	-	50
	<u>(65,405)</u>	<u>(32,344)</u>
<b>Gross loss</b>	<u>(45,084)</u>	<u>(13,024)</u>
<b>Administrative expenses</b>		
Rent and rates	(6,845)	8,150
Light, heat and power	1,106	-
Insurance	1,927	-
Repairs and maintenance	5,475	213
Telephone	470	-
Printing, postage and stationery	107	-
Subscriptions	45	50
Sundry expenses	691	-
Cleaning	551	-
Travel and subsistence	659	-
Advertising and marketing	4,066	-
Accountancy fees	3,225	1,300
Consultancy fees	215	-
Legal and professional fees	3,117	-
Crowdfunder fees	6,681	-
Bank charges	49	1
Depreciation of plant and machinery	2,192	1,362
	<u>(23,731)</u>	<u>(11,076)</u>
<b>Other operating income</b>		
Grants received	75,374	16,762
	<u>6,559</u>	<u>(7,338)</u>
<b>Operating profit/(loss)</b>		
	<u>6,559</u>	<u>(7,338)</u>
<b>Interest payable and similar charges</b>		
Interest expense on other finance liabilities	(2,913)	(680)

This page does not form part of the statutory financial statements.

## Nudge Community Builders

### Detailed Profit and Loss

Period from 1 April 2018 to 31 December 2018

	1 April 2018 to 31 December 2018 £	4 September 2017 to 31 March 2018 £
Profit/(loss) before tax	<u>3,646</u>	<u>(8,018)</u>

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# Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited Statutory Accounts of Nudge Community Builders

## Period Ended 31 December 2018

In order to assist you to fulfil your duties under the Co-operative and Community Benefit Societies Act 2014, we have prepared for your approval the accounts of Nudge Community Builders for the period ended 31 December 2018 as set out on pages 3 to 9 from the Community Benefit Society's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/membership/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors and Member of Nudge Community Builders, as a body, in accordance with the terms of our engagement letter dated 13 December 2018. Our work has been undertaken solely to prepare for your approval the accounts of Nudge Community Builders and state those matters that we have agreed to state to the Board of Directors of Nudge Community Builders, as a body and by the members at the AGM, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Nudge Community Builders and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Nudge Community Builders has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Nudge Community Builders. You consider that Nudge Community Builders is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit or a review of the accounts of Nudge Community Builders. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

.....  
Francis Clark LLP  
North Quay House  
Sutton Harbour  
Plymouth  
PL4 RA

Date:.....