

**Nudge Community Builders**

**Annual Report and Unaudited Financial Statements  
Year Ended 31 March 2020**

**Registration number: RS007632**

# **Nudge Community Builders**

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# Nudge Community Builders

## Directors' Report

Year Ended 31 March 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

### Society Status

The Society is incorporated with Limited Liability under the Co-operative and Community Benefit Societies Act 2014.

### Directors of the society

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

Wendy Hart

Hannah Sloggett

Milos Ebre (ceased 31 May 2019)

Patrick Knight

Susan Johns

Lizzie Guest (ceased 31 January 2020)

Doc Price (ceased 30 April 2019)

Mary Embleton (appointed 1 May 2019)

Andi Higginson (appointed 1 May 2019)

### Objectives

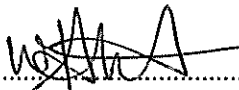
The Society was formed for the benefit of the community in the city of Plymouth and the surrounding area. The Objects of the Society are to further the social, economic and/or environmental interest of people who have lived and/or have worked, or who now live and/or work, or who want to live and/or work,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

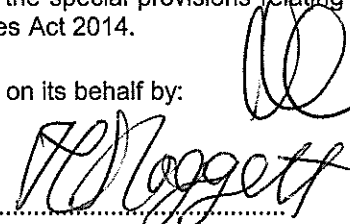
- a. Promoting, facilitating, supporting and developing community-led initiatives aimed at regenerating the area of benefit, including but not limited to housing, property development, community facilities, community businesses and renewable energy.
- b. Providing information, advice, assistance, training, 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 in the social, economic and environmental interests of the area of benefit.

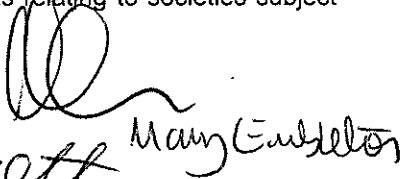
### Small societies provision statement

This report has been prepared in accordance with the special provisions relating to societies 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

  
Mary Embleton

## Nudge Community Builders

### Profit and Loss Account

Year Ended 31 March 2020

	31 March 2020 £	31 March 2019 £
Turnover	32,505	22,343
Cost of sales	<u>(124,066)</u>	<u>(85,962)</u>
Gross loss	(91,561)	(63,619)
Administrative expenses	(52,125)	(40,135)
Other operating income	<u>146,761</u>	<u>118,499</u>
Operating profit	<u>3,075</u>	<u>14,745</u>
Interest payable and similar expenses	<u>(4,680)</u>	<u>(2,913)</u>
	<u>(4,680)</u>	<u>(2,913)</u>
(Loss)/profit before tax	(1,605)	11,832
Taxation	<u>(717)</u>	<u>(1,140)</u>
(Loss)/profit for the financial year	<u><u>(2,322)</u></u>	<u><u>10,692</u></u>

## Nudge Community Builders

### Balance Sheet

31 March 2020

	Note	31 March 2020 £	31 March 2019 £
<b>Fixed assets</b>			
Tangible assets	4	253,965	155,749
<b>Current assets</b>			
Debtors	5	22,814	3,848
Cash at bank and in hand		<u>20,113</u>	<u>163,712</u>
		42,927	167,560
<b>Creditors: Amounts falling due within one year</b>	6	<u>(55,183)</u>	<u>(52,745)</u>
<b>Net current (liabilities)/assets</b>		<u>(12,256)</u>	<u>114,815</u>
<b>Total assets less current liabilities</b>		241,709	270,564
<b>Creditors: Amounts falling due after more than one year</b>	6	(36,000)	(60,000)
<b>Provisions for liabilities</b>		<u>(1,857)</u>	<u>(1,140)</u>
<b>Net assets</b>		<u>203,852</u>	<u>209,424</u>
<b>Capital and reserves</b>			
Called up share capital	8	203,500	206,750
Profit and loss account		<u>352</u>	<u>2,674</u>
<b>Total equity</b>		<u>203,852</u>	<u>209,424</u>

The notes on pages 5 to 10 form an integral part of these financial statements.

# Nudge Community Builders

## Balance Sheet

31 March 2020

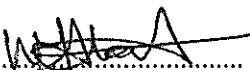
For the financial year ending 31 March 2020 the Community Benefit Society was entitled to exemption from audit under the Co-operative and Community Benefit Societies Act 2014.

### Directors' responsibilities:


- The members have not required the company to obtain an audit of its accounts for the year 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

  
Mary Eubanks.

Company Registration Number: RS007632

# **Nudge Community Builders**

## **Notes to the Unaudited Financial Statements**

**Year Ended 31 March 2020**

### **1 General information**

The Community Benefit Society is a registered society, 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.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Going concern**

The financial statements have been prepared on a going concern basis, which assumes that the entity will continue in operational existence for the foreseeable future.

# Nudge Community Builders

## Notes to the Unaudited Financial Statements

### Year Ended 31 March 2020

#### Changes in accounting policy

##### New standards, interpretations and amendments effective

The following have been applied for the first time from 1 April 2019 and have had an effect on the financial statements:

##### Depreciation

During the year the directors changed the depreciation policy for Freehold Property to 1% Reducing Balance (previously 2% Reducing Balance) as they felt this was more appropriate for the Freehold Property held.

	Relating to the current period disclosed in these financial statements	Relating to the prior period disclosed in these financial statements	Relating to periods before the prior period disclosed in these financial statements
	£	£	£
Fixed Assets	2,510	-	-
Depreciation of Freehold Property	<u>(2,510)</u>	<u>-</u>	<u>-</u>

##### 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 society.

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.

##### Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the society operates and generates taxable income.



# Nudge Community Builders

## Notes to the Unaudited Financial Statements

### Year Ended 31 March 2020

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### **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	1% Reducing balance
Plant and machinery	25% Reducing balance

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

#### **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 society'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 year, was 4 (2019 - 3).

## Nudge Community Builders

### Notes to the Unaudited Financial Statements

Year Ended 31 March 2020

#### 4 Tangible assets

	Land and buildings £	Other property, plant and equipment £	Total £
<b>Cost or valuation</b>			
At 1 April 2019	152,218	10,130	162,348
Additions	<u>101,845</u>	<u>700</u>	<u>102,545</u>
At 31 March 2020	<u>254,063</u>	<u>10,830</u>	<u>264,893</u>
<b>Depreciation</b>			
At 1 April 2019	3,045	3,554	6,599
Charge for the year	<u>2,510</u>	<u>1,819</u>	<u>4,329</u>
At 31 March 2020	<u>5,555</u>	<u>5,373</u>	<u>10,928</u>
<b>Carrying amount</b>			
At 31 March 2020	<u>248,508</u>	<u>5,457</u>	<u>253,965</u>
At 31 March 2019	<u>149,173</u>	<u>6,576</u>	<u>155,749</u>

Included within the net book value of land and buildings above is £248,508 (2019 - £149,173) in respect of freehold land and buildings.

#### 5 Debtors

	31 March 2020 £	31 March 2019 £
Trade debtors	15,209	2,668
Other debtors	3,855	1,090
Prepayments	<u>3,750</u>	<u>90</u>
	<u>22,814</u>	<u>3,848</u>

## Nudge Community Builders

### Notes to the Unaudited Financial Statements

Year Ended 31 March 2020

#### 6 Creditors

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

	Note	31 March 2020 £	2019 £
<b>Due within one year</b>			
Loans and borrowings	7	12,000	-
Trade creditors		-	4,442
Social security and other taxes		2,613	-
Other creditors		518	200
Accrued expenses		6,387	6,520
Deferred income		33,665	41,583
		<u>55,183</u>	<u>52,745</u>

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

	Note	31 March 2020 £	31 March 2019 £
<b>Due after one year</b>			
Loans and borrowings	7	<u>36,000</u>	<u>60,000</u>

## Nudge Community Builders

### Notes to the Unaudited Financial Statements

Year Ended 31 March 2020

#### 7 Loans and borrowings

	31 March 2020 £	31 March 2019 £
<b>Loans and borrowings due after one year</b>		
Other borrowings	<u>36,000</u>	<u>60,000</u>

	31 March 2020 £	31 March 2019 £
<b>Current loans and borrowings</b>		
Other borrowings	<u>12,000</u>	<u>-</u>

#### 8 Community shares

##### Allotted, called up and fully paid shares

	No.	31 March 2020 £	No.	31 March 2019 £
Community Shares of £1 each	<u>203,500</u>	<u>203,500</u>	<u>206,750</u>	<u>206,750</u>

The Society can issue Community Shares to its members in order to fund its business. Community Shares are not withdrawable except with written consent of the Society. The Society Board can pay interest up to a maximum of 3.6%. Community Shares do not have any voting rights.

#### 9 Financial commitments, guarantees and contingencies

##### Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £85,067 (2019 - £Nil), which relates to a ten year lease agreement at 80-84 Union Street (The Plot).

## Nudge Community Builders

### Detailed Profit and Loss

Year Ended 31 March 2020

	2020 £	2019 £
<b>Turnover</b>		
Consultancy	19,183	18,022
Sales	13,322	4,321
	<u>32,505</u>	<u>22,343</u>
<b>Cost of sales</b>		
Direct costs	21,065	8,148
Wages and salaries	103,001	77,814
	<u>(124,066)</u>	<u>(85,962)</u>
<b>Gross loss</b>	<u>(91,561)</u>	<u>(63,619)</u>
<b>Administrative expenses</b>		
Administrative expenses	52,125	40,135
<b>Other operating income</b>		
Rent receivable	3,060	-
Grants and subsidies receivable	143,701	118,499
	<u>146,761</u>	<u>118,499</u>
<b>Operating profit</b>	3,075	14,745
<b>Interest payable and similar charges</b>		
Interest expense on other finance liabilities	<u>(4,680)</u>	<u>(2,913)</u>
<b>(Loss)/profit before tax</b>	<u><u>(1,605)</u></u>	<u><u>11,832</u></u>

## Nudge Community Builders

### Detailed Profit and Loss

Year Ended 31 March 2020

	2020 £	2019 £
<b>Administration costs</b>		
Staff training	800	-
Rent and rates	6,110	(6,845)
Light, heat and power	4,934	2,297
Insurance	2,129	2,323
Repairs and maintenance	8,757	6,461
Telephone	898	728
Printing, postage and stationery	470	178
Subscriptions and software	760	317
Sundry expenses	89	789
Cleaning	1,776	778
Travel and subsistence	2,359	1,109
Advertising, marketing and events	12,389	6,508
Staff entertaining	428	326
Accountancy fees	2,780	6,420
Consultancy fees	(1,887)	3,547
Legal and professional fees	4,231	3,117
Bad debts written off	690	-
Crowdfunder fees	-	6,781
Bank charges	83	64
Depreciation of freehold property	2,510	3,045
Depreciation of plant and machinery	1,819	2,192
	<u>52,125</u>	<u>40,135</u>

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

Year Ended 31 March 2020


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 year ended 31 March 2020 as set out on pages 2 to 10 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 Members 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 loss of Nudge Community Builders. You consider that Nudge Community Builders is exempt from the statutory audit requirement for the year.

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  
Chartered Accountants  
North Quay House  
Sutton Harbour  
Plymouth  
PL4 RA

Date: 30/10/2020