

Nucleus Asset Finance Limited

Annual Report and Financial Statements

For the year ended 31 March 2021

Company Registration No. 09718435 (England and Wales)

Nucleus Asset Finance Limited

Company Information

Director	S Willmet
Secretary	G May
Company number	09718435
Registered office	Mezzanine Floor St Albans House 57-59 Haymarket London SW1Y 4QX
Auditor	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD

Nucleus Asset Finance Limited

Contents

	Page
Director's report	1 - 2
Independent auditor's report	3 - 6
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9 - 10

Nucleus Asset Finance Limited

Director's Report

For the year ended 31 March 2021

The director presents his annual report and financial statements for the year ended 31 March 2021.

Principal activities

The principal activity of the company continued to be the of provision of alternative business financing.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

S Willmet

Auditor

The auditor, Moore Kingston Smith LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless she is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. She is 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.

Nucleus Asset Finance Limited

Director's Report (Continued)

For the year ended 31 March 2021

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the director had taken all the necessary steps that he ought to have taken as a director in order to make himself aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

S Willmet

Director

29 September 2021

Nucleus Asset Finance Limited

Independent Auditor's Report

To the Members of Nucleus Asset Finance Limited

Opinion

We have audited the financial statements of Nucleus Asset Finance Limited (the 'company') for the year ended 31 March 2021 which comprise the Profit And Loss Account, the Balance Sheet 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 FRS 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 company's affairs as at 31 March 2021 and of its loss 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 director's 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 director with respect to going concern are described in the relevant sections of this report.

Other information

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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 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.

Nucleus Asset Finance Limited

Independent Auditor's Report (Continued)

To the Members of Nucleus Asset Finance Limited

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report has been prepared in accordance with applicable legal requirements.

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 Director's Report.

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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was 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 Director's Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of director

As explained more fully in the Director's Responsibilities Statement, the director is 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 director determines 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 director is 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 director either intends 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Nucleus Asset Finance Limited

Independent Auditor's Report (Continued)

To the Members of Nucleus Asset Finance Limited

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nucleus Asset Finance Limited

Independent Auditor's Report (Continued)

To the Members of Nucleus Asset Finance Limited

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 for no purpose other than to draw to the attention of the company's members those matters we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and the company's members as a body, for our work, for this report, or for the opinions we have formed.

Ryan Day (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP

29 September 2021

Chartered Accountants
Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Nucleus Asset Finance Limited

Profit and Loss Account

For the year ended 31 March 2021

	2021 £	2020 £
Administrative expenses	(2,640)	(3,162)
Loss before taxation	(2,640)	(3,162)
Taxation	-	-
Loss for the financial year	(2,640)	(3,162)
Total comprehensive income for the year	(2,640)	(3,162)

Nucleus Asset Finance Limited

Balance Sheet

As at 31 March 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Cash at bank and in hand		29		29	
Creditors: amounts falling due within one year					
	3	(10,640)		(8,000)	
Net current liabilities			(10,611)		(7,971)
Capital and reserves					
Called up share capital	4		1,000		1,000
Profit and loss reserves			(11,611)		(8,971)
Total equity			(10,611)		(7,971)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and signed by the director and authorised for issue on 29 September 2021

S Willmet
Director

Company Registration No. 09718435

Nucleus Asset Finance Limited

Notes to the Financial Statements

For the year ended 31 March 2021

1 Accounting policies

Company information

Nucleus Asset Finance Limited is a private company limited by shares domiciled and incorporated in England and Wales. The registered office is Mezzanine Floor, St Albans House, 57-59 Haymarket, London, England, SW1Y 4QX.

1.1 Accounting convention

These financial statements have been prepared in accordance with Section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

As at 31 March 2021, the company had net liabilities of £10,611 and incurred a loss of £2,640 for the year ended 31 March 2021. The company is a subsidiary of Nucleus Commercial Holdings Limited. As at 31 March 2021, the group had net assets of £7,057,939 and made a loss of £1,792,041 for the year ended 31 March 2021. The group is funded through long-term credit facilities with third party lenders and the amount owed at 31 March 2021 was £237,169,948. The Directors have confirmed that the profitable entities generating surplus cash will continue to support the loss-making entities within the group, for at least one year from the date of approval of the accounts. As such the accounts have been prepared on a going concern basis.

In March 2020 the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global health pandemic, which spread globally and throughout the UK. Global markets and economies experienced a significant amount of volatility as a result of the pandemic. As at 31 March 2020 it was expected the disruption would be temporary and there was uncertainty around the duration, future cash flows and debtor recoverability. In light of the events over the past year, as at 31 March 2021 the related financial impact of this matter still cannot be reasonably estimated, though it has created financial opportunities for the group in light of the Coronavirus Business Interruption Loan Scheme (CBILS) introduced by the UK government. As a result, the directors do not believe the pandemic will have material negative impact on the business. This continues to be an area of active management focus in respect of adjusted actions or investments that may become commercially prudent and the position is being reviewed on a regular basis.

1.3 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

1.4 Financial instruments

Basic financial assets are measured at cost. The company has no other financial instruments or basic financial instruments measured at fair value.

1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Nucleus Asset Finance Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

2 Employees

There were no persons employed by the company during the year or the comparative period.

3 Creditors: amounts falling due within one year

	2021 £	2020 £
Amounts due to group undertakings	8,000	5,600
Other creditors	2,640	2,400
	<u>10,640</u>	<u>8,000</u>

4 Called up share capital

	2021 £	2020 £
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

5 Related party transactions

The company has taken advantage of the exemption available in accordance with FRS 102 section 33 'Related Party Disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group with which it is party to the transactions.

6 Control

The parent company of Nucleus Asset Finance Limited is Nucleus Commercial Holdings Limited, a company incorporated in England and Wales who prepare consolidated accounts for the group. Copies of the consolidated accounts are available from Mezzanine Floor, St Albans House, 57-59 Haymarket, London, England, SW1Y 4QX.

The ultimate parent undertaking is Nucleus Holdings Limited, a company incorporated in Isle of Man.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.