



Nucleus Holdings Limited
Unaudited annual report and financial statements
for the year ended 31 December 2022

Registered number: 05771207

FRIDAY



A91 *ACD35DMQ* #1
29/09/2023
COMPANIES HOUSE

Nucleus Holdings Limited

Strategic Report

The Directors present their strategic report on the Company for the year ended 31 December 2022.

Principal Activity

The Company is an investment holding company. The directors expect trading activity to increase in the future post the impact of the trade transfers. The Company is expected to be a leading provider of innovative, high-quality and effective multichannel medical communications programmes for the healthcare and pharmaceutical industries.

Business review

The Company is an indirect subsidiary of Inizio Group Limited (formerly known as Hunter Holdco 3 Limited) for which the key performance indicators have been identified as revenue and profit before tax growth.

The Company produced a profit before taxation of £270k for the year ended 31 December 2022 (2021: £740k).

Principal risks and uncertainties

Inizio group management review the principal risks and uncertainties facing the Group and individual companies. The Company's key risks and uncertainties are identified as: economic, political, legislative, regulatory and tax changes; client diversification; changing client strategies; innovation; sustainability; talent management; legal and contract risks; regulatory and compliance risks; IT system adequacy; Cyber security; business continuity; Financial controls.

This report was approved by the board on 26th September 2023 and signed on its behalf.



M Morrow
Director

Dated: 26th September 2023

Nucleus Holdings Limited

Directors' report

The directors submit their annual report and the financial statements of Nucleus Holdings Limited for the year ended 31 December 2022.

Results and dividends

The profit for the year, after taxation, amounted to £635k (2021: £575k).

The directors declared and paid a final dividend of £5,841,095 during the year (2021: £9,343,000).

The Statement of Profit and Loss and Other Comprehensive Income and Statement of Financial Position for the year ended 31 December 2022 are set out on pages 5 to 6 respectively.

Directors

The directors, who served during the year and since the year end, were as follows:

Dr S Cameron
B S Jackson
N G Jones
M Morrow

None of the directors held any interest in the Company at the beginning or end of the year.

Company secretary

Dr S Cameron (resigned 13/01/2022)
M Morrow (appointed 13/01/2022)

Directors' indemnities

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Going concern

The directors confirm, after careful consideration, that they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Events since year end

Effective 1 January 2023, the trade and assets of a number of The Company's subsidiaries were transferred to the Company.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the Board and signed on its behalf by:



M Morrow
Director

Dated: 26th September 2023

Nucleus Holdings Limited

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, Directors' Report, and the financial statements for the Company in accordance with applicable law and regulations.

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), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

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 the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

Approved by the Board and signed on its behalf by:



M Morrow
Director

Dated: 26th September 2023

Nucleus Holdings Limited

Statement of profit and loss and other comprehensive income for the year ended 31 December 2022

	Note	2022 £000	2021 £000
Revenue	4	136	337
Cost of sales	5	178	(694)
Gross profit		314	(357)
Other operating expenses	5	2,641	1,240
Exceptional items		(2,748)	(143)
Profit before tax	6	207	740
Taxation	8	428	(165)
Profit and total comprehensive income for the year		635	575

There was no other comprehensive income for 2022 (2021: £Nil).

The notes on pages 8 to 20 form part of these financial statements.

Nucleus Holdings Limited

Statement of financial position as at 31 December 2022

	Note	2022 £000	2021 £000
Fixed assets			
Fixed Asset Investments	9	456	456
Property, plant and equipment	10	9	22
Intangible Assets	11	442	1,844
Right of use assets	12	-	1,715
		907	4,037
Current assets			
Deferred tax asset	13	1,737	1,219
Trade and other receivables	14	75,727	101,078
Cash and cash equivalents		258	143
		77,722	102,440
Non-current liabilities			
Lease liabilities	12	-	(595)
		-	(595)
Current liabilities			
Trade and other payables	15	(73,572)	(96,168)
Property provisions	16	(1,153)	-
Lease liabilities	12	(595)	(1,199)
		(75,320)	(97,367)
Net current assets		2,402	5,073
Net assets		3,309	8,515
Equity attributable to owners of the parent			
Share capital	17	-	-
Share option reserve	18	2,385	2,385
Retained earnings		924	6,130
Total equity		3,309	8,515

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Company was entitled to exemption from the requirement to have an audit under section 479A of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and for the preparation of accounts.

The notes on pages 8 to 20 form part of these financial statements.

The financial statements of Nucleus Holdings Limited (registered number 05771207) were approved by the board of directors and authorised for issue on 26th September 2023 and signed on its behalf by:



M Morrow,
Director

Nucleus Holdings Limited

Statement of changes in equity for the year ended 31 December 2022

	Share capital £000	Share option reserve £000	Retained earnings £000	Total £000
Balance at 1 January 2021	-	2,385	14,898	17,283
Profit and total comprehensive income for the year	-	-	575	575
Dividends	-	-	(9,343)	(9,343)
Share based compensation	-	-	-	-
Balance at 31 December 2021	-	2,385	6,130	8,515
Profit and total comprehensive income for the year	-	-	635	635
Dividends	-	-	(5,841)	(5,841)
Share based compensation	-	-	-	-
Balance at 31 December 2022	-	2,385	924	3,309

The notes on pages 8 to 20 form part of these financial statements.

Nucleus Holdings Limited

Notes to the financial statements for the year ended 31 December 2022

1. General information

Nucleus Holdings Limited ("the company") is a private limited company incorporated under the Companies Act 2006 in England and Wales. The company is domiciled in the United Kingdom and the address of its registered office is 8th Floor, Holborn Gate, Southampton Buildings, London, England, WC2A 1AN. The principal activity of the company is as set out in the Directors' Report.

2. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101) and the Companies Act 2006.

The financial statements have been prepared on the historical cost basis and in accordance with applicable accounting standards. The principal accounting policies adopted are set out below.

These financial statements are presented in sterling, which is the functional currency of the company and are rounded to the nearest £000.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- a) the requirements of IFRS 7 "Financial Instruments: Disclosures";
- b) the requirements of paragraphs 91-99 of IFRS 13 "Fair Value Measurement";
- c) the requirement in paragraph 38 of IAS 1 "Presentation of Financial Statements" to present comparative information in respect of paragraph 73(e) of IAS 16 "Property, Plant and Equipment";
- d) the requirements of paragraphs 10(d) and 134-136 of IAS 1;
- e) the requirements of IAS 7 "Statement of Cash Flows";
- f) the requirements of paragraphs 30 and 31 of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors";
- g) the requirements of paragraph 17 of IAS 24 "Related Party Disclosures"; and
- h) the requirements in IAS 24 to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.
- i) the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share-based payment

The Company is included in the consolidated financial statements of its indirect parent company Inizio Group Limited (formerly known as Hunter Holdco 3 Limited). Inizio Group Limited is a company incorporated and domiciled in the United Kingdom. The consolidated financial statements are prepared in accordance with UK adopted international accounting standards. Copies of Inizio Group Limited's financial year 2022 consolidated financial statements, which include the Company, are available from its registered office at 8th Floor, Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN, United Kingdom.

Going concern

The directors confirm, after careful consideration, that they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Property, plant and equipment

Property, plant and equipment are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold improvements	term of lease
Computers and equipment	33.3% per annum
Fixtures and fittings	25% per annum

Nucleus Holdings Limited

Notes to the financial statements for the year ended 31 December 2022

Intangible assets

Intangible assets are stated at cost, net of amortisation and any provision for impairment. Amortisation is provided on all intangibles at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Computers and software	Over 5 years
------------------------	--------------

Intangible assets acquired separately are initially recognised at cost. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the company is able to use or sell the asset; the company has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, usually 5 years.

Amortisation commences when the asset is considered ready for use.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Retirement benefits

The company operates a defined contribution scheme. The amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Leases

At inception of a contract, the company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the company;
- the company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract;
- the company has the right to direct the use of the identified asset throughout the period of use.

Nucleus Holdings Limited

Notes to the financial statements for the year ended 31 December 2022

The company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At the lease commencement date, the company recognises a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Long-term management incentives

The company operates a Long-Term Incentive Plan (LTIP) for selected senior members of staff; it is calculated as a % of Profit before Tax adding back any LTIP provisions expensed during the year. The amounts to be paid out for the LTIP vests over a three-year period (LTIP 2015 was paid in January 2019, LTIP 2016 was paid in January 2020 and LTIP 2017 was paid in January 2021). The Plan has its own rules with appropriate qualifying criteria and payments are only made to staff still employed at that date. LTIP provisions are expensed over the vesting period, based on a probability factor of the selected staff still being employed at the date the respective LTIP amounts become payable, as assessed by senior management of the company. This is reviewed at each balance sheet date and revised if applicable; the impact of any revision is recognised in the statement of comprehensive income and a corresponding adjustment to liabilities over the remaining vesting period.

The company operates an additional long-term management incentives plan for selected senior members of staff whereby lump sum amounts vest over a five-year period and will be paid out upon the company achieving set criteria in transaction value. The management incentives are discretionary and payments will only be made to staff still employed at the time of a transaction. The relevant provisions are expensed over the vesting period, based on a probability factor of the selected staff still being employed at the date the amounts become payable, as assessed by senior management of the company. This is reviewed at each balance sheet date and revised if applicable; the impact of any revision is recognised in the statement of comprehensive income and a corresponding adjustment to liabilities over the remaining vesting period.

Share based compensation

The company operates an equity settled share based compensation plan. The fair value of the options granted is recognised as an expense, with the total amount to be expensed over the vesting period. Non-market vesting conditions are included in the assumptions about the number of options that are expected to become exercisable, which are reviewed at each balance sheet date and revised if applicable; the impact of any revision is recognised in the statement of comprehensive income and a corresponding adjustment to reserves over the remaining vesting period. The proceeds

Nucleus Holdings Limited

Notes to the financial statements for the year ended 31 December 2022

received when the options are exercised, net of any attributable transaction costs, are credited to share capital (nominal value) and share premium.

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument, and are offset only when the company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Cash and cash equivalents comprise cash at bank and in hand and other short-term deposits held by the company with maturities of less than three months.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Trade payables

Trade payables due within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade payable constitutes a financing transaction, the financial liability is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Interpretations to existing standards or amended standards adopted by the group

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Interpretations to existing standards or amended standards that are not yet effective and have not been early adopted by the group

Interpretations to existing standards and new or amended standards that are not yet effective are either not relevant to the company or not expected to have a material impact on the company.

3. Key assumptions and accounting estimates and significant judgements

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The judgements, estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year relate to revenue recognition, long-term contracts, long-term management incentives, intangible assets (including research and development), share based compensation and lease accounting under IFRS 16. The accounting policies for each are disclosed in note 2.

4. Revenue

The company's revenue arises from its principal activities in the United Kingdom.

Nucleus Holdings Limited

Notes to the financial statements for the year ended 31 December 2022

5. Employees

The monthly average number of persons employed during the year was:

	2022	2021
Medical communications and marketing	10	15

	2022 £000	2021 £000
Wages and salaries	1,271	2,297
Social security costs	220	241
Other pension costs	78	66
	1,569	2,604

6. Profit before tax

	2022 £000	2021 £000
Profit before tax is stated after charging/(crediting):		
Depreciation of property, plant and equipment charged to other operating expenses	13	10
Depreciation of right-of-use assets	1,127	1,156
Exchange gains	(1,579)	(302)
Operating leases rentals	1	(6)

7. Directors' remuneration

	2022 £000	2021 £000
Directors' remuneration		
Emoluments for qualifying services (including benefits in kind)	173	141
Social security costs	17	17
Total emoluments	189	158

Amounts paid to highest paid director:
Emoluments

	173	141
	173	141

Nucleus Holdings Limited

Notes to the financial statements for the year ended 31 December 2022

Directors' remuneration (continued)

None (2021: none) of the directors had benefits accruing under either money purchase pension schemes or long-term incentive plans.

Directors' remuneration relates to Dr S Cameron. No other directors were paid by this company in 2022.

8. Taxation

	2022 £'000	2021 £'000
Current tax		
UK corporation tax	102	262
Adjustments in respect of previous periods	(12)	14
Total current tax	90	276
Deferred tax		
Origination and reversal of timing differences	(108)	(115)
Adjustments in respect of prior periods	7	4
Adjustments in respect of change in tax rate	(417)	-
Total deferred tax (see note 13)	(518)	(111)
Total tax charge	(428)	165

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2022 £'000	2021 £'000
Profit before tax	207	740
Tax on profit at standard UK corporation tax rate of 19.00% (2021: 19.00%)	39	141
Effects of:		
Expenses not deductible for tax purposes	(45)	6
Adjustments to tax charge in respect of previous periods	(5)	18
Impact of changes in statutory tax rate	(417)	-
	(428)	165

Factors that may affect future tax charges

The UK Government has enacted an increase in the main rate of corporation tax to 25% with effect from 1 April 2023. The impact of this change is incorporated in the reported numbers.

Nucleus Holdings Limited

Notes to the financial statements for the year ended 31 December 2022

9. Fixed Asset Investments

	Investments in Subsidiary companies £000	Total £000
Cost of valuation		
At 1 January 2022	456	456
Additions	-	-
Disposals	-	-
At 31 December 2022	456	456
Impairment		
At 1 January 2022	-	-
Charge for the year	-	-
At 31 December 2022	-	-
Net book value		
At 31 December 2021	456	456
At 31 December 2022	456	456

Holdings in direct subsidiary undertakings:

<i>Name</i>	<i>Country of incorporation</i>	<i>Class of shares</i>	<i>Proportion held</i>	<i>Nature of business</i>
ArticulateScience Limited	England	Ordinary	100%	Marketing Services
Cognito Medical Communications Limited	England	Ordinary	100%	Marketing Services
ClinicalThinking Limited	England	Ordinary	100%	Marketing Services
Chrysalis Medical Communications Limited	England	Ordinary	100%	Marketing Services
Health Interactions Limited	England	Ordinary	100%	Marketing Services
International Medical Press Limited	England	Ordinary	100%	Medical Conferences and Publishing
MedicalExpressions Limited	England	Ordinary	100%	Marketing Services
Boldscience Medical Communications Limited	England	Ordinary	100%	Marketing Services
MediTech Media Limited	England	Ordinary	100%	Marketing Services
Nucleus Central Limited	England	Ordinary	100%	Shared Support Services
Nucleus Global Limited	England	Ordinary	100%	Dormant
NucleusX Consulting Limited	England	Ordinary	100%	Dormant
ScientificPathways Limited	England	Ordinary	100%	Marketing Services
SciMentum Limited	England	Ordinary	100%	Marketing Services
SynaptikDigital Limited	England	Ordinary	100%	Marketing Services
Nucleus Holdings Asia Pacific Pte Limited	Singapore	Ordinary	100%	Marketing Services
The Nucleus Group (Shanghai) Consultancy Company Limited	China	Ordinary	100%	Marketing Services

Nucleus Holdings Limited

Notes to the financial statements for the year ended 31 December 2022

Fixed Asset Investments (continued)

Key of registered addresses:

China: 555 Nanjing Road (W), Unit 1207, Shanghai, 200041, P.R.China
England: 8th Floor, Holborn Gate, Southampton Buildings, London, WC2A 1AN, United Kingdom
Singapore: 158 Cecil St, #05-01, Singapore 069545

Nucleus Holdings has a 30% (12,000 shares) interest in Arivista Digital Private Limited a company registered and incorporated in India.

Registered address: Flat No.1, Ground Floor, Manasarovar, Plot No.10B/9C, Ayodhya Colony, Velachery Chennai 600042

10. Property, plant and equipment

	Short leasehold improvements £000	Equipment and Computers £000	Fixtures and Fittings £000	Total £000
Cost				
At 1 January 2022	25	162	-	187
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 December 2022	25	162	-	187
Depreciation				
At 1 January 2022	13	152	-	165
Charge for the year	8	5	-	13
Disposals	-	-	-	-
At 31 December 2022	21	157	-	178
Net book value				
At 31 December 2021	12	10	-	22
At 31 December 2022	4	5	-	9

Nucleus Holdings Limited

Notes to the financial statements for the year ended 31 December 2022

11. Intangible Assets

	Software £000	Internally Generated Software £000	Total £000
Cost			
At 1 January 2022	590	2,483	3,073
Additions	-	-	-
Impairment	-	(1,643)	(1,643)
At 31 December 2022	590	840	1,430
Amortisation			
At 1 January 2022	354	875	1,229
Charge for the year	118	342	460
Impairment	-	(701)	(701)
At 31 December 2022	472	516	988
Net book value			
At 31 December 2021	236	1,608	1,844
At 31 December 2022	118	324	442

As per IAS 38 the company has split the disclosure of intangible assets between those purchased from a third party and those internally generated through development costs. For more information on the accounting policy see details in note 2.

Nucleus Holdings Limited

Notes to the financial statements for the year ended 31 December 2022

12. Leases

Right-of-use-assets

The carrying amount of the company's right-of-use assets are set out below:

	Property leases £000	Total £000
Cost		
At 1 January 2022	5,183	5,183
Additions	-	-
Adjustment to asset	-	-
At 31 December 2022	5,183	5,183
Depreciation		
At 1 January 2022	3,467	3,467
Charge for the year	1,127	1,127
Adjustment to asset	589	589
At 31 December 2022	5,183	5,183
Net book value		
At 31 December 2021	1,715	1,715
At 31 December 2022	-	-

Lease liabilities

The carrying amount of the company's lease liabilities for property leases is set out below:

	2022 £000	2021 £000
Current lease liabilities	595	1,199
Non-current lease liabilities	-	595
	595	1,794

13. Deferred tax asset

	2022 £000	2021 £000
Other timing differences:		
At the start of year	1,219	1,108
Deferred tax credit to profit or loss	518	111
Deferred tax asset at the end of year	1,737	1,219

Nucleus Holdings Limited

Notes to the financial statements for the year ended 31 December 2022

14. Trade and other receivables

	2022	2021
	£000	£000
Trade receivables	16	17
Contract assets	-	68
Amounts owed by Group undertakings	75,297	99,949
Other taxation and social security	82	151
Other receivables	33	13
Prepayments and accrued income	184	674
Corporation tax	115	206
	75,727	101,078

15. Trade and other payables

	2022	2021
	£000	£000
Trade payables	187	532
Contract liabilities	83	613
Amounts owed to Group undertakings	65,460	85,106
Other taxation and social security	48	43
Other payables	17	64
Accruals and deferred income	7,777	9,810
	73,572	96,168

16. Provisions

	Property provision	Total
	£000	£000
At 1 January 2022	-	-
Arising during the year	(1,153)	(1,153)
Released during the year	-	-
At 31 December 2022	(1,153)	(1,153)
Current Property Provision	1,153	1,153

Nucleus Holdings Limited

Notes to the financial statements for the year ended 31 December 2022

Provisions (continued)

Property Provision

This provision represent amounts set aside in respect of property leases which are onerous and the unavoidable costs of restoring the leasehold property to the condition specified in the lease at the end of the contractual term. The quantification of these provisions has been determined based on external professional advice and is dependent on the company's ability to exit the lease early or to sub-let the property. In general, property costs are expected to be incurred within one year.

17. Share capital

	2022 £	2021 £
Allotted, called-up and fully-paid 100,000 ordinary shares of 0.1 each	100	100

Share capital is made up of ordinary shares with full voting and distribution rights.

18. Reserves

Share option reserve

This reserve represents cumulative movements relating to equity settled share based transactions.

Retained earnings

Cumulative profit and loss net of distributions to owners.

19. Contingent liabilities

The company is included in a group registration for VAT purposes and is therefore jointly and severally liable for all other group companies' unpaid debts in this connection. Other group companies' VAT balances at 31 December 2022 resulted in a contingent liability of £811,004 (2021: £649,382).

The Company has guaranteed certain bank loans and other loan facilities of Inizio Group Limited and subsidiaries (the Group). At 31 December 2022, the total amount of group borrowings and facilities guaranteed amounted to £2,114m (2021: £1,646m).

20. Pension commitments

The company operates a defined contribution pension scheme whose assets are held separately from those of the company in an independently administered fund. The pension charge represents contributions payable by the company and amounted to £78,190 (2021: £66,077). At the year end pension contributions outstanding amounted to £9,253 (2021: £8,268).

Nucleus Holdings Limited

Notes to the financial statements for the year ended 31 December 2022

21. Related party transactions

The company held debtor balances amounting to £nil (2021: £58) due from Dr Stephen Cameron, a director of the company, in respect of advances for business expenses not submitted. The costs in relation to these expenses are included within the accruals of the company.

During the year, the directors received dividends on shares held totalling to £5,841,095 (2021: £9,343,000).

The company is party to a lease agreement with MediTech Media Directors Special Pension Scheme and DSPS Properties Limited, both connected parties, jointly in respect of the building situated at Admiral House, 76-78 Old Street, London EC1V 9AZ. The rental paid to the MediTech Media Directors Special Pension Scheme and DSPS Properties Limited was £1,200,000 (2021: £1,200,000). At the year end, amounts totalling £nil (2021: £127,187) were owed to the Meditech Media Directors Special Pension Scheme and amounts totalling £13 (2021: £237,163) were owed to the DSPS Properties Limited.

22. Events since year end

There have been no events since year end and up to the date of approval of the financial statements, that require disclosure in, or adjustment to, these financial statements other than the aforementioned transfer of trade and assets.

23. Controlling party

At 31 December 2022, the Company was a wholly owned subsidiary of Huntsworth Proton UK Bidco Limited, a company incorporated in United Kingdom.

The ultimate controlling party of the Company is Clayton, Dubilier & Rice Holdings LLC a company incorporated in Cayman Islands.

The Company is included in the consolidated financial statements of its indirect parent company Inizio Group Limited (formerly known as Hunter Holdco 3 Limited). Inizio Group Limited is a company incorporated and domiciled in the United Kingdom. The consolidated financial statements are prepared in accordance with UK adopted international accounting standards. Copies of Inizio Group Limited's financial year 2022 consolidated financial statements, which include the Company, are available from its registered office at 8th Floor, Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN, United Kingdom.

24. Approval of financial statements

The Board of Directors approved these financial statements for issue on 26th September 2023.