

FUSION UK

England & Wales · Charity number 1073572

Details

Other names	FUSION, FUSION NATIONAL STUDENT INITIATIVE
Status	Registered
Legal form	Charitable company
Company number	03679369
Registered	1999-01-27
Register	View on the Charity Commission register

Contact

Address	Fusion Unit 7 30 Meadow Lane Loughborough LE11 1JY
Phone	01509 268505
Email	hello@fusionmovement.org
Website	www.fusionmovement.org

Activities

Objects: TO ADVANCE THE CHRISTIAN FAITH IN ACCORDANCE WITH THE STATEMENT OF BELIEFS APPEARING IN THE SCHEDULE HERETO IN THE UNITED KINGDOM OF ELSEWHERE AS THE DIRECTORS OF THE CHARITY MAY FROM TIME TO TIME THINK FIT

Activities: The charity resources and provides one-to-one services to local church communities that enables an understanding of university student culture and allows effective support of students from a Christian perspective.

Classification

- **How:** Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Religious Activities
- **Who:** Other Defined Groups

Geography

- **Area of benefit:** UNITED KINGDOM OR ELSEWHERE
- Northern Ireland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£950,174	£897,617	£314,120	21
2024-08-31	£702,618	£692,911	£261,563	18
2023-08-31	£732,322	£745,273	£251,856	25
2022-08-31	£789,515	£903,483	£264,630	28
2021-08-31	£721,152	£725,997	£390,558	26

Trustees

Name	Role	Appointed
Hannah Miller	Chair	2019-12-11
Andrew Neil Gardner		2025-06-24
Jennifer Dudgeon		2024-04-23
John McGinley		2025-06-24
Prabhjot Kaur Johal		2025-06-24
Ramsey Martin Filippides		2024-04-23

Accounts

Company registration number: 03679369

Charity registration number: 1073572

FUSION UK

Company Limited by Guarantee

**UNAUDITED FINANCIAL STATEMENTS AND
TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2025**



<https://www.fusionmovement.org/>

FUSION UK

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FOR THE YEAR ENDED 31 AUGUST 2025

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FUSION UK

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2025

Registered charity name: Fusion UK

Trading name: Fusion Movement

Trustees:

Hannah Miller	(Chair)
Jennifer Dudgeon	
Ramsey Filippides	
Andrew Gardner	- appointed 24 June 2025
Oliver Grills	- resigned 26 September 2024
James Hill	- resigned 24 June 2025
Rowan Jackson-Smith	
Prabhjot Johal	- appointed 24 June 2025
John McGinley	- appointed 24 June 2025
Ruth Page	- resigned 30 October 2024

Company registration number: 03679369

Charity registration number: 1073572

Registered office address: Unit 7
30 Meadow Lane
Loughborough
Leicestershire
LE11 1JY

Independent examiner: Daniel Styles FCA
Lifestyles Accountancy Limited
39 Kirklees Road
Southport
PR8 4RB

Bankers: Barclays Bank plc
74 East Street
Chichester
West Sussex
PO19 1HT

FUSION UK

EXECUTIVE SUMMARY OF THE YEAR'S ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2025

This has been a year of movement. The pace has picked up while the vision has remained the same: to see students find hope in Jesus and home in the local church. This mission has led us into new ground as we train and resource student ministries and call the church into action in this season of awakening.

Our research has been a significant signpost of awakening. "Will You Come to Church With Me?" gave us a qualitative window into the experiences of Christian students as they navigate inviting their mates and sharing their faith, whilst the Savanta research revealed a surprising openness to Scripture across the student world: half of all students say that the Bible is relevant today. This is good news for the church. The land ahead of us is fertile soil for the word. Let's sow generously in this season.

Unity across the student mission landscape grew meaningfully this year. The first Do It Again prayer nights brought over 1,500 people together across 14 locations, representing unprecedented collaboration among national organisations. With so many gathered to contend for a move of the spirit, it wasn't hard to feel the ground shaking beneath our feet as we prayed. I believe we will feel the aftershock from this for a long time to come.

Our gatherings served as anchor points amid a full year. The sold-out Fusion Gathering, regional Fusion Days, the Church Leader Forum, and the Vanguard retreat all created space for equipping, sharpening, and shared encouragement. We also launched a new book, "How to Make Disciples That Make Disciples", which has flown through churches. We also developed a new coaching offering to complement this. Student Linkup progressed through a carefully reviewed pilot, while the Student Evangelist Network continued to expand in confidence and reach.

Looking ahead, we are preparing to break more ground through an expanded evangelist training programme, casting the prayer net wider with Do It Again Locations, bolder gatherings, and launching the Prayerstream Caravan project to take a mobile prayer room to every university location in the city, releasing waves of local mission as it goes. All of these are designed to strengthen mission in partnership with local churches.

This has been a year of celebration and preparation as we set out into this next season of adventure.

Luke Smith
National Team Leader (England and Wales)

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees submit their annual report and financial statements for the year ended 31 August 2025. The financial statements follow the requirements of the revised Charities Statement of Recommended Practice (FRS 102) (second edition - October 2019) – Accounting and Reporting by Charities: Statement 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 2019). For the purpose of charity law, directors are also the company's trustees and are responsible for making all major decisions on behalf of the company and are referred to throughout this report as trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee, formed on 4 December 1998 and is governed by its memorandum and articles of association.

Recruitment and appointment of the trustees

The board seeks to achieve a balance of skills and experience amongst the trustees. In order to maintain this, the board reviews its skill and experience mix each year and seeks to recruit new trustees as and when necessary.

Potential trustees are identified and then approached to determine whether they are able and willing to become part of the charity. Interested individuals are invited to attend a number of trustee meetings to enable them to gain an understanding of the ethos and philosophy of management of the charity. They are also invited to the main office in Loughborough to be given information about the activities, resources and objectives of the charity as well as information regarding the roles and responsibilities of trustees. At the end of this investigative period, individuals are invited to become trustees. Appointment is made at a formal meeting of the board of trustees in line with the charity's memorandum and articles of association.

The trustees delegate the day-to-day responsibility for administering the activities of the charity to a full time head of operations who is also responsible for overseeing the charity's employees and liaising with others to whom the trustees have contracted to undertake various projects and initiatives.

Trustee induction and training

The current board of trustees provide any new trustee with an overview of the timetable of board meetings, copies of the recent minutes of meetings, the recent reports and financial statements and explains their general and specific responsibilities.

Ongoing training is provided by the board of trustees as and when the need arises.

OBJECTIVES AND ACTIVITIES

Aim and purpose

The charity exists primarily to advance the Christian faith and works to catalyse, facilitate and grow a student movement by working in partnership with local churches and other organisations. This is summarised through three purposes:

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

OBJECTIVES AND ACTIVITIES (continued)

Aim and purpose (continued)

1. Equipping students: preparing and inspiring students for a life of mission and discipleship at university;
2. Serving churches: connecting students into the heart of local church and encouraging churches to be at the heart of student mission; and
3. Developing student workers: training, resourcing and strengthening all those in church based student ministry.

Included in this is the development and maintenance of a national and international network that will produce and exchange resources to promote student mission.

Objectives and activities

The trustees have established that the aims and purposes of the charity will primarily be reached through working with local churches, their student workers and university students directly. All activities will be focused on providing resources and support in these three areas.

In planning activities for the year, the trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. We want every student to have the opportunity to encounter Jesus whilst at university, for them to find a home in their local church and to live out their faith as part of their local, national and the global community through:

- Preparing and distributing resources on spiritual formation and discipleship, the gospel and kingdom mission, and developing a passion and love for Jesus;
- Providing new students with information to access pastoral care in their new environment;
- Encouraging students to be socially involved in the student and wider community; and
- Mission and outreach through enabling, resourcing and training local churches.

ACHIEVEMENTS AND PERFORMANCE

Research Insights

This year, we commissioned two research projects. In October 2024, we released a report entitled "Will you come to church with me?" exploring the attitudes and experiences of Christian students regarding invitation and sharing their faith. This qualitative research, based on long-form interviews with a diverse cross-section of 20 students, yielded fascinating insights about the challenges and opportunities facing Christian students. In March 2025, a report entitled "What do today's students think about the bible?" based on research conducted by the polling organisation Savanta, explored students' engagement with the Bible. This quantitative research with a sample of 2,000 students from all faith backgrounds attracted significant attention and interest in both Christian and mainstream media, revealing some extraordinary results in terms of interest and perceptions of the Bible in the student generation. Key findings include 50% of all students stating the Bible is relevant to today's world, and 33% of non-Christian students are interested in reading the Bible with a friend.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

ACHIEVEMENTS AND PERFORMANCE (continued)

Do It Again

In January 2025, we helped run the first-ever Do It Again prayer nights, partnering with UCCF and other student mission organisations, including Agape, Navigators, Circuit Riders, Christian Unions Ireland, YWAM, 24-7 Prayer and Revive Europe, to call anyone passionate about student mission to gather and pray for revival. We saw over 1,500 people join together in prayer simultaneously across 14 locations in the UK and Ireland. This was the first-ever unified prayer initiative involving all of these organisations and was truly ground-breaking for student mission.

Students and Scripture

At the start of the 24/25 academic year, we launched www.studentbible.org. This initiative provides a way for non-Christian students interested in reading the Bible to receive one as a gift from Fusion, alongside accompanying resources to assist them in reading the bible and connecting with a church community. 533 Bibles were sent to students from Guernsey to Elgin, and the website, along with promotional materials including stickers and flyers, has served as a useful missional tool for churches in evangelism to students.

Fusion Gatherings

Our annual Fusion Gathering, hosted at Kings Cross Baptist church, was a sold-out event gathering over 200 people. Amidst the heatwave of June, it was a fire-filled room, overflowing with passion and zeal to see God move amongst students. We took time to celebrate all that God is doing in the nation and pray for more. The programme included talks and seminars to equip student workers, students and church leaders for mission in the year to come. Other gathering points included:

- Five 'Fusion days' hosted in Bristol, Cardiff, Derby, London and York, attended by a total of 135 people.
- A church leader forum, gathering 27 church leaders from a diverse range of denominations and geographies to share encouragements, insights and stories relevant to them.
- A Vanguard retreat for 36 student workers from some of the key pioneering churches in our network.

How to Make Disciples that Make Disciples

We launched our new resource, "How to Make Disciples That Make Disciples", in April. a book written to equip people as they meet with a friend and disciple them in the way of Jesus, encouraging disciple-making amidst a season of awakening. By the end of August, after a busy summer of festivals, we had sold 1,350 copies. We also produced promotional videos, delivered training sessions, and created a Bible devotional and long-form article. With multiple bookings already confirmed for 2025/26, we expect this to remain a key resource going forward.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

ACHIEVEMENTS AND PERFORMANCE (continued)

Student Linkup

This year, following an extensive review of the functionality and usage of Student Linkup, we piloted a trial in two university locations, Bristol and Nottingham, whereby only a select few churches could initiate messages with students. Churches were selected for the pilot based on historic service use and their relationship with Fusion. For those churches not included, students were still able to view and contact all churches. The pilot was bold but generally well-received, and we will review it to inform future developments in Q1 2025/26. Additionally, we delivered 22 Try Church freshers fairs in September, partnering with local churches to invite students to try church via Student Linkup.

Student Evangelism

The Fusion Student Evangelist Network grew in both number and focus this year, with over 100 students signed up. Activities included an in person calling weekend for 14 student evangelists, as well as online gatherings for connection and training. Stories from the network were shared via the Student Mission Podcast. This year saw a record number of Worldview Survey responses, confirming it as a highly effective tool for cold-contact evangelism and offering valuable insight into students' ongoing spiritual openness and curiosity.

Funding Streams

We had a successful year for fundraising, with successful grants from several trusts supporting both our core student mission work and key projects, including How to Make Disciples that Make Disciples, website redevelopment, and the Legacy and Student Mission podcasts. We are deeply grateful to these trusts and to individual partners who contributed across specific projects, including those who gave at our Fusion Dinners at Wentworth Golf Club and Hampton Manor. We also received an unexpected legacy gift, which is currently held in reserve while we discern the most appropriate use in line with the donor's intentions.

Sending Pathways

In this year, there were a number of strategic conversations and consideration given to how we best relate to and work with Fusion presence in other nations, partly in response to increased capacity within our team, but also an increased spiritual conviction. We helped serve the wider movement through trips to equip and train colleagues and student ministry practitioners in the US, as well as a mission trip to Granada with Fusion Espana alongside Open Heaven Church. Our relationship with Fusion Scotland was further strengthened through inviting them into participate in the Sow the Word Bibles project, as well as having their input into the Student Evangelist Network with several Scottish students joining this too, alongside the Fusion Scotland team and some student leaders attending the Fusion Gathering in June. We also re-connected with some key leaders from Aarhus, Denmark, who first met Fusion in 2017 and have since grown considerably in student ministry and mission activity.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

FINANCIAL REVIEW

Review and summary of the year

The results for the year and state of the charity's affairs at 31 August 2025 are set out in the financial statements on pages 13 to 23 showing income of £950,174 (2024 - £702,618) and expenditure of £897,617 (2024 - £692,911). The charity does not engage professional fundraisers or conduct mass public fundraising (e.g., street collections, door to door, or cold telemarketing). We fundraise primarily through relationship based support (individual partners, church partners, grant making trusts) and by invitation only events. We also accept unsolicited donations online and generate restricted trading income from resource sales.

The charity recorded net income of £52,557 (2025 - £9,707) bringing the total reserves to a surplus of £314,120 (2024 - £261,563) which includes restricted funds of £65,772 (2024 - £6,022).

Principal funding sources

The principal funding sources of the charity continue to be received from the very generous donors and grant funders that the charity is so very thankful to.

RESERVES POLICY

Purpose

This reserves policy outlines Fusion UK's approach to managing our free financial reserves to ensure stability, resilience, and agility. It establishes appropriate thresholds for reserve holdings and their rationale, balancing risk management with mission effectiveness.

Reserves parameters

Fusion sets the following free reserve thresholds based on operational expenditure, excluding staff salaries:

- Lower Limit: Equivalent to three months of operational costs (excluding salaries). Based on 24/25 expenditure, this figure is £87,245 (suggested roundup to £90,000)
 - The lower limit ensures Fusion UK can continue delivering essential services in the event of unforeseen disruptions or delays in funding.
 - It provides a safeguard against economic uncertainty, operational risks, and cash flow interruptions, enabling the charity to remain stable and mission-focused during periods of difficulty.
- Upper Limit: Equivalent to six months of operational costs (excluding salaries). Based on 24/25 expenditure this figure is £174,489 (suggested roundup to £180,000)
 - The upper limit protects against the over-accumulation of unrestricted and undesignated funds. Fusion UK aims to be agile, responsive, and forward-moving as a movement and this should be reflected in our financial activity.
 - Holding no more than six months of reserves (excluding salaries) ensures that funds are not withheld unnecessarily but are released to pursue new opportunities and projects, to innovate and respond strategically to developments in the student mission landscape.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

Reserves parameters (continued)

These limits and this policy will be reviewed annually in the Q4 board meeting to ensure they reflect the present headcount, size, complexity, and strategic needs of Fusion UK. Quarterly financial updates can also update trustees on the status of reserves.

Ministry partnership development (MPD)

Fusion UK staff are primarily funded through Ministry Partnership Development (MPD), a model by which individuals raise financial support through partnerships with churches and individuals. MPD aligns with the charity's values of relational mission and shared responsibility. It also reduces the burden on central funds, allowing operational reserves to focus on sustaining infrastructure, projects, and delivery, rather than covering salaries. However, MPD income is monitored alongside reserves to ensure overall financial health and sustainability.

Wind-up contingency

In the unlikely event that Fusion UK is required to cease operations, it is essential that our reserves cover the full cost of winding up the charity in an orderly and responsible manner. This includes staff redundancies, contractual liabilities, professional services, and compliance obligations. The lower reserve threshold includes an allocation for these potential closure costs, reflecting our duty to conclude operations ethically and legally, should the need arise.

Oversight and reporting

The Management Team will monitor reserve levels quarterly and report to the Board of Trustees. Any intention to operate outside the established reserve bands must be presented with a detailed explanation, including a risk assessment and strategic justification.

Policy review

This policy will be formally reviewed annually by the Board of Trustees, or more frequently if circumstances require.

- **Date of last review:** 24 June 2025
- **Date of next scheduled review:** 23 June 2026

Current reserves position

At present, the free reserves, which amount to £248,348, are above the upper limit as described above. The trustees are working with the management team to identify opportunities for investment to ensure the funds held in excess of the reserves threshold are used to further the charity's objects. In addition to this, the Charity holds restricted funds totalling £65,772 to fund the establishment and development of Fusion Ireland and other digital asset developments.

Investment policy

The charity's memorandum provides the trustees with the power to invest monies not immediately required for its purposes, with the objective of managing resources effectively. The trustees will identify funds not required for short or medium term needs and will designate them for longer term investment. The trustees will consider the risk and benefits of such investments, and where necessary seek advice when selecting investment funds. The ethical stance of the charity is a core consideration for the placement of investment funds.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

Pay policy for senior staff

The trustees consider the board of directors, who are also the charity's trustees, and the senior management team which comprises the key management personnel of the charity, responsible for directing, controlling, running and operating the charity on a day to day basis. All directors give their time freely and no director received any remuneration during the year.

RISK REVIEW

Principal risks and uncertainties

A risk management strategy is in place that consists of an annual review document detailing the risks to the charity and the control measures to be taken. This is prepared by the management team and then reviewed, assessed, and minuted by the board of trustees. The board of trustees along with the head of operations, ensure the establishment and continuance of systems and procedures to mitigate those risks. Risks are continually monitored and updates given at quarterly Trustee meetings.

The trustees have identified two principal organisational risks, which have been mitigated for, and are sustainable income streams and personnel as described below:

Firstly, ensuring a consistent and reliable flow of income is crucial for the effective outworking of Fusion's mission. The trustees have mitigated this risk through rigorous budgeting and diversifying income streams. Primarily, this is mitigated through the partnership fundraising model (known as Ministry Partnership Development (MPD) within the charity). This is where ministry team members seek to raise 100% of their gross salary from individuals with whom they partner, spreading the risk of income loss across multiple sources, and increasing the number of directly invested stakeholders in the charity. Income generated through this model, alongside trust funds, Fusion Dinners, major donors and specific project funding campaigns, ensures sufficient funds for growing activities.

Secondly, the Trustees recognise that team turnover both on the board and staff team can lead to a lack of continuity and direction, as well as a loss of institutional knowledge. To mitigate against this risk area Fusion prioritises the development of a robust team culture. This involves clear and comprehensive job descriptions, ensuring role clarity for each team member. Where possible, Fusion is active in succession planning and knowledge sharing between roles. Additionally, Fusion has established mechanisms for identifying and managing unsatisfactory performance, enabling proactive measures to be taken.

PLANS FOR FUTURE PERIODS

Student Evangelism

Having received additional funding for the Fusion Student Evangelist Network, we have planned an extended ongoing programme of training, activation and input in the 2025/26 academic year, including a series of mission weekends run in partnership with local churches in cities across the nation. Our ambition is to grow the network to 250 students, and this network is a key way in which we are helping to catalyse confidence within the church for student evangelism. Following three years of the Worldview Survey, we have adapted the questions and format for 2025/26 to better serve evangelistic conversations, with a reduced emphasis on data collection and publication.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

PLANS FOR FUTURE PERIODS (continued)

Do It Again

Do It Again will be expanded to almost 30 locations in 2026, building on the success of last year and the closer friendship and stronger partnership we have built with UCCF and the other organisations involved. We will be submitting a joint funding application with UCCF to help cover the costs of the event and training for staff involved in hosting and organising. This continues to serve as a celebration of unity within the wider church and invites as many people as possible to pray for revival in our universities.

Fusion Gatherings

Our annual gathering will be held in Leicester in June, hosted in One Church Leicester. We intend to grow this gathering following selling out in 2025. We are also anticipating inviting some attendees from the wider Fusion Movement and nations. We are aiming to have 40 student workers join us for the Vanguard gathering, hosted again in November, this time at Highgate House in Northamptonshire. The Church Leader Forum will run again, this year in two locations, York and London, to enable a wider range of church leaders to attend from a diversified geography and church backgrounds. Following the Fusion days last year, our emphasis will shift to Wide Awake prayer and worship nights, which are better suited to the student timetable and for volunteers involved in student ministry too.

The Prayerstream Caravan

One major project that we will be planning this year is The Prayerstream Caravan, an initiative we will be running in partnership with 24-7 Prayer, refurbishing a vintage Airstream caravan as a mobile prayer room. It is intended that this caravan will tour every university location in the UK over three academic years, acting as a rallying point for churches and students to engage in prayerful mission, with creativity and unity at the heart of this. The caravan will not be on tour until the 2026/27 academic year, but the extensive fundraising and planning required to deliver this will take place this year.

Student Linkup

In addition to reviewing the summer 2025 pilot and implementing any recommended changes to the website and service, we are also planning to review our preparation for university resource suite. This will be done in consultation with youth workers and youth work organisations, as well as local churches and people who have used these resources previously. We want to provide the most effective tools possible for use by the local church in preparing their young people to be sent to university as missional disciples of Jesus. We will help organise Try Church freshers' fair stands again, aiming for 25 locations, inviting students to try church at university and running stands in partnership with local churches in each location.

Funding Streams

We are planning to run a larger Fusion dinner gathering in central London at the Mercers Hall in April, inviting over 100 people to celebrate with us and consider how they may partner with all that God is doing in the student generation. In addition to this, there are several trusts we will be receiving continued project-based funding, whilst we anticipate applying to new trusts where we have begun to build connections in the past few years. We are planning to revitalise our church giving strategy and a central donor fund too, with an expanded project team dedicating time to fundraising through different funding streams.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

Sending Pathways

Building on the activities of last year, this year we will continue to work closely with existing Fusion nations about how best we serve them and help provide resource and support where needed. In addition to this, following renewed connections with leaders in Denmark and Ireland, we will visit these nations to connect with churches and potential partners who have expressed interest in exploring conversations around Fusion in their nation and in receiving training from us. We are seeking to remain open and sensitive in conversations with other nations, whilst working on a clearer and sharper strategy for our sending pathways, both existing and new.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

- a. select suitable accounting policies and apply them consistently;
- b. observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- c. make judgements and estimates that are reasonable and prudent;
- d. state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- e. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

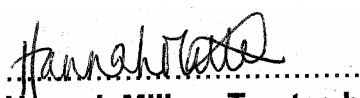
The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity 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 corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT EXAMINER

Daniel Styles of Lifestyles Accountancy Limited has signified his willingness to continue in office and a resolution for his re-appointment will be proposed at the forthcoming annual general meeting.

This report was approved by the board of trustees on 12 January 2026 and signed on its behalf by:



Hannah Miller - Trustee board chair

FUSION UK

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF FUSION UK

FOR THE YEAR ENDED 31 AUGUST 2025

I report to the trustees on my examination of the financial statements of Fusion UK ('the charity') for the year ended 31 August 2025, which are set out on pages 13 to 23.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake this examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....
Daniel Styles FCA (Independent examiner)

Dated: 22 January 2026

for and on behalf of Lifestyles Accountancy Limited

39 Kirklees Road, Southport, PR8 4RB

FUSION UK

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income and Expenditure Account)

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
INCOME					
Donations and similar income:					
Donations received	3	683,755	-	683,755	531,932
Income tax recoverable		75,289	-	75,289	70,547
Income from grant making trusts	4	5,500	130,000	135,500	71,013
Charitable activities:					
Training and conference fees		15,517	-	15,517	4,815
Sale of training materials		33,432	-	33,432	21,235
Investments					
Investment income	5	6,681	-	6,681	3,076
TOTAL INCOME		820,174	130,000	950,174	702,618
EXPENDITURE					
Raising funds	6	11,344	-	11,344	16,193
Charitable activities	7	814,977	70,250	885,227	672,348
Governance costs	8	1,046	-	1,046	4,370
TOTAL EXPENDITURE		827,367	70,250	897,617	692,911
NET INCOME FOR THE YEAR		(7,193)	59,750	52,557	9,707
NET MOVEMENT IN FUNDS		(7,193)	59,750	52,557	9,707
Fund balances at 1 September		255,541	6,022	261,563	251,856
Fund balances at 31 August		248,348	65,772	314,120	261,563

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 16 - 23 form part of these financial statements.

FUSION UK

BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	Total funds 2025 £	Total funds 2024 £
FIXED ASSETS			
Tangible assets	10	1,276	6,345
		<u>1,276</u>	<u>6,345</u>
CURRENT ASSETS			
Stocks of resources		18,538	24,153
Debtors and prepayments	11	6,109	19,882
Cash at bank and in hand		306,538	236,231
		<u>331,185</u>	<u>280,266</u>
CREDITORS: Amounts falling due within one year	12	18,341	25,048
NET CURRENT ASSETS		<u>312,844</u>	<u>255,218</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>314,120</u>	<u>261,563</u>
FUNDS			
Restricted funds		65,772	6,022
Unrestricted funds:	13		
General funds		248,348	255,541
TOTAL FUNDS		<u>314,120</u>	<u>261,563</u>

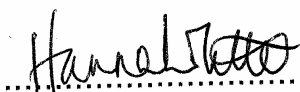
For the year ending 31 August 2025 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 12 January 2026, and are signed on behalf of the board by:



Hannah Miller - Director

The notes on pages 16 - 23 form part of these financial statements.

FUSION UK

STATEMENT OF CASH FLOWS

AS AT 31 AUGUST 2025

	Notes	Total funds 2025 £	Total funds 2024 £
Net cash flow from operating activities	16	65,125	7,465
Cash flow from investing activities			
Payments to acquire tangible asstes		(1,499)	(830)
Interest received	5	6,681	3,076
Net cash flow from investing activities		5,182	2,246
Net increase / (decrease) in cash and cash equivalents		70,307	9,711
Cash and cash equivalents as at 1 September 2024		236,231	226,520
Cash and cash equivalents at 31 August 2025		306,538	236,231

The notes on pages 16 - 23 form part of these financial statements.

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1 GENERAL INFORMATION

Fusion UK is a company, limited by guarantee, incorporated in England and Wales under the Companies Act 2006 and Charities Act 2011. The address of the registered office is provided in the Legal and Administration details on page 1. Details of the charity's operations are provided in the Trustees Report starting at page 3.

2 ACCOUNTING POLICIES

a Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared on a going concern basis, under the historical cost convention and include the results of the charity which are described in the Trustees Report and all of which are continuing. The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

b Income

All income is included in the Statement of Financial Activities when the charity is legally entitled to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

c Expenditure

Liabilities are recognised on the accruals basis. Expenditure is recognised in the period in which it is incurred and includes any attributable VAT which cannot be recovered. Costs which are identified as relating to restricted activities are allocated directly to those activities. Costs which relate to the general running of the charity are allocated against unrestricted funds, and within the Statement of Financial Activities these expenses are shown as costs of generating funds and costs in furtherance of charitable objects.

d Fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised and are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life as follows:

Leasehold improvements	- straight line over the period of the lease
Computer equipment	- straight line over 3 years

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

2 ACCOUNTING POLICIES (continued)

e Investments

Investments are included at market value and any unrealised gains and losses recognised in the Statement of Financial Activities as they occur.

f Stocks of resources

Stocks of resources are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads where relevant.

g Fund accounting

Unrestricted funds are those which are not subject to any special restrictions and they can be used as the trustees decide. Designated funds are part of unrestricted funds and are amounts the trustees have set aside to cover particular expenditure.

Restricted funds are those where the donor has imposed restrictions on how the fund may be used, but which do not prevent the fund being spent.

h Taxation

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value added tax is not recovered by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

i Pension scheme

The charity operates a defined contribution scheme for certain employees. The assets of the scheme are administered by trustees in a fund independent from those of the charity.

j Limited by guarantee

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3 DONATIONS RECEIVED

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Individuals	536,518	-	536,518	442,765
Churches	94,871	-	94,871	76,701
Other organisations	23,107	-	23,107	12,466
Legacies	29,259	-	29,259	-
	683,755	-	683,755	531,932

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

4 INCOME FROM GRANT MAKING TRUSTS

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Trusts and organisations	5,500	130,000	135,500	71,013
	<u>5,500</u>	<u>130,000</u>	<u>135,500</u>	<u>71,013</u>

5 INVESTMENT INCOME

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Interest on cash deposits	6,681	-	6,681	3,076
	<u>6,681</u>	<u>-</u>	<u>6,681</u>	<u>3,076</u>

6 COST OF RAISING FUNDS

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Publicity costs	11,344	-	11,344	16,193
	<u>11,344</u>	<u>-</u>	<u>11,344</u>	<u>16,193</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

7 COST OF CHARITABLE ACTIVITIES

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Resources	10,449	10,000	20,449	19,281
Events	57,958	-	57,958	33,667
Salaries and other staff costs	583,794	37,750	621,544	503,386
Travel and other staff expenses	89,076	-	89,076	49,127
Premises costs	19,628	-	19,628	11,305
Telephone and communications	14,748	22,500	37,248	21,861
Electronic media and computers	7,715	-	7,715	7,179
Other office costs	25,041	-	25,041	20,475
Depreciation	6,568	-	6,568	6,067
	814,977	70,250	885,227	672,348

8 GOVERNANCE COSTS

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Independent examination	1,046	-	1,046	1,046
Legal and sundry governance	-	-	-	3,324
	1,046	-	1,046	4,370

9 STAFF COSTS

No remuneration or expenses were paid to trustees during the year (2024 - £nil). The staff costs of all the remaining staff totalled:

	2025 £	2024 £
Wages and salaries	545,811	443,628
Social security costs	39,712	28,720
Pension costs - Defined contribution	36,021	31,038
	621,544	503,386

No single employee earned £60,000 per annum or more during the year (2024 - none).

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

9 STAFF COSTS (continued)

The average number of staff employed by the charity during the year was as follows:

	2025	2024
Direct charitable work	17	14
Administration	4	4
	<u>21</u>	<u>18</u>

Included within the above, the total amount of employee benefits received by key management personnel was:

	2025 £	2024 £
Wages and salaries	129,639	149,242
National Insurance costs	15,562	16,007
Pension costs - Defined contribution	10,782	11,331
	<u>155,983</u>	<u>176,580</u>

The trustees consider that the key management personnel within the charity are the staff with the following roles: the head of operations; national team lead and movement leader.

10 TANGIBLE FIXED ASSETS

	Leasehold improvements £	Office and computer equipment £	Total £
Cost			
At 1 September 2024	40,539	6,611	47,150
Additions	-	1,499	1,499
At 31 August 2025	<u>40,539</u>	<u>8,110</u>	<u>48,649</u>
Depreciation			
At 1 September 2024	34,747	6,058	40,805
Charge for year	5,792	776	6,568
At 31 August 2025	<u>40,539</u>	<u>6,834</u>	<u>47,373</u>
Net book value			
At 31 August 2025	<u>-</u>	<u>1,276</u>	<u>1,276</u>
At 1 September 2024	<u>5,792</u>	<u>553</u>	<u>6,345</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

11 DEBTORS AND PREPAYMENTS

	2025 £	2024 £
Income tax recoverable	4,000	18,122
Other debtors and prepayments	2,109	1,760
	6,109	19,882

12 CREDITORS: Amounts falling due within one year

	2025 £	2024 £
Taxation and social security	11,484	5,487
Accruals	1,046	14,646
Other creditors	5,811	4,915
	18,341	25,048

13 ANALYSIS OF FUNDS

	Balance at 1 Sep	Incoming resources	Outgoing resources	Balance at 31 Aug
Unrestricted funds:				
General funds	255,541	820,174	827,367	248,348
Restricted funds:				
Fusion Ireland	6,022	-	-	6,022
Silas Trust	-	25,000	25,000	-
Benefact Trust	-	10,000	10,000	-
Magnify Foundation	-	30,000	18,000	12,000
Lancaster Foundation	-	15,000	12,750	2,250
The Silas Trust	-	25,000	-	25,000
The Jerusalem Trust	-	15,000	4,500	10,500
Vardy Foundation	-	10,000	-	10,000
	6,022	130,000	70,250	65,772
Total funds:	261,563	950,174	897,617	314,120

Fusion Ireland: A grant was received from WCFI designated toward the setup costs of Fusion in Ireland and is expected to be utilised in the year ahead.

Others: All other restricted funds represent restricted grants for the production of specific digital assets.

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	1,276	-	1,276
Net current assets	247,072	65,772	312,844
	<u>248,348</u>	<u>65,772</u>	<u>314,120</u>

15 GROSS OBLIGATIONS UNDER OPERATING LEASING AGREEMENTS

As at 31 August 2025, the charity had annual commitments under non-cancellable leases as follows:

	2025 £	2024 £
No later than one year	-	-
Later than one year but not later than 5 years	-	-
	<u>-</u>	<u>-</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

16 RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net income for the year	52,557	9,707
Interest receivable	(6,681)	(3,076)
Depreciation and impairment of tangible fixed assets	6,568	6,066
(Increase) / decrease in stock	5,615	4,054
(Increase) / decrease in debtors	13,773	(11,514)
Increase / (decrease) in creditors	(6,707)	2,227
Net cash flow from operating activities	<u>65,125</u>	<u>7,465</u>

17 RELATED PARTY TRANSACTIONS

The trustees confirm that there were no known related party transactions that took place during the year (2024 - none).

Accounts

Company registration number: 03679369

Charity registration number: 1073572

FUSION UK

Company Limited by Guarantee

**UNAUDITED FINANCIAL STATEMENTS AND
TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2024**



<https://www.fusionmovement.org/>

FUSION UK

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FOR THE YEAR ENDED 31 AUGUST 2024

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FUSION UK

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2024

Registered charity name: Fusion UK

Trading name: Fusion Movement

Trustees:

Jennifer Dudgeon	- appointed 23 April 2024
Ramsey Filippides	- appointed 23 April 2024
Oliver Grills	
James Hill	
Rowan Jackson-Smith	
Hannah Miller	(Chair)
Ruth Page	

Company registration number: 03679369

Charity registration number: 1073572

Registered office address:

Unit 7
30 Meadow Lane
Loughborough
Leicestershire
LE11 1JY

Independent examiner:

Daniel Styles FCA
Lifestyles Accountancy Limited
39 Kirklees Road
Southport
PR8 4RB

Bankers:

Barclays Bank plc
74 East Street
Chichester
West Sussex
PO19 1HT

FUSION UK

EXECUTIVE SUMMARY OF THE YEAR'S ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2024

Following last year's team restructuring, this year has seen Fusion work through initial teething problems to position ourselves really well for increased efficiency and effectiveness. This has helped us lean into this season of increased openness and over the last year, we have seen the tide change on the landscape of student mission. Unity was the developing theme over the last year. We have seen new breakthroughs in relationships with other student mission organisations and this has served to reforge many kingdom partnerships to more effectively deliver the ministry of Fusion in more spaces and places than ever before. This strengthening of unity in the mission field is progressing to this day.

This year, we turned our attention towards researching student attitudes towards church, faith and scripture. We commissioned three key pieces of research. The first was a continuation of our student worldview survey. We surveyed 1274 students and found that 76% say they would go to church if invited. This has increased from 74% last year. Based on this, we researched Christian students' perspective on inviting their friends to church. Through this, we found that students are keen to be known as a Christian and to invite to church, but are held back by fear that they might be seen as pushy, or jeopardise their friendships. Finally, we commissioned the research organisation Savanta to survey students' attitudes to Scripture. Based on this research, we launched studentbible.org, a project to get scripture into the hands of spiritually hungry students, funded by our Sow the Word campaign.

Additionally, we have launched two new podcasts, Legacy and the Student Mission Podcast. Legacy explores the long obedience in the same direction of key figures in the landscape of student mission, whilst the Student Mission Podcast interviews those currently at the forefront of student mission and aims to inspire and catalyse students to life for Jesus on their campuses. We explored new funding streams and ran a highly successful donor dinner and have planned future funding events like these further down the line. The year culminated in a high energy summer season. We were represented at more festivals than ever before, bringing prep for uni seminars, student link-up stands, and other content into these spaces. We also ran our annual gathering, Wide Awake, which again served to wake the church up to the opportunities of student mission.

A significant challenge this year was finding suitable maternity cover for our Head of Operations. This has been navigated really well and we are thrilled with our new recruitment for this position. We are in a fantastic place to begin the next year, both in terms of team structure and capacity, as well as with the increasing opportunities and openness that we are seeing.

Luke Smith , National Team Leader (England and Wales)

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees submit their annual report and financial statements for the year ended 31 August 2024. The financial statements follow the requirements of the revised Charities Statement of Recommended Practice (FRS 102) (second edition - October 2019) – Accounting and Reporting by Charities: Statement 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 2019). For the purpose of charity law, directors are also the company's trustees and are responsible for making all major decisions on behalf of the company and are referred to throughout this report as trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee, formed on 4 December 1998 and is governed by its memorandum and articles of association.

Recruitment and appointment of the trustees

The board seeks to achieve a balance of skills and experience amongst the trustees. In order to maintain this, the board reviews its skill and experience mix each year and seeks to recruit new trustees as and when necessary.

Potential trustees are identified and then approached to determine whether they are able and willing to become part of the charity. Interested individuals are invited to attend a number of trustee meetings to enable them to gain an understanding of the ethos and philosophy of management of the charity. They are also invited to the main office in Loughborough to be given information about the activities, resources and objectives of the charity as well as information regarding the roles and responsibilities of trustees. At the end of this investigative period, individuals are invited to become trustees. Appointment is made at a formal meeting of the board of trustees in line with the charity's memorandum and articles of association.

The trustees delegate the day-to-day responsibility for administering the activities of the charity to a full time head of operations who is also responsible for overseeing the charity's employees and liaising with others to whom the trustees have contracted to undertake various projects and initiatives.

Trustee induction and training

The current board of trustees provide any new trustee with an overview of the timetable of board meetings, copies of the recent minutes of meetings, the recent reports and financial statements and explains their general and specific responsibilities.

Ongoing training is provided by the board of trustees as and when the need arises.

OBJECTIVES AND ACTIVITIES

Aim and purpose

The charity exists primarily to advance the Christian faith and works to catalyse, facilitate and grow a student movement by working in partnership with local churches and other organisations. This is summarised through three purposes:

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

OBJECTIVES AND ACTIVITIES (continued)

Aim and purpose (continued)

1. Equipping students: preparing and inspiring students for a life of mission and discipleship at university;
2. Serving churches: connecting students into the heart of local church and encouraging churches to be at the heart of student mission; and
3. Developing student workers: training, resourcing and strengthening all those in church based student ministry.

Included in this is the development and maintenance of a national and international network that will produce and exchange resources to promote student mission.

Objectives and activities

The trustees have established that the aims and purposes of the charity will primarily be reached through working with local churches, their student workers and university students directly. All activities will be focused on providing resources and support in these three areas.

In planning activities for the year, the trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. We want every student to have the opportunity to encounter Jesus whilst at university, for them to find a home in their local church and to live out their faith as part of their local, national and the global community through:

- Preparing and distributing resources on spiritual formation and discipleship, the gospel and kingdom mission, and developing a passion and love for Jesus;
- Providing new students with information to access pastoral care in their new environment;
- Encouraging students to be socially involved in the student and wider community; and
- Mission and outreach through enabling, resourcing and training local churches.

ACHIEVEMENTS AND PERFORMANCE

Student Survey

This was the second year of our worldview survey, engaging with students on campuses across the country. We surveyed 1274 students of all faiths and none across 51 university locations. A few key insights gleaned from this survey were that 76% of non-Christian students would go to church if a friend invited them and that whilst most (74%) Students have a Christian friend, only 44% know why their friend is a Christian.

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

ACHIEVEMENTS AND PERFORMANCE (continued)

Research Projects

Driven by the insights from the worldview survey, in the last year we have commissioned two in-depth research projects to yield further insight into the student generation. The first of these centred on a series of interviews with Christian students to better understand their attitudes and experiences of inviting their friends to church, undertaken by the researcher Joe Warton. The second research project focused on canvassing students on their perspectives on the Bible and was carried out by the market research organisation Savanta, who surveyed over 2000 students in August 2024. Obtaining this research information provides us with a higher level of authority and understanding when it comes to speaking into student culture.

Student Gatherings

In June, we ran the second Wide Awake conference in Loughborough, gathering approximately 125 students and student workers. This was a God-charged event with real hunger and passion for student mission in the room, evidenced by some of the attendees going straight out onto the streets after the event to share the gospel and worship in the town centre! Alongside this event, we also ran a series of Wide Awake Worship Nights, gathering approximately 560 people over seven locations. This included a spontaneous all-night-long prayer and worship gathering in London, attended by 60 people, praying through the night to contend for spiritual awakening amongst the student generation. These events helped catalyse student mission through times of worship and equipping, and we saw salvation across multiple nights, and a profound hunger for God amongst students.

Student Evangelism

In 2023/24, we launched the Student Evangelist Network, seeking to gather students who are at the cutting edge of mission at university, with 45 people signing up to this. We held a number of online calls for this network and are planning to sharpen and tailor the input we provide for this group in the coming year. We delivered Fusion Training on sharing faith, evangelism and building missional small groups to over 600 people in 15 different university locations. This is a real focus area for growth in 2024/25, as we seek to develop our coaching and training offer to churches.

Podcasts

We launched both the Legacy podcast and Student Mission podcast in 2023/24. These podcasts are high-quality video content interviews intended to be sharable across social media and beyond. The Legacy podcast shares the long-term impact of student mission through interviewing people who have led lives shaped by their experience of and involvement with student mission. The Student Mission Podcast interviews current students, who share stories and reflections from how they have shared their faith at university. Both podcasts will continue into the forthcoming academic year and have enhanced our ability to share the impact of student mission with a broader audience and demographic across different platforms. We have had over 2,000 total views on YouTube combined for both podcasts and over 30,000 views of short clips across social media.

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

ACHIEVEMENTS AND PERFORMANCE (continued)

Funding Streams

Fusion team members continue to raise finance through Ministry Partner Development (MPD), which persists as a highly effective strategy for covering core ministry staff costs for Fusion. We have worked more broadly in the past year to better communicate with our whole partner audience, developing from individual team members communicating to their partner teams. This has meant we have run online calls for partners to attend to hear stories and testimonies of what God is doing, as well as sharpening our email communication by working with a specialist marketing agency, Neighbourhood. In 23/24, we also ran a number of Fusion dinners to invite potential donors to give into specific projects, which proved a highly effective way to attract investment to finance major projects that would not otherwise have been possible. We also had a series of successful trust fund applications and have several funds we are in ongoing conversation with about potential future partnerships in the coming academic year.

Review and summary of the year

The results for the year and state of the charity's affairs at 31 August 2024 are set out in the financial statements on pages 11 to 21 showing income of £702,618 (2023 - £732,322) and expenditure of £692,911 (2023 - £745,273). The charity does not use professional fundraisers or raise funds from the general public.

The charity recorded net incoming resources of £9,707 (2024 - net outgoing resources of £12,951) bringing the total reserves to a surplus of £261,563 (2023 - £251,856) which includes restricted funds of £6,022 (2023 - £6,022).

Principal funding sources

The principal funding sources of the charity continue to be received from the very generous donors and grant funders that the charity is so very thankful to.

Reserves policy

The trustees have a reserves policy to hold in free reserve sufficient sums to cover six months operational expenditure minus salaries, as any fall in support income is mitigated by a contractual reduction in wage costs through the partner raising model. The trustees believe that this reserve sum is adequate to ensure continuity in ministry and cover the costs associated with training, conferencing, student support and travel due to any unforeseen changes in circumstances and revenues.

The charity remains heavily dependent on income from supporters to fulfil its objectives. In particular, 'partner raising' income whereby team members' salaries are directly linked to raising funds for the charity in relationship and partnership with individuals. As a core tenet of the charity's income stream, the trustees have set an additional reserve target calculated at 3 months of total wage costs in the year which they consider sufficient to cover three months of partner raising income should the need arise.

Through the approval and management of appropriate budgets, the charity also ensures it is in a position to maximise investment opportunities. At present, the free reserves, which amount to £255,541, are in line with target. The level of desired reserves will be kept under review each year in the light of the charity's development. In addition to this, the Charity holds restricted funds totalling £6,022 to fund the establishment and development of Fusion Ireland.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

FINANCIAL REVIEW (continued)

Investment policy

The charity's memorandum provides the trustees with the power to invest monies not immediately required for its purposes, with the objective of managing resources effectively. The trustees will identify funds not required for short or medium term needs and will designate them for longer term investment. The trustees will consider the risk and benefits of such investments, and where necessary seek advice when selecting investment funds. The ethical stance of the charity is a core consideration for the placement of investment funds.

Pay policy for senior staff

The trustees consider the board of directors, who are also the charity's trustees, and the senior management team which comprises the key management personnel of the charity, responsible for directing, controlling, running and operating the charity on a day to day basis. All directors give their time freely and no director received any remuneration during the year.

RISK REVIEW

Principal risks and uncertainties

The trustees have identified two principal risks, which have been mitigated for, and are sustainable income streams and the potential loss of key personnel as described below:

Firstly, ensuring a consistent and reliable flow of income is crucial for the effective outworking of Fusion's mission. The trustees have mitigated this risk through monitoring and diversifying income streams. Primarily, this is mitigated through the partnership fundraising model (known as Ministry Partnership Development (MPD) within the charity). This is where ministry team members seek to raise 100% of their gross salary from individuals with whom they partner, spreading the risk of income loss across multiple sources, and increasing the number of directly invested stakeholders in the charity. The trustees have also worked with the Fusion Senior Leadership Team to grow income from other sources such as trust funds, Churches, and Major Donors.

Secondly, the Trustees recognise that team turnover can lead to a lack of continuity and direction, as well as a loss of institutional knowledge. To mitigate against this risk area Fusion prioritises the development of a robust team culture. This involves clear and comprehensive job descriptions, ensuring role clarity for each team member. Where possible, Fusion is active in succession planning and knowledge sharing between roles. Additionally, Fusion has established mechanisms for identifying and managing unsatisfactory performance, enabling proactive measures to be taken.

A risk management strategy is in place that consists of an annual review document detailing the risks to the charity and the control measures to be taken. This is prepared by the management team and then reviewed, assessed, and minuted by the board of trustees. The board of trustees along with the ops manager ensure the establishment and continuance of systems and procedures to mitigate those risks.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

PLANS FOR FUTURE PERIODS

Research Insights

Both the invitation research and Savanta Bible research will be published in the coming academic year and shared widely to encourage the church, as well as helping underpin training and communications from Fusion. The worldview survey will be repeated in the forthcoming year, continuing to function as both an effective missional tool for conversation, but yielding critical insights into student attitudes towards faith and church.

Students and Scripture

Having been struck by the number of students coming to faith through scripture, we have successfully raised funding for over 1,500 Bibles, which we will give out to hungry students across the country in the coming year. This will be accompanied by online and physical resources to support them in reading the Bible perhaps for the first time and we hope this will prove an effective missional tool for churches to use. Alongside this, we will run a spiritual experiment, inviting non-Christian students to read the Bible everyday for a set period of time and report back on their experiences, acting as a case study for the impact of Bible reading.

New Discipleship Resource

With the wave of increased openness amongst students in having conversations around spirituality and faith, as well as stories of salvation and miraculous encounter, we have identified a gap in effective one-on-one discipleship resources to be used by students. In the coming year, we will draw upon our experience and that of other organisations, to write and deliver a bespoke discipleship resource. This will be aimed at students to disciple other students and we anticipate delivering training content in-person and online to equip the local church to love, welcome and disciple new Christian students.

Do it Again

In the wake of what is an unprecedented level of relationship and unity between student mission organisation, we will help lead and organise a night of prayer and worship called 'Do It Again', contending for revival amongst students in partnership with other organisations. This will be run simultaneously across multiple key locations in the UK and Ireland. This is the first time a truly unified, collaborative prayer gathering has happened with all these organisations together and we are excited at the prospect of what a greater level of unity here will look like going forwards.

Funding

Building on the success of our revamped funding streams strategy, we are planning to run a number of other dinners, including an event with over 100 partners of Fusion. This approach will be supported by continuing to invest time and attention in building relationships with trust funds and major donors open to supporting key projects and initiatives of Fusion. Ministry Partnership Development (MPD) will continue to be a central pillar of our funding strategy and is critical to ensuring the sustainability of our operational model.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

- a. select suitable accounting policies and apply them consistently;
- b. observe the methods and principals in the Charities Statement of Recommended Practice (SORP);
- c. make judgements and estimates that are reasonable and prudent;
- d. state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- e. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

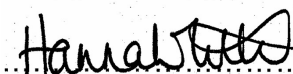
The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity 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 corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT EXAMINER

Daniel Styles of Lifestyles Accountancy Limited has signified his willingness to continue in office and a resolution for his re-appointment will be proposed at the forthcoming annual general meeting.

This report was approved by the board of trustees on 29 January 2025 and signed on its behalf by:


.....

Hannah Miller - Trustee board chair

FUSION UK

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF FUSION UK

FOR THE YEAR ENDED 31 AUGUST 2024

I report to the trustees on my examination of the financial statements of Fusion UK ('the charity') for the year ended 31 August 2024, which are set out on pages 11 to 21.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake this examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....
Daniel Styles FCA (Independent examiner)

Dated: 3 February 2025

for and on behalf of Lifestyles Accountancy Limited

39 Kirklees Road, Southport, PR8 4RB

FUSION UK

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income and Expenditure Account)

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
INCOMING RESOURCES					
Donations and similar income:					
Donations received	3	531,932	-	531,932	539,023
Income tax recoverable		70,547	-	70,547	86,886
Income from grant making trusts	4	71,013	-	71,013	70,750
Charitable activities:					
Training and conference fees		4,815	-	4,815	7,101
Sale of training materials		21,235	-	21,235	20,320
Investments					
Investment income	5	3,076	-	3,076	8,242
TOTAL INCOMING RESOURCES		702,618	-	702,618	732,322
RESOURCES EXPENDED					
Raising funds	6	16,193	-	16,193	21,723
Charitable activities	7	672,348	-	672,348	722,348
Governance costs	8	4,370	-	4,370	1,202
TOTAL RESOURCES EXPENDED		692,911	-	692,911	745,273
NET INCOMING / (OUTGOING) RESOURCES FOR THE YEAR		9,707	-	9,707	(12,951)
OTHER RECOGNISED GAINS					
Unrealised investment gain		-	-	-	177
NET MOVEMENT IN FUNDS		9,707	-	9,707	(12,774)
Fund balances at 1 September		245,834	6,022	251,856	264,630
Fund balances at 31 August		255,541	6,022	261,563	251,856

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 - 21 form part of these financial statements.

FUSION UK

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	Total funds 2024 £	Total funds 2023 £
FIXED ASSETS			
Tangible assets	10	6,345	11,582
Investments	11	-	-
		<u>6,345</u>	<u>11,582</u>
CURRENT ASSETS			
Stocks of resources		24,153	28,207
Debtors and prepayments	12	19,882	8,368
Cash at bank and in hand		236,231	226,520
		<u>280,266</u>	<u>263,095</u>
CREDITORS: Amounts falling due within one year	13	25,048	22,821
NET CURRENT ASSETS		<u>255,218</u>	<u>240,274</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>261,563</u>	<u>251,856</u>
FUNDS			
Restricted funds		6,022	6,022
Unrestricted funds:	14		
General funds		255,541	245,834
TOTAL FUNDS		<u>261,563</u>	<u>251,856</u>

For the year ending 31 August 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 29 January 2025, and are signed on behalf of the board by:



Hannah Miller - Director

The notes on pages 14 - 21 form part of these financial statements.

FUSION UK

STATEMENT OF CASH FLOWS

AS AT 31 AUGUST 2024

	Notes	Total funds 2024 £	Total funds 2023 £
Net cash flow from operating activities	17	7,465	(56,163)
Cash flow from investing activities			
Payments to acquire tangible asstes		(830)	-
Receipts from sale of investments		-	184,659
Interest received	5	3,076	8,242
Net cash flow from investing activities		<u>2,246</u>	<u>192,901</u>
Net increase / (decrease) in cash and cash equivalents		<u>9,711</u>	<u>136,738</u>
Cash and cash equivalents as at 1 September 2023		226,520	89,782
Cash and cash equivalents at 31 August 2024		<u>236,231</u>	<u>226,520</u>

The notes on pages 14 - 21 form part of these financial statements.

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

1 GENERAL INFORMATION

Fusion UK is a company, limited by guarantee, incorporated in England and Wales under the Companies Act 2006 and Charities Act 2011. The address of the registered office is provided in the Legal and Administration details on page 1. Details of the charity's operations are provided in the Trustees Report starting at page 3.

2 ACCOUNTING POLICIES

a Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared on a going concern basis, under the historical cost convention and include the results of the charity which are described in the Trustees Report and all of which are continuing. The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

b Incoming resources

All income is included in the Statement of Financial Activities when the charity is legally entitled to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

c Resources expended

Liabilities are recognised on the accruals basis. Expenditure is recognised in the period in which it is incurred and includes any attributable VAT which cannot be recovered. Costs which are identified as relating to restricted activities are allocated directly to those activities. Costs which relate to the general running of the charity are allocated against unrestricted funds, and within the Statement of Financial Activities these expenses are shown as costs of generating funds and costs in furtherance of charitable objects.

d Fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised and are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life as follows:

Leasehold improvements	- straight line over the period of the lease
Computer equipment	- straight line over 3 years

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

2 ACCOUNTING POLICIES (continued)

e Investments

Investments are included at market value and any unrealised gains and losses recognised in the Statement of Financial Activities as they occur.

f Fund accounting

Unrestricted funds are those which are not subject to any special restrictions and they can be used as the trustees decide. Designated funds are part of unrestricted funds and are amounts the trustees have set aside to cover particular expenditure.

Restricted funds are those where the donor has imposed restrictions on how the fund may be used, but which do not prevent the fund being spent.

g Taxation

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value added tax is not recovered by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

h Pension scheme

The charity operates a defined contribution scheme for certain employees. The assets of the scheme are administered by trustees in a fund independent from those of the charity.

i Limited by guarantee

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3 DONATIONS RECEIVED

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Individuals	442,765	-	442,765	432,521
Churches	76,701	-	76,701	99,922
Other organisations	12,466	-	12,466	6,580
	<u>531,932</u>	<u>-</u>	<u>531,932</u>	<u>539,023</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

4 INCOME FROM GRANT MAKING TRUSTS

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Trusts and organisations	71,013	-	71,013	70,750
	<u>71,013</u>	<u>-</u>	<u>71,013</u>	<u>70,750</u>

5 INVESTMENT INCOME

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Listed investments	-	-	-	8,053
Interest on cash deposits	3,076	-	3,076	189
	<u>3,076</u>	<u>-</u>	<u>3,076</u>	<u>8,242</u>

6 COST OF RAISING FUNDS

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Publicity costs	16,193	-	16,193	21,723
	<u>16,193</u>	<u>-</u>	<u>16,193</u>	<u>21,723</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

7 COST OF CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Resources	19,281	-	19,281	10,027
Events	33,667	-	33,667	16,049
Salaries and other staff costs	503,386	-	503,386	581,973
Travel and other staff expenses	49,127	-	49,127	53,180
Premises costs	11,305	-	11,305	9,867
Telephone and communications	21,861	-	21,861	14,726
Electronic media and computers	7,179	-	7,179	8,551
Other office costs	20,475	-	20,475	22,184
Depreciation	6,067	-	6,067	5,791
	672,348	-	672,348	722,348

8 GOVERNANCE COSTS

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Independent examination	1,046	-	1,046	1,046
Legal and sundry governance	3,324	-	3,324	156
	4,370	-	4,370	1,202

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

9 STAFF COSTS

No remuneration or expenses were paid to trustees during the year (2023 - £nil). The staff costs of the remaining staff were:

	2024 £	2023 £
Wages and salaries	443,628	509,041
Social security costs	28,720	35,011
Pension costs	31,038	37,921
	<u>503,386</u>	<u>581,973</u>

The average weekly number of staff employed by the charity during the year was as follows:

	2024	2023
Direct charitable work	14	21
Administration	4	4
	<u>18</u>	<u>25</u>

No employee earned £60,000 per annum or more during the year.

10 TANGIBLE FIXED ASSETS

	Leasehold improvements £	Office and computer equipment £	Total £
Cost			
At 1 September 2023	40,539	5,781	46,320
Additions	-	830	830
At 31 August 2024	<u>40,539</u>	<u>6,611</u>	<u>47,150</u>
Depreciation			
At 1 September 2023	28,957	5,781	34,738
Charge for year	5,791	276	6,067
At 31 August 2024	<u>34,748</u>	<u>6,057</u>	<u>40,805</u>
Net book value			
At 31 August 2024	<u>5,791</u>	<u>554</u>	<u>6,345</u>
At 1 September 2023	<u>11,582</u>	<u>-</u>	<u>11,582</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

11 INVESTMENTS

Investments represent units held in equities investment fund for charities.

	2024	2023
	£	£
Market valuation		
At 1 September 2023	-	184,482
Increase in unrealised gains	-	177
Disposal	-	(184,659)
At 31 August 2024	-	-
Original Cost		
At 1 September 2023	-	200,000
Disposal	-	(200,000)
31 August 2024	-	-

12 DEBTORS AND PREPAYMENTS

	2024	2023
	£	£
Income tax recoverable	18,122	4,500
Other debtors and prepayments	1,760	3,868
	19,882	8,368

13 CREDITORS: Amounts falling due within one year

	2024	2023
	£	£
Taxation and social security	5,487	7,942
Accruals	14,646	1,046
Other creditors	4,915	13,833
	25,048	22,821

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

14 ANALYSIS OF FUNDS

	Balance at 1 Sep 23	Incoming resources	Outgoing resources	Unrealised losses	Balance at 31 Aug 24
Unrestricted funds:					
General funds	245,834	702,618	692,911	-	255,541
Restricted funds:					
Fusion Ireland	6,022	-	-	-	6,022
Total funds:	<u>251,856</u>	<u>702,618</u>	<u>692,911</u>	<u>-</u>	<u>261,563</u>

Fusion Ireland: A grant was received from WCFI designated toward the setup costs of Fusion in Ireland and is expected to be utilised in the year ahead.

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	6,345	-	6,345
Net current assets	249,196	6,022	255,218
	<u>255,541</u>	<u>6,022</u>	<u>261,563</u>

16 GROSS OBLIGATIONS UNDER OPERATING LEASING AGREEMENTS

As at 31 August 2024, the charity had annual commitments under non-cancellable leases as follows:

	2024 £	2023 £
No later than one year	-	5,562
Later than one year but not later than 5 years	-	-
	<u>-</u>	<u>5,562</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

17 RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income for the year	9,707	(12,774)
Interest receivable	(3,076)	(8,242)
Depreciation and impairment of tangible fixed assets	6,066	5,791
Unrealised (gains) / losses on investments	-	(177)
(Increase) / decrease in stock	4,054	3,750
(Increase) / decrease in debtors	(11,514)	7,592
Increase / (decrease) in creditors	2,227	(52,104)
Net cash flow from operating activities	<u>7,465</u>	<u>(56,163)</u>

18 RELATED PARTY TRANSACTIONS

The trustees confirm that there were no known related party transactions that took place during the year (2023 - none).

Accounts

Company registration number: 03679369

Charity registration number: 1073572

FUSION UK

Company Limited by Guarantee

**UNAUDITED FINANCIAL STATEMENTS AND
TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**



<https://www.fusionmovement.org/>

FUSION UK

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FOR THE YEAR ENDED 31 AUGUST 2023

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FUSION UK

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2023

Registered charity name: Fusion UK

Trading name: Fusion Movement

Trustees: Oliver Grills
James Hill
Rowan Jackson-Smith - appointed 25 April 2023
Hannah Miller (Chair)
Ruth Page - appointed 9 February 2023

Company registration number: 03679369

Charity registration number: 1073572

Registered office address: Unit 7
30 Meadow Lane
Loughborough
Leicestershire
LE11 1JY

Independent examiner: Daniel Styles FCA
Lifestyles Accountancy Limited
39 Kirklees Road
Southport
PR8 4RB

Bankers: Barclays Bank plc
74 East Street
Chichester
West Sussex
PO19 1HT

FUSION UK

EXECUTIVE SUMMARY OF THE YEAR'S ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2023

In the last year, we have witnessed unprecedented openness to the gospel and to trying church. The first and second year students were affected by COVID measures in a very different way to the two previous years. They were doing GCSEs as opposed to A Levels during that time. This meant that they earned their university places through exams not teacher-granted grades. It also meant that they were able to be more adventurous in their time just before university and subsequently during their studies.

This generation of students prides itself on openness and experience. So we have been able to make use of that by asking “are you open to trying church as part of your university experience?” This is a question that creates so much curiosity. This was explored further in our Student Survey that we conducted with 1395 students. We discovered that 74% of non-Christian students would go to church if invited by a friend.

This year can be characterised as a transition year in which we positioned ourselves for increased impact and effectiveness. We have restructured ourselves to be able to respond most helpfully to the needs of the local church in evangelism to students. We now have a partnership team, a coaching team and a development team. These teams allow us to maximise individual team members' strengths and have a bigger impact in our mission field. We are now connected to over 2500 churches in the UK and it has been excellent to be able to deliver tools and resources in the way they need.

We are aware of hundreds of students having given their life to Jesus this year through Fusion-trained church ministry. This is still very small in comparison to the number of students who would be open to the gospel. The church is asleep to the opportunity of an awakening student body. This is a large part of what we spoke to throughout the year, calling the church to wake up to student mission. This culminated in our conference which was called “Wide Awake”.

Luke Smith , National Team Leader (England and Wales)

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees submit their annual report and financial statements for the year ended 31 August 2023. The financial statements follow the requirements of the revised Charities Statement of Recommended Practice (FRS 102) (second edition - October 2019) – Accounting and Reporting by Charities: Statement 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 2019). For the purpose of charity law, directors are also the company's trustees and are responsible for making all major decisions on behalf of the company and are referred to throughout this report as trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee, formed on 4 December 1998 and is governed by its memorandum and articles of association.

Recruitment and appointment of the trustees

The board seeks to achieve a balance of skills and experience amongst the trustees. In order to maintain this, the board reviews its skill and experience mix each year and seeks to recruit new trustees as and when necessary.

Potential trustees are identified and then approached to determine whether they are able and willing to become part of the charity. Interested individuals are invited to attend a number of trustee meetings to enable them to gain an understanding of the ethos and philosophy of management of the charity. They are also invited to the main office in Loughborough to be given information about the activities, resources and objectives of the charity as well as information regarding the roles and responsibilities of trustees. At the end of this investigative period, individuals are invited to become trustees. Appointment is made at a formal meeting of the board of trustees in line with the charity's memorandum and articles of association.

The trustees delegate the day-to-day responsibility for administering the activities of the charity to a full time head of operations who is also responsible for overseeing the charity's employees and liaising with others to whom the trustees have contracted to undertake various projects and initiatives.

Trustee induction and training

The current board of trustees provide any new trustee with an overview of the timetable of board meetings, copies of the recent minutes of meetings, the recent reports and financial statements and explains their general and specific responsibilities.

Ongoing training is provided by the board of trustees as and when the need arises.

OBJECTIVES AND ACTIVITIES

Aim and purpose

The charity exists primarily to advance the Christian faith and works to catalyse, facilitate and grow a student movement by working in partnership with local churches and other organisations. This is summarised through three purposes:

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

OBJECTIVES AND ACTIVITIES (continued)

Aim and purpose (continued)

1. Equipping students: preparing and inspiring students for a life of mission and discipleship at university;
2. Serving churches: connecting students into the heart of local church and encouraging churches to be at the heart of student mission; and
3. Developing student workers: training, resourcing and strengthening all those in church based student ministry.

Included in this is the development and maintenance of a national and international network that will produce and exchange resources to promote student mission.

Objectives and activities

The trustees have established that the aims and purposes of the charity will primarily be reached through working with local churches, their student workers and university students directly. All activities will be focused on providing resources and support in these three areas.

In planning activities for the year, the trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. We want every student to have the opportunity to encounter Jesus whilst at university, for them to find a home in their local church and to live out their faith as part of their local, national and the global community through:

- Preparing and distributing resources on spiritual formation and discipleship, the gospel and kingdom mission, and developing a passion and love for Jesus;
- Providing new students with information to access pastoral care in their new environment;
- Encouraging students to be socially involved in the student and wider community; and
- Mission and outreach through enabling, resourcing and training local churches.

ACHIEVEMENTS AND PERFORMANCE

General

This was a year of transition both in terms of structure and personnel. As we look at the whole history of Fusion, this can be characterised as the third era in Fusion's life and we have positioned ourselves to be responsive to the Holy Spirit and able to serve the local church in sharing the good news of Jesus with students. We are encouraged that from just 100 Fusion Connection churches, we know 247 students have given their lives to Jesus and 254 students have been baptised!

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

ACHIEVEMENTS AND PERFORMANCE (continued)

Student Survey

We were surveying students all year and there was incredible openness displayed by the student generation. We surveyed 1395 students of all faiths and none across 45 university locations. Notably we discovered that 74% of non-Christian students would go to church if a friend invited them.

Student Gathering

We delivered a smaller, more focused annual gathering of students than in previous years called Wide Awake for 100 students and student workers. Alongside this event, we also ran Ignition Worship Nights which gathered approximately 450 students over six locations. These nights acted as a catalyst for student mission. In Falmouth, students responded to the message shared by taking out their phones and inviting their friends to church. In Bristol, some students were encouraged to spend time using the Jesus at the door evangelism model on the streets of Bristol. One student led someone to faith on the street that morning. Student salvation and recommitments were recorded at multiple Ignition nights.

Student Evangelism

Fusion continues to advocate for church-based student mission. We ran three excellent training days for churches in November which focused on engaging students in scripture. Followed by three days focused on mission and outreach in March. The Fusion team also pioneered evangelistically and prayer walks with churches in their locations throughout the year. A range of Fusion Training on mission and small groups have been delivered to 95 churches in 41 different university locations.

International

Over the past year Fusion has increased its focus on resourcing and serving the nations, our resources are available online and have been posted to many places around the world. Our aim is to continue to serve national student movements across nations regardless of whether a Fusion movement is developed there. However, Fusion is now officially operating in 5 nations and most of our international endeavour is about seeing these nations thrive. As well as England and Wales, Fusion Scotland and Fusion Spain have a team of 2 people in each nation and the Fusion USA team has doubled to 4 people in the last year.

Broadening Income Streams

Ministry Partner Development (MPD) continues to be stable and a key funding strategy for Fusion. We have identified the need to communicate centrally with individuals who partner with Fusion to aid retention of donors as team members move on from their roles at Fusion. In addition to this, we ran an MPD party to celebrate and thank donors which we plan to do annually. To aid a strategy in broadening Fusion income streams we sought advice from other charities around running a donor dinner and attracting legacy gifts. We also identified and renewed relationships with trusts that had previously funded Fusion.

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

ACHIEVEMENTS AND PERFORMANCE (continued)

Review and summary of the year

The results for the year and state of the charity's affairs at 31 August 2023 are set out in the financial statements on pages 11 to 21 showing income of £732,322 (2022 - £789,515) and expenditure of £745,273 (2022 - £903,483). The charity does not use professional fundraisers or raise funds from the general public.

The charity recorded net outgoing resources of £12,951 (2023 - £113,968) combined with net unrealised gains for the year of £177 (2022 - net unrealised losses of £11,960) bringing the total reserves to a surplus of £251,856 (2022 - £264,630) which includes restricted funds of £6,022 (2022 - £6,022).

Principal funding sources

The principal funding sources of the charity continue to be received from the very generous donors and grant funders that the charity is so very thankful to.

Reserves policy

The trustees have a reserves policy to hold in free reserve sufficient sums to cover six months operational expenditure minus salaries, as any fall in support income is mitigated by a contractual reduction in wage costs through the partner raising model. The trustees believe that this reserve sum is adequate to ensure continuity in ministry and cover the costs associated with training, conferencing, student support and travel due to any unforeseen changes in circumstances and revenues.

The charity remains heavily dependent on income from supporters to fulfil its objectives. In particular, 'partner raising' income whereby team members' salaries are directly linked to raising funds for the charity in relationship and partnership with individuals. As a core tenet of the charity's income stream, the trustees have set an additional reserve target calculated at 3 months of total wage costs in the year which they consider sufficient to cover three months of partner raising income should the need arise.

Through the approval and management of appropriate budgets, the charity also ensures it is in a position to maximise investment opportunities. At present, the free reserves, which amount to £240,272, are in line with target. The level of desired reserves will be kept under review each year in the light of the charity's development. In addition to this, the Charity holds restricted funds totalling £6,022 to fund the establishment and development of Fusion Ireland.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

FINANCIAL REVIEW (continued)

Investment policy

The charity's memorandum provides the trustees with the power to invest monies not immediately required for its purposes, with the objective of managing resources effectively. The trustees will identify funds not required for short or medium term needs and will designate them for longer term investment. The trustees will consider the risk and benefits of such investments, and where necessary seek advice when selecting investment funds. The ethical stance of the charity is a core consideration for the placement of investment funds.

Pay policy for senior staff

The trustees consider the board of directors, who are also the charity's trustees, and the senior management team which comprises the key management personnel of the charity, responsible for directing, controlling, running and operating the charity on a day to day basis. All directors give their time freely and no director received any remuneration during the year.

RISK REVIEW

Principal risks and uncertainties

The trustees have identified two principal risks, which have been mitigated for, and are sustainable income streams and the potential loss of key personnel as described below:

Firstly, ensuring a consistent and reliable flow of income is crucial for the effective outworking of Fusion's mission. The trustees have mitigated this risk through monitoring and diversifying income streams. Primarily, this is mitigated through the partnership fundraising model (known as Ministry Partnership Development (MPD) within the charity). This is where ministry team members seek to raise 100% of their gross salary from individuals with whom they partner, spreading the risk of income loss across multiple sources, and increasing the number of directly invested stakeholders in the charity. The trustees have also worked with the Fusion Senior Leadership Team to grow income from other sources such as trust funds, Churches, and Major Donors.

Secondly, the Trustees recognise that team turnover can lead to a lack of continuity and direction, as well as a loss of institutional knowledge. To mitigate against this risk area Fusion prioritises the development of a robust team culture. This involves clear and comprehensive job descriptions, ensuring role clarity for each team member. Where possible, Fusion is active in succession planning and knowledge sharing between roles. Additionally, Fusion has established mechanisms for identifying and managing unsatisfactory performance, enabling proactive measures to be taken.

A risk management strategy is in place that consists of an annual review document detailing the risks to the charity and the control measures to be taken. This is prepared by the management team and then reviewed, assessed, and minuted by the board of trustees. The board of trustees along with the ops manager ensure the establishment and continuance of systems and procedures to mitigate those risks.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

PLANS FOR FUTURE PERIODS

Survey and Research

Due to the success of the survey last year, we have improved it and we are going to repeat it this year. This will give us good comparative data and also new insights with the amendments. We are aiming to survey 1750 students, an increase of 355 on last year. Alongside this survey we are also going to deliver some in-depth research into the experience of a Christian student, with particular reference to their evangelism and perspectives on church.

Deepening Church Partnership

Having moved from a regional team structure into a functional structure, we need to review and improve our relationships with our 2500 churches. The Partnership Team will lead on this developing new connections and agreements with hundreds of churches. The nature of student work is that personnel moves on quickly so this is long overdue. We will also complete a full review of Student Linkup and make decisions about how we can improve this in the short, medium and long term.

New Tools for Student Evangelism

Due to our findings in the student worldview survey 2020-2023, we want to develop new resources to help Christian students to invite their friends to church. We also want to develop a resource to help all kinds of students to read the bible. In the light of increased spiritual openness we anticipate an urgency for these resources.

Wide Awake Gathering

In July 2023, we ran a gathering called Wide Awake. Not only was this a success, but it also seemed to hit on a cultural key for the churches that we minister to. Because of this we are going to run various "Wide Awake Nights" throughout the year and across England and Wales in partnership with local churches. These evenings will all point towards and culminate in Wide Awake 24. We hope to gather 150 people for this event at the start of the summer.

Funding

We will conduct a full review of our funding streams and address how we can increase and improve them. Namely, how we connect with and relate to individual givers, large donors, churches and trust funds. This has previously been informal and staccato in nature. We will build processes and systems that will allow for repeat success and development.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

- a. select suitable accounting policies and apply them consistently;
- b. observe the methods and principals in the Charities Statement of Recommended Practice (SORP);
- c. make judgements and estimates that are reasonable and prudent;
- d. state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- e. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity 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 corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT EXAMINER

Daniel Styles of Lifestyles Accountancy Limited has signified his willingness to continue in office and a resolution for his re-appointment will be proposed at the forthcoming annual general meeting.

This report was approved by the board of trustees on 23 December 2023 and signed on its behalf by:



Hannah Miller - Trustee board chair

FUSION UK

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF FUSION UK

FOR THE YEAR ENDED 31 AUGUST 2023

I report to the trustees on my examination of the financial statements of Fusion UK ('the charity') for the year ended 31 August 2023, which are set out on pages 11 to 21.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake this examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....
Daniel Styles FCA (Independent examiner)

Dated: 22 January 2024

for and on behalf of Lifestyles Accountancy Limited

39 Kirklees Road, Southport, PR8 4RB

FUSION UK

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure)

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
INCOMING RESOURCES					
Donations and similar income:					
Donations received	3	539,023	-	539,023	613,974
Income tax recoverable		86,886	-	86,886	66,808
Income from grant making trusts	4	70,750	-	70,750	72,691
Charitable activities:					
Training and conference fees		7,101	-	7,101	1,740
Sale of training materials		20,320	-	20,320	24,350
Advertising revenue		-	-	-	-
Investments					
Investment income	5	8,242	-	8,242	9,952
Other income:					
Covid-19 grants		-	-	-	-
TOTAL INCOMING RESOURCES		732,322	-	732,322	789,515
RESOURCES EXPENDED					
Raising funds	6	21,723	-	21,723	23,779
Charitable activities	7	722,348	-	722,348	878,264
Governance costs	8	1,202	-	1,202	1,440
TOTAL RESOURCES EXPENDED		745,273	-	745,273	903,483
NET OUTGOING RESOURCES FOR THE YEAR		(12,951)	-	(12,951)	(113,968)
OTHER RECOGNISED GAINS					
Unrealised investment gain / (loss)		177	-	177	(11,960)
NET MOVEMENT IN FUNDS		(12,774)	-	(12,774)	(125,928)
Fund balances at 1 September		258,608	6,022	264,630	390,558
Fund balances at 31 August		245,834	6,022	251,856	264,630

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 - 21 form part of these financial statements.

FUSION UK

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	Total funds 2023 £	Total funds 2022 £
FIXED ASSETS			
Tangible assets	10	11,582	17,373
Investments	11	-	184,482
		<u>11,582</u>	<u>201,855</u>
CURRENT ASSETS			
Stocks of resources		28,207	31,957
Debtors and prepayments	12	8,368	15,960
Cash at bank and in hand		226,520	89,782
		<u>263,095</u>	<u>137,699</u>
CREDITORS: Amounts falling due within one year	13	22,821	74,925
NET CURRENT ASSETS		<u>240,274</u>	<u>62,774</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>251,856</u>	<u>264,629</u>
FUNDS			
Restricted funds		6,022	6,022
Unrestricted funds:			
Designated funds	14	-	-
General funds		245,834	258,608
TOTAL FUNDS		<u>251,856</u>	<u>264,630</u>

For the year ending 31 August 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 23 December 2023, and are signed on behalf of the board by:



Hannah Miller - Director

The notes on pages 14 - 21 form part of these financial statements.

FUSION UK

STATEMENT OF CASH FLOWS

AS AT 31 AUGUST 2023

	Notes	Total funds 2023 £	Total funds 2022 £
Net cash flow from operating activities	17	(56,163)	(41,324)
Cash flow from investing activities			
Payments to acquire investments		-	-
Receipts from sale of investments		184,659	-
Interest received	5	8,242	9,952
Net cash flow from investing activities		192,901	9,952
Net increase / (decrease) in cash and cash equivalents		136,738	(31,372)
Cash and cash equivalents as at 1 September 2022		89,782	121,154
Cash and cash equivalents at 31 August 2023		226,520	89,782

The notes on pages 14 - 21 form part of these financial statements.

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 GENERAL INFORMATION

Fusion UK is a company, limited by guarantee, incorporated in England and Wales under the Companies Act 2006 and Charities Act 2011. The address of the registered office is provided in the Legal and Administration details on page 1. Details of the charity's operations are provided in the Trustees Report starting at page 3.

2 ACCOUNTING POLICIES

a Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared on a going concern basis, under the historical cost convention and include the results of the charity which are described in the Trustees Report and all of which are continuing. The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

b Incoming resources

All income is included in the Statement of Financial Activities when the charity is legally entitled to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

c Resources expended

Liabilities are recognised on the accruals basis. Expenditure is recognised in the period in which it is incurred and includes any attributable VAT which cannot be recovered. Costs which are identified as relating to restricted activities are allocated directly to those activities. Costs which relate to the general running of the charity are allocated against unrestricted funds, and within the Statement of Financial Activities these expenses are shown as costs of generating funds and costs in furtherance of charitable objects.

d Fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised and are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life as follows:

Leasehold improvements	- straight line over the period of the lease
Computer equipment	- straight line over 3 years

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

2 ACCOUNTING POLICIES (continued)

e Investments

Investments are included at market value and any unrealised gains and losses recognised in the Statement of Financial Activities as they occur.

f Fund accounting

Unrestricted funds are those which are not subject to any special restrictions and they can be used as the trustees decide. Designated funds are part of unrestricted funds and are amounts the trustees have set aside to cover particular expenditure.

Restricted funds are those where the donor has imposed restrictions on how the fund may be used, but which do not prevent the fund being spent.

g Taxation

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value added tax is not recovered by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

h Pension scheme

The charity operates a defined contribution scheme for certain employees. The assets of the scheme are administered by trustees in a fund independent from those of the charity.

i Limited by guarantee

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3 DONATIONS RECEIVED

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Individuals	432,521	-	432,521	495,493
Churches	99,922	-	99,922	108,842
Other organisations	6,580	-	6,580	9,639
	539,023	-	539,023	613,974

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

4 INCOME FROM GRANT MAKING TRUSTS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Trusts and organisations	70,750	-	70,750	72,691
	<u>70,750</u>	<u>-</u>	<u>70,750</u>	<u>72,691</u>

5 INVESTMENT INCOME

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Listed investments	8,053	-	8,053	9,940
Interest on cash deposits	189	-	189	12
	<u>8,242</u>	<u>-</u>	<u>8,242</u>	<u>9,952</u>

6 COST OF RAISING FUNDS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Publicity costs	21,723	-	21,723	23,779
	<u>21,723</u>	<u>-</u>	<u>21,723</u>	<u>23,779</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

7 COST OF CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Resources	10,027	-	10,027	3,069
Events	16,049	-	16,049	58,711
Salaries and other staff costs	581,973	-	581,973	693,386
Travel and other staff expenses	53,180	-	53,180	56,195
Premises costs	9,867	-	9,867	11,975
Telephone and communications	14,726	-	14,726	18,599
Electronic media and computers	8,551	-	8,551	5,371
Other office costs	22,184	-	22,184	25,167
Depreciation	5,791	-	5,791	5,791
	722,348	-	722,348	878,264

8 GOVERNANCE COSTS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Independent examination	1,046	-	1,046	1,046
Legal and sundry governance	156	-	156	394
	1,202	-	1,202	1,440

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

9 STAFF COSTS

No remuneration or expenses were paid to trustees during the year (2022 - £nil). The staff costs of the remaining staff were:

	2023 £	2022 £
Wages and salaries	509,041	605,217
Social security costs	35,011	43,357
Pension costs	37,921	44,812
	<u>581,973</u>	<u>693,386</u>

The average weekly number of staff employed by the charity during the year was as follows:

	2023	2022
Direct charitable work	21	24
Administration	4	4
	<u>25</u>	<u>28</u>

No employee earned £60,000 per annum or more during the year.

10 TANGIBLE FIXED ASSETS

	Leasehold improvements £	Office and computer equipment £	Total £
Cost			
At 1 September 2022 and 31 August 2023	40,539	5,781	46,320
Depreciation			
At 1 September 2022	23,166	5,781	28,947
Charge for year	5,791	-	5,791
At 31 August 2023	<u>28,957</u>	<u>5,781</u>	<u>34,738</u>
Net book value			
At 31 August 2023	<u>11,582</u>	<u>-</u>	<u>11,582</u>
At 1 September 2022	<u>17,373</u>	<u>-</u>	<u>17,373</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

11 INVESTMENTS

Investments represent units held in equities investment fund for charities.

	2023	2022
	£	£
Market valuation		
At 1 September 2022	184,482	196,442
Increase / (decrease) in unrealised gains	177	(11,960)
Disposal	(184,659)	-
At 31 August 2023	<u>-</u>	<u>184,482</u>
Original Cost		
At 1 September 2022	200,000	200,000
Disposal	(200,000)	-
31 August 2023	<u>-</u>	<u>200,000</u>

12 DEBTORS AND PREPAYMENTS

	2023	2022
	£	£
Income tax recoverable	4,500	13,802
Other debtors and prepayments	3,868	2,158
	<u>8,368</u>	<u>15,960</u>

13 CREDITORS: Amounts falling due within one year

	2023	2022
	£	£
Taxation and social security	7,942	11,346
Accruals	1,046	46,046
Other creditors	13,833	17,533
	<u>22,821</u>	<u>74,925</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

14 ANALYSIS OF FUNDS

	Balance at 1 Sep 22	Incoming resources	Outgoing resources	Unrealised gains	Balance at 31 Aug 23
Unrestricted funds:					
General funds	258,608	732,322	745,273	177	245,834
Fusion Scotland (designated)	-	-	-	-	-
Restricted funds:					
Fusion Ireland	6,022	-	-	-	6,022
Total funds:	<u>264,630</u>	<u>732,322</u>	<u>745,273</u>	<u>177</u>	<u>251,856</u>

Fusion Ireland: A grant was received from WCFI designated toward the setup costs of Fusion in Ireland and is expected to be utilised in the year ahead.

Fusion Scotland: A separate charity has been formed to develop the work of Fusion in Scotland which is registered with The Office of The Scottish Regulator (OSCR). Donations intended to fund work in Scotland were passed to this charity during the year.

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	11,582	-	11,582
Net current assets	234,252	6,022	240,274
	<u>245,834</u>	<u>6,022</u>	<u>251,856</u>

16 GROSS OBLIGATIONS UNDER OPERATING LEASING AGREEMENTS

As at 31 August 2023, the charity had annual commitments under non-cancellable leases as follows:

	2023 £	2022 £
No later than one year	5,562	-
Later than one year but not later than 5 years	-	11,256
	<u>5,562</u>	<u>11,256</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

17 RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net income for the year	(12,774)	(125,928)
Interest receivable	(8,242)	(9,952)
Depreciation and impairment of tangible fixed assets	5,791	5,791
Unrealised (gains) / losses on investments	(177)	11,960
(Increase) / decrease in stock	3,750	(4,351)
(Increase) / decrease in debtors	7,592	25,156
Increase / (decrease) in creditors	(52,104)	55,999
Net cash flow from operating activities	(56,163)	(41,324)

Accounts

Company registration number: 03679369

Charity registration number: 1073572

FUSION UK

Company Limited by Guarantee

**UNAUDITED FINANCIAL STATEMENTS AND
TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**



FUSION UK

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FOR THE YEAR ENDED 31 AUGUST 2022

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FUSION UK

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2022

Registered charity name: Fusion UK

Trading name: Fusion Movement

Trustees: Oliver Grills
James Hill
Hannah Miller
Roger Bretherton - resigned 1 December 2021

Company secretary: Mark Huskisson - resigned 30 April 2022

Company registration number: 03679369

Charity registration number: 1073572

Registered office address: Unit 7
30 Meadow Lane
Loughborough
Leicestershire
LE11 1JY

Independent examiner: Daniel Styles FCA
Lifestyles Accountancy Limited
39 Kirklees Road
Southport
PR8 4RB

Bankers: Barclays Bank plc
74 East Street
Chichester
West Sussex
PO19 1HT

FUSION UK

EXECUTIVE SUMMARY OF THE YEAR'S ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2022

Across the UK, Covid decimated youth groups and the percentage of Christian students arriving at university is now at its lowest level since World War II. There is seismic change going on in both church and culture with much turbulence and uncertainty. Into this moment Fusion is called to bring the hope of the gospel into the lives of students.

This year has been a year of adjustment to a new landscape that requires Fusion to work differently than before the pandemic. Part of adjusting has meant taking some risks with gatherings and events. We tried some new things and in doing so reawakened some of Fusion's movement DNA around pioneering. We are pioneering again with the people, resources and relationships we have to see students find hope in Jesus and home in the local church. We continue to pray and prepare for a move of God that consumes all our efforts and energy.

Churches are tired and leaders are weary. We recognise that to help serve hundreds of local churches in pioneering student mission they don't need more challenge at this time. They are overloaded, we must come alongside to strengthen, encourage and envision. We must help them find a unique strategy for their context with a common DNA around risk taking and engagement. We must help raise up 100s of everyday evangelists and pioneers in and around the churches.

In the year ahead our commitment to the mission is greater than repeating the same method/structure/strategy year on year regardless of the culture and what God is saying. This is uncomfortable and necessary. In living memory universities have never been so unreached, so we must pioneer again. The first part of the year is about waiting on God and forming a new strategy around what God wants to do and how he wants to do it. It is a time to STOP, LOOK and LISTEN. The second part of the year is implementing what we believe God is asking of us.

We move forward with a prayerful conviction and a deep dependence on God's leading for working out this great commission to students.

Rich Wilson
Fusion Movement Leader

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees of the charity, who are also directors of the company for the purpose of company law, submit their annual report and financial statements for the year ended 31 August 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in 2005 in preparing the annual report and financial statements of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee, formed on 4 December 1998 and is governed by its memorandum and articles of association.

Recruitment and appointment of the trustees

The board seeks to achieve a balance of skills and experience amongst the trustees. In order to maintain this, the board reviews its skill and experience mix each year and seeks to recruit new trustees as and when necessary.

Potential trustees are identified and then approached to determine whether they are able and willing to become part of the charity. Interested individuals are invited to attend a number of trustee meetings to enable them to gain an understanding of the ethos and philosophy of management of the charity. They are also invited to the main office in Loughborough to be given information about the activities, resources and objectives of the charity as well as information regarding the roles and responsibilities of trustees. At the end of this investigative period, individuals are invited to become trustees. Appointment is made at a formal meeting of the board of trustees in line with the charity's memorandum and articles of association.

The trustees delegate the day-to-day responsibility for administering the activities of the charity to a full time head of operations who is also responsible for overseeing the charity's employees and liaising with others to whom the trustees have contracted to undertake various projects and initiatives.

Trustee induction and training

The current board of trustees provide any new trustee with an overview of the timetable of board meetings, copies of the recent minutes of meetings, the recent reports and financial statements and explains their general and specific responsibilities.

Ongoing training is provided by the board of trustees as and when the need arises.

OBJECTIVES AND ACTIVITIES

Aim and purpose

The charity exists primarily to advance the Christian faith and works to catalyse, facilitate and grow a student movement by working in partnership with local churches and other organisations. This is summarised through three purposes:

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

OBJECTIVES AND ACTIVITIES (continued)

Aim and purpose (continued)

1. Equipping students: preparing and inspiring students for a life of mission and discipleship at university;
2. Serving churches: connecting students into the heart of local church and encouraging churches to be at the heart of student mission;
3. Developing student workers: training, resourcing and strengthening all those in church based student ministry.

Included in this is the development and maintenance of a national and international network that will produce and exchange resources to promote student mission.

Objectives and activities

The trustees have established that the aims and purposes of the charity will primarily be reached through working with local churches, their student workers and university students directly. All activities will be focused on providing resources and support in these three areas.

In planning activities for the year, the trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. We want every student to have the opportunity to encounter Jesus whilst at university, for them to find a home in their local church and to live out their faith as part of their local, national and the global community through:

- Preparing and distributing resources on spiritual formation and discipleship, the gospel and kingdom mission, and developing a passion and love for Jesus;
- Providing new students with information to access pastoral care in their new environment;
- Encouraging students to be socially involved in the student and wider community;
- Mission and outreach through enabling, resourcing and training local churches.

ACHIEVEMENTS AND PERFORMANCE

General

Fusion was well-run and remained focused throughout 2021/22 despite it being a difficult year in which the wider effects of the pandemic were being revealed and felt. The impact of many churches having furloughed or not replaced student workers took away key connection points for collaboration. Church workers have repeatedly expressed being under a huge amount of pressure due to increased and diversified responsibility. The size of the student mission task remained considerable, and the need for evangelism and discipleship among this generation reached new heights.

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Sixty One

The Fusion team put in a huge amount of work and energy to run a festival for the first time. This was called "Sixty One" and was in partnership with New Wine. The event was a success and feedback would suggest greatly appreciated by the 1000 delegates. New Wine was very generous to Fusion in inviting us into the partnership. They shouldered the financial risk and provided the necessary infrastructure. Fusion contributed to the creative, content, planning, organisation and delivery of the event. We also took financial responsibility for the promotion of the event through a digital media company, "The Growth Guys".

The event was priced and planned to be as diverse as possible on every metric. It was affordable and cheap hotel rooms were available near the showground which makes a huge difference to a variety of ethnicities. Where possible, this was replicated in the speakers and leaders. The event was for both students and young adults which was mutually beneficial to both demographics in energy and experience. It helped Fusion to reach a wider audience than usual.

Student Linkup & Try Church

Student linkup numbers continued to be lower than pre-pandemic numbers. While the number of students using Student Linkup has decreased we have seen students increasingly engaging with the platform to message churches. Churches have echoed this observation noting that while the number of students is less, students are increasingly messaging and responding to churches.

Fusion didn't recruit a Student Linkup Leader this year which meant that the responsibilities were held across the team. We ran in-person fresher fair stands for the first time since the pandemic, which increased the church engagement with Student Linkup. We also advertised to a wide audience through a campaign in published media and online. We also produced a video that was shown on Portsmouth Big Screen throughout October 2021. This video ran six times an hour, meaning it was shown 4,464 times to over 125,000 weekly passing audience!

Whilst the overall numbers of Student Linkups are lower, we are encouraged by the engagement and impact. A student worker at The Belfrey in York recently told us that she is a Christian because she found a church through the app, having discovered it on a freshers' fair stand. She gave her life to Jesus in the first week of university and hasn't looked back since!

Graduate Diploma in Kingdom Theology and Student Ministry in Partnership with WTC

We celebrated the graduation of the first cohort from our Graduate Diploma in Kingdom Theology and Student Ministry (six graduates received the diploma). This is a significant step forward in validating student ministry as a long-term calling. We also broadened the awareness of this course with church leaders through a variety of methods. We also recruited enough pupils on the course for it to continue this year. We haven't had as many applicants as we would have liked. However, establishing a new course is always an uphill battle and Westminster Theological Centre (WTC) is happy with the progress.

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Training for Churches

The team delivered training for a total of 3,036 students and student workers across the academic year (excluding Sixty One). We met with churches in 42 university locations, delivering a form of student work consultancy.

In June, we surveyed 102 churches and celebrated with them 206 students giving their lives to Jesus and 201 being baptised. Whilst this survey is only a small sample of the churches we work with, it is a wonderful indicator of the fruit of our work and the goodness of God.

Churches & Students

We launched a new resource called "Church and Students" which is the rationale for church-based student mission. It makes the case, in a clear and concise way, for why local churches need to engage with the challenge of reaching the 99% of students who don't yet know Jesus. This resource has a wide reach and long shelf-life as this case needs to be made regularly in order for us to make progress with the mission of Fusion.

The team here in the UK also helped our colleagues in the USA to launch five existing resources in the USA. They needed considerable editing in order to contextualise for an American readership. This process has helped us learn how to do this for future Fusion nations.

Operations

Eight Fusion team members completed professional apprenticeships gaining qualifications in digital marketing, people and project management. Team members dedicated a minimum of 20% of their working hours to off-the-job training. Releasing team members to complete these courses did impact what we were able to achieve in the short term. However, since team members have completed their apprenticeships they have contributed new ideas and practices to Fusion that will sharpen us going forward.

Ministry Partner Development (MPD) continues to be stable and a key funding strategy for Fusion. The team have received additional support in MPD through an established coaching structure, peer support huddles and the appointment of a team member responsible for Ministry Partner Development within Fusion.

Reduced income from Churches and resource sales have been recorded. As a result, we have significantly increased our investment in publicity by outsourcing work to a digital marketing agency in order to increase brand awareness and sales. These income streams will continue to be monitored as a risk.

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Review and summary of the year

The results for the year and state of the charity's affairs at 31 August 2022 are set out in the financial statements on pages 12 to 22 showing income of £789,515 (2021 - £721,152) and expenditure of £903,483 (2021 - £725,998). The charity does not use professional fundraisers or raise funds from the general public.

The charity recorded net outgoing resources of £113,968 (2022 - £4,846) combined with net unrealised losses for the year of £11,960 (2021 - net unrealised gains of £40,721) bringing the total reserves to a surplus of £264,630 (2021 - £390,558) which includes restricted funds of £6,022 (2021 - £6,022).

Principal funding sources

The principal funding sources of the charity continue to be received from the very generous donors and grant funders that the charity is so very thankful to.

Reserves policy

The trustees have a reserves policy to hold in free reserve sufficient sums to cover six months operational expenditure minus salaries, as any fall in support income is mitigated by a contractual reduction in wage costs through the partner raising model. The trustees believe that this reserve sum is adequate to ensure continuity in ministry and cover the costs associated with training, conferencing, student support and travel due to any unforeseen changes in circumstances and revenues.

The charity remains heavily dependent on income from supporters to fulfil its objectives. In particular, 'partner raising' income whereby team members' salaries are directly linked to raising funds for the charity in relationship and partnership with individuals. As a core tenet of the charity's income stream, the trustees have set an additional reserve target calculated at 3 months of total wage costs in the year which they consider sufficient to cover three months of partner raising income should the need arise.

Through the approval and management of appropriate budgets, the charity also ensures it is in a position to maximise investment opportunities. At present, the free reserves, which amount to £247,352, are in line with target. The level of desired reserves will be kept under review each year in the light of the charity's development. In addition to this, the Charity holds restricted funds totalling £6,022 to fund the establishment and development of Fusion Ireland.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

FINANCIAL REVIEW (continued)

Investment policy

The charity's memorandum provides the trustees with the power to invest monies not immediately required for its purposes, with the objective of managing resources effectively. The trustees will identify funds not required for short or medium term needs and will designate them for longer term investment. The trustees will consider the risk and benefits of such investments, and where necessary seek advice when selecting investment funds. The ethical stance of the charity is a core consideration for the placement of investment funds.

Pay policy for senior staff

The trustees consider the board of directors, who are also the charity's trustees, and the senior management team which comprises the key management personnel of the charity, responsible for directing, controlling, running and operating the charity on a day to day basis. All directors give their time freely and no director received any remuneration during the year.

RISK REVIEW

Principal risks and uncertainties

The trustees have identified two principal risks, which have been mitigated for, and are office provision and sustainable income streams as described below:

Firstly, established office spaces remain crucial to the professionalism and development of healthy work culture at Fusion despite the growth of hybrid working. The charity rents office spaces in Loughborough. It also receives office spaces within churches in York and Southampton rent-free. These office spaces create continuity for team members and peer support which helps mitigate the risk of high team turnover. The future availability of all of these offices is uncertain to varying degrees, therefore, it is necessary to closely monitor and communicate with the various landlords to ensure continuity in tenure and to identify potential alternatives in case of an enforced move. Part of the cash reserves is in place to fulfil any unforeseen change in office circumstances.

Secondly, establishing sustainable fundraising income streams is increasingly uncertain in the current socio-political climate. The trustees mitigate this risk through the partnership fundraising model (known as Ministry Partnership Development (MPD) within the charity). This is where ministry team members seek to raise 100% of their gross salary from individuals with whom they partner, spreading the risk of income loss across multiple sources, and increasing the number of directly invested stakeholders in the charity. The trustees have established key performance indicators tracking regular giving as a percentage of salary cost, and continually reviewing and monitoring progress. The board of trustees determined that where universities are open and where students are attending their courses, the charity should not be absent in fulfilling its mission of supporting local churches and their student constituencies despite the ongoing financial effects of COVID-19. It was, therefore, predicted that our expenditure will be higher than our income in at least this next year – if not longer – in order to meet the need of students and the churches as they begin to recover and rebuild post-COVID.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

RISK REVIEW (continued)

A risk management strategy is in place that consists of an annual review document detailing the risks to the charity and the control measures to be taken. This is prepared by the management team and then reviewed, assessed and minuted by the board of trustees. The board of trustees along with the ops manager ensure the establishment and continuance of systems and procedures to mitigate those risks.

PLANS FOR FUTURE PERIODS

Student Survey

At the start of this academic year, we finalised a student worldview survey and have been carrying it out this year. The aim is to complete over 2,000 surveys with a diverse range of students in a variety of university locations. This will gather useful data on how students perceive the world, allow us to speak with authority into the student demographic and it also provides thousands of missional opportunities in these conversations. We are doing this survey with local churches in each place. After Easter, we will publish the results and begin to give commentary on them.

Student Gathering

This year we have decided to do a much smaller, more focused gathering of students than in previous years. We sense this is the best direction of travel for us in order to have the biggest impact. We will be inviting those students who are most passionate about sharing the gospel. With this smaller group of about 150 students, we will influence the campuses of the UK more generally.

Student Evangelism

Alongside the survey, we are seeking ways for the team to be involved in and encourage direct student evangelism. We are aware that it is core to the mission of Fusion and it's what is necessary for the current climate. This means the team will be going in twos to university locations to pioneer, adventure and pray. We have also identified that we may need to produce resources that will help students to engage with the Bible.

Broadening income streams

Alongside the development of our MPD strategy, we also intend to explore new avenues of fundraising. This involves discovering new trust funds that we can apply to and developing a plan to invite larger donors to join Fusion in a more significant way financially. Resource sales also need to increase.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

- a. select suitable accounting policies and apply them consistently;
- b. observe the methods and principals in the Charities Statement of Recommended Practice (SORP);
- c. make judgements and estimates that are reasonable and prudent;
- d. state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- e. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity 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 corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT EXAMINER

Daniel Styles of Lifestyles Accountancy Limited has signified his willingness to continue in office and a resolution for his re-appointment will be proposed at the forthcoming annual general meeting.

This report was approved by the board of trustees on 10 March 2023 and signed on its behalf by:

.....

James Hill - Trustee board chair

FUSION UK

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF GP GIFT LIMITED

FOR THE YEAR ENDED 31 AUGUST 2022

I report to the trustees on my examination of the financial statements of Fusion UK ('the charity') for the year ended 31 August 2022, which are set out on pages 12 to 22.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake this examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....
Daniel Styles FCA (Independent examiner)

Dated: 23 March 2023

for and on behalf of Lifestyles Accountancy Limited

39 Kirklees Road, Southport, PR8 4RB

FUSION UK

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure)

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOMING RESOURCES					
Donations and similar income:					
Donations received	3	613,974	-	613,974	555,066
Income tax recoverable		66,808	-	66,808	52,490
Income from grant making trusts	4	72,691	-	72,691	78,633
Charitable activities:					
Training and conference fees		3,550	-	3,550	2,203
Sale of training materials		22,540	-	22,540	24,178
Advertising revenue		-	-	-	-
Investments					
Investment income	5	9,952	-	9,952	8,582
Other income:					
Covid-19 grants		-	-	-	-
TOTAL INCOMING RESOURCES		789,515	-	789,515	721,152
RESOURCES EXPENDED					
Raising funds	6	23,779	-	23,779	6,855
Charitable activities	7	878,264	-	878,264	718,084
Governance costs	8	1,440	-	1,440	1,059
TOTAL RESOURCES EXPENDED		903,483	-	903,483	725,998
NET OUTGOING RESOURCES FOR THE YEAR					
		(113,968)	-	(113,968)	(4,846)
OTHER RECOGNISED GAINS					
Unrealised investment (loss) / gain		(11,960)	-	(11,960)	40,721
NET MOVEMENT IN FUNDS		(125,928)	-	(125,928)	35,875
Fund balances at 1 September		384,536	6,022	390,558	354,682
Fund balances at 31 August		258,608	6,022	264,630	390,557

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 15 - 22 form part of these financial statements.

FUSION UK

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	Total funds 2022 £	Total funds 2021 £
FIXED ASSETS			
Tangible assets	10	17,374	23,165
Investments	11	184,482	196,442
		<u>201,856</u>	<u>219,607</u>
CURRENT ASSETS			
Stocks of resources		31,957	27,606
Debtors and prepayments	12	15,960	41,116
Cash at bank and in hand		89,782	121,155
		<u>137,699</u>	<u>189,877</u>
CREDITORS: Amounts falling due within one year	13	74,925	18,927
NET CURRENT ASSETS		<u>62,774</u>	<u>170,950</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>264,630</u>	<u>390,557</u>
FUNDS			
Restricted funds		6,022	6,022
Unrestricted funds:			
Designated funds	14	-	-
General funds		258,608	384,536
TOTAL FUNDS		<u>264,630</u>	<u>390,558</u>

For the year ending 31 August 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 10 March 2023, and are signed on behalf of the board by:

.....
James Hill - Director

The notes on pages 15 - 22 form part of these financial statements.

FUSION UK

STATEMENT OF CASH FLOWS

AS AT 31 AUGUST 2022

	Notes	Total funds 2022 £	Total funds 2021 £
Net cash flow from operating activities	17	(41,326)	(44,759)
Cash flow from investing activities			
Payments to acquire investments		-	-
Interest received	5	9,952	8,582
Net cash flow from investing activities		9,952	8,582
Net increase / (decrease) in cash and cash equivalents		(31,374)	(36,177)
Cash and cash equivalents as at 1 September 2021		121,154	157,331
Cash and cash equivalents at 31 August 2022		89,780	121,154

The notes on pages 15 - 22 form part of these financial statements.

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 GENERAL INFORMATION

Fusion UK is a company, limited by guarantee, incorporated in England and Wales under the Companies Act 2006 and Charities Act 2011. The address of the registered office is provided in the Legal and Administration details on page 1. Details of the charity's operations are provided in the Trustees Report starting at page 3.

2 ACCOUNTING POLICIES

a Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared on a going concern basis, under the historical cost convention and include the results of the charity which are described in the Trustees Report and all of which are continuing. The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

b Incoming resources

All income is included in the Statement of Financial Activities when the charity is legally entitled to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

c Resources expended

Liabilities are recognised on the accruals basis. Expenditure is recognised in the period in which it is incurred and includes any attributable VAT which cannot be recovered. Costs which are identified as relating to restricted activities are allocated directly to those activities. Costs which relate to the general running of the charity are allocated against unrestricted funds, and within the Statement of Financial Activities these expenses are shown as costs of generating funds and costs in furtherance of charitable objects.

d Fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised and are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life as follows:

Leasehold improvements	- straight line over the period of the lease
Computer equipment	- straight line over 3 years

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

2 ACCOUNTING POLICIES (continued)

e Investments

Investments are included at market value and any unrealised gains and losses recognised in the Statement of Financial Activities as they occur.

f Fund accounting

Unrestricted funds are those which are not subject to any special restrictions and they can be used as the trustees decide. Designated funds are part of unrestricted funds and are amounts the trustees have set aside to cover particular expenditure.

Restricted funds are those where the donor has imposed restrictions on how the fund may be used, but which do not prevent the fund being spent.

g Taxation

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value added tax is not recovered by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

h Pension scheme

The charity operates a defined contribution scheme for certain employees. The assets of the scheme are administered by trustees in a fund independent from those of the charity.

i Limited by guarantee

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3 DONATIONS RECEIVED

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Individuals	495,493	-	495,493	430,212
Churches	108,842	-	108,842	113,644
Other organisations	9,639	-	9,639	11,210
	<u>613,974</u>	<u>-</u>	<u>613,974</u>	<u>555,066</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

4 INCOME FROM GRANT MAKING TRUSTS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Trusts and organisations	72,691	-	72,691	78,633
	<u>72,691</u>	<u>-</u>	<u>72,691</u>	<u>78,633</u>

5 INVESTMENT INCOME

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Listed investments	9,940	-	9,940	8,556
Interest on cash deposits	12	-	12	26
	<u>9,952</u>	<u>-</u>	<u>9,952</u>	<u>8,582</u>

6 COST OF RAISING FUNDS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Publicity costs	23,779	-	23,779	6,855
	<u>23,779</u>	<u>-</u>	<u>23,779</u>	<u>6,855</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

7 COST OF CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Resources	3,069	-	3,069	4,595
Events	58,711	-	58,711	12,049
Salaries and other staff costs	693,386	-	693,386	594,006
Travel and other staff expenses	56,195	-	56,195	26,528
Premises costs	11,975	-	11,975	10,138
Telephone and communications	18,599	-	18,599	22,368
Electronic media and computers	5,371	-	5,371	19,558
Other office costs	25,167	-	25,167	23,051
Depreciation	5,791	-	5,791	5,791
	<u>878,264</u>	<u>-</u>	<u>878,264</u>	<u>718,084</u>

8 GOVERNANCE COSTS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Independent examination	1,046	-	1,046	1,046
Legal and sundry governance	394	-	394	13
	<u>1,440</u>	<u>-</u>	<u>1,440</u>	<u>1,059</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

9 STAFF COSTS

No remuneration or expenses were paid to trustees during the year (2021 - £nil). The staff costs of the remaining staff were:

	2022 £	2021 £
Wages and salaries	605,217	521,879
Social security costs	43,357	34,377
Pension costs	44,812	37,750
	<u>693,386</u>	<u>594,006</u>

The average weekly number of staff employed by the charity during the year was as follows:

	2022	2021
Direct charitable work	24	22
Administration	4	4
	<u>28</u>	<u>26</u>

No employee earned £60,000 per annum or more during the year.

10 TANGIBLE FIXED ASSETS

	Leasehold improvements £	Office and computer equipment £	Total £
Cost			
At 1 September 2021 and 31 August 2022	40,539	5,781	46,320
Depreciation			
At 1 September 2021	17,374	5,781	23,155
Charge for year	5,791	-	5,791
At 31 August 2022	<u>23,165</u>	<u>5,781</u>	<u>28,946</u>
Net book value			
At 31 August 2022	<u>17,374</u>	<u>-</u>	<u>17,374</u>
At 1 September 2021	<u>23,165</u>	<u>-</u>	<u>23,165</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

11 INVESTMENTS

Investments represent units held in equities investment fund for charities.

	2022	2021
	£	£
Market valuation		
At 1 September 2021	196,442	155,721
(Decrease) / increase in unrealised gains	(11,960)	40,721
At 31 August 2022	<u>184,482</u>	<u>196,442</u>
Original Cost		
At 1 September 2021 & 31 August 2022	<u>200,000</u>	<u>200,000</u>

12 DEBTORS AND PREPAYMENTS

	2022	2021
	£	£
Income tax recoverable	13,802	34,368
Other debtors and prepayments	2,158	6,748
	<u>15,960</u>	<u>41,116</u>

13 CREDITORS: Amounts falling due within one year

	2022	2021
	£	£
Taxation and social security	11,346	9,169
Accruals	46,046	1,046
Other creditors	17,533	8,712
	<u>74,925</u>	<u>18,927</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

14 ANALYSIS OF FUNDS

	Balance at 1 Sep 21	Incoming resources	Outgoing resources	Unrealised losses	Balance at 31 Aug 22
Unrestricted funds:					
General funds	384,536	789,515	903,483	(11,960)	258,608
Fusion Scotland (designated)	-	-	-	-	-
Restricted funds:					
Fusion Ireland	6,022	-	-	-	6,022
Total funds:	<u>390,558</u>	<u>789,515</u>	<u>903,483</u>	<u>(11,960)</u>	<u>264,630</u>

Fusion Ireland: A grant was received from WCFI designated toward the setup costs of Fusion in Ireland and is expected to be utilised in the year ahead.

Fusion Scotland: A separate charity has been formed to develop the work of Fusion in Scotland which is registered with The Office of The Scottish Regulator (OSCR). Donations intended to fund work in Scotland were passed to this charity during the year.

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	17,374	-	17,374
Investments	184,482	-	184,482
Net current assets	56,752	6,022	62,774
	<u>258,608</u>	<u>6,022</u>	<u>264,630</u>

16 GROSS OBLIGATIONS UNDER OPERATING LEASING AGREEMENTS

As at 31 August 2022, the charity had annual commitments under non-cancellable leases as follows:

	2022 £	2021 £
No later than one year	-	-
Later than one year but not later than 5 years	11,256	16,950
	<u>11,256</u>	<u>16,950</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

17 RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the year	(125,928)	35,875
Interest receivable	(9,952)	(8,582)
Depreciation and impairment of tangible fixed assets	5,791	5,791
Unrealised losses / (gains) on investments	11,960	(40,721)
(Increase) / decrease in stock	(4,351)	(11,323)
(Increase) / decrease in debtors	25,156	(19,681)
Increase / (decrease) in creditors	55,999	(6,119)
Net cash flow from operating activities	<u>(41,326)</u>	<u>(44,759)</u>

Accounts

Company registration number: 03679369

Charity registration number: 1073572

FUSION UK

Company Limited by Guarantee

**UNAUDITED FINANCIAL STATEMENTS AND
TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**



FUSION UK

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FOR THE YEAR ENDED 31 AUGUST 2021

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FUSION UK

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2021

Registered charity name:	Fusion UK
Trading name:	Fusion Movement
Trustees:	Mr Oliver Grills Mr James Hill Mrs Hannah Miller
Company secretary:	Mr Mark Huskisson
Company registration number:	03679369
Charity registration number:	1073572
Registered office address:	Unit 7 30 Meadow Lane Loughborough Leicestershire LE11 1JY
Independent examiner:	Daniel Styles FCA Lifestyles Accountancy Limited 39 Kirklees Road Southport PR8 4RB
Bankers:	Barclays Bank plc 74 East Street Chichester West Sussex PO19 1HT

FUSION UK

EXECUTIVE SUMMARY OF THE YEAR'S ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2021

This last year has confirmed and magnified the need for the Fusion movement to fulfil its God given destiny and mandate. When we look beyond the chaos and despair that many young adults are feeling and articulating. We see tremendous hope and possibility for a generation seen and noticed by God and called to Kingdom adventure. We have continued to sow these seeds of hope liberally through whatever mediums have been available and been permitted to witness a good number that produced wonderful fruit in people's lives.

This has been the first year in Fusion's history where due to the global coronavirus pandemic the team engaged with and trained a broader audience than ever before but didn't host a single gathering in person as the whole team worked from home for the entire year. For a movement that primarily ministers through people and not materials and resources we haven't operated in our sweet spot but we have continued to pioneer in prayer, in relationships, in training, in partner raising, and in new areas of vision.

Paul spoke these words to Timothy, "But you, keep your head in all situations, endure hardship, do the work of an evangelist, discharge all the duties of your ministry." This is how the Fusion Team continues to operate. We have not stopped doing what we believe God has called us to. I shouldn't be surprised that because we are working with God, it is possible that Fusion went into the pandemic in two nations and may emerge from the restrictions established in five or six nations.

The year ahead is an exciting one for Fusion and student ministry. Fusion will launch Sixty One in the summer of 2022 in partnership with New Wine. Rooted deeply in Isaiah 61, the strategic aim of this event is to go way beyond one week in the summer of 2022. Drawing deeply on Isaiah 61 the intent is to create a God-charged space that invites and then ignites a generation into their calling. To bring about transformational change at the personal and corporate level in the local church and on campuses up and down the country. Developing discipleship pathways for young adults to discern and then walk confidently in their calling.

Sixty One is not being built as a one-off, but as an annual waymarker for the young people of each generation to gather and set about building out the movement and to answer the Isaiah 61 commissioning and anointing; that the Spirit of the Sovereign Lord is upon them, to proclaim good news to the poor, to bind up the brokenhearted, to proclaim freedom for the captives and release from darkness for the prisoners, to proclaim the year of the Lord's favour for each young generation in the church and across the nations. The planting of oaks of righteousness in our broken world that will run for years to come with many partners who are called to speak into each generation.

Events of this scale and ambition require a huge amount of resource and effort. However, Fusion remains entirely true to our mission; delivering world-class training, encouragement, and resources to the local church in the post-COVID landscape. That all students should have the opportunity to be invited to be welcomed home in their local church and to find hope in Jesus. The year ahead is an exciting one and will see much change but it is a challenge that Fusion has been preparing for for two decades and we're more than ready.

Mr Rich Wilson
Fusion Movement Leader

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees of the charity, who are also directors of the company for the purpose of company law, submit their annual report and financial statements for the year ended 31 August 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in 2005 in preparing the annual report and financial statements of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee, formed on 4 December 1998 and is governed by its memorandum and articles of association.

Recruitment and appointment of the trustees

The board seeks to achieve a balance of skills and experience amongst the trustees. In order to maintain this, the board reviews its skill and experience mix each year and seeks to recruit new trustees as and when necessary.

Potential trustees are identified and then approached to determine whether they are able and willing to become part of the charity. Interested individuals are invited to attend a number of trustee meetings to enable them to gain an understanding of the ethos and philosophy of management of the charity. They are also invited to the main office in Loughborough to be given information about the activities, resources and objectives of the charity as well as information regarding the roles and responsibilities of trustees. At the end of this investigative period, individuals are invited to become trustees. Appointment is made at a formal meeting of the board of trustees in line with the charity's memorandum and articles of association.

The trustees delegate the day-to-day responsibility for administering the activities of the charity to a full time head of operations who is also responsible for overseeing the charity's employees and liaising with others to whom the trustees have contracted to undertake various projects and initiatives.

Trustee induction and training

The current board of trustees provide any new trustee with an overview of the timetable of board meetings, copies of the recent minutes of meetings, the recent reports and financial statements and explains their general and specific responsibilities.

Ongoing training is provided by the board of trustees as and when the need arises.

OBJECTIVES AND ACTIVITIES

Aim and purpose

The charity exists primarily to advance the Christian faith and works to catalyse, facilitate and grow a student movement by working in partnership with local churches and other organisations. This is summarised through three purposes:

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

OBJECTIVES AND ACTIVITIES (continued)

Aim and purpose (continued)

1. Equipping students: preparing and inspiring students for a life of mission and discipleship at university;
2. Serving churches: connecting students into the heart of local church and encouraging churches to be at the heart of student mission;
3. Developing student workers: training, resourcing and strengthening all those in church based student ministry.

Included in this is the development and maintenance of a national and international network that will produce and exchange resources to promote student mission.

Objectives and activities

The trustees have established that the aims and purposes of the charity will primarily be reached through working with local churches, their student workers and university students directly. All activities will be focused on providing resources and support in these three areas.

In planning activities for the year, the trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. We want every student to have the opportunity to encounter Jesus whilst at university, for them to find a home in their local church and to live out their faith as part of their local, national and the global community through:

- Preparing and distributing resources on spiritual formation and discipleship, the gospel and kingdom mission, and developing a passion and love for Jesus;
- Providing new students with information to access pastoral care in their new environment;
- Encouraging students to be socially involved in the student and wider community;
- Mission and outreach through enabling, resourcing and training local churches.

ACHIEVEMENTS AND PERFORMANCE

Summary of the year's activities

Reflecting upon a full year of COVID-19 pandemic restrictions Fusion has delivered on many levels and on many strategic objectives. In some cases because of the lockdown and not despite of the lockdown restrictions, Fusion has again seen a year of team growth and impact. Delivering not only what was required now but establishing a firm foundation for what the future holds for student ministry in the UK – and increasingly internationally.

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

Summary of the year's activities (continued)

The Fusion Team is in a great place when you consider all that has gone on in this year. Being a Movement allows and enables us to be flexible in our approach and delivery. This has been essential in this second year of the COVID-19 pandemic. Able to flex with external conditions but remaining entirely mission focussed has been evident in the delivery of the training and in the development of the team.

Fusion adopted a bend-don't-break stance into the prevailing conditions, and it would be safe to say that each Fusion team member has been enabled, equipped, and released to pursue their roles freely and without hindrance as much as possible. We see the whole person and we draw out the long term calling in people. This entails both onboarding and releasing people well in their development and calling.

Our Regional Team structure has continued to develop, each has become stronger and clearer in their regional and ministry focus. The teams have benefited from running online training and each is much more confident with what we offer churches and why. Structurally each regional team has also taken ownership of all church relations in their region. This has included an audit of BAME churches with new targets established to grow engagement with, and support for, BAME churches in each region.

Operationally and financially Fusion is a well run, balanced, and professionally managed charity. The indicators of success are seen in the numbers and the outcomes in this annual report and in the annual accounts, but we are committed to being a learning organisation and to continue to continuously improve at every opportunity – to continually sharpen and be sharpened by those we work with, those who are called to the movement, and those we ultimately support and encourage.

As per our normal rhythm we started the year with our annual student worker conference which had to flex to being delivered as an online conference rather than in-person due to the pandemic. The theme was Into the Deep, a title dreamt up way before the pandemic that helped us deliver something that was important, relevant, and very well produced. Whilst it was successful it was frustrating to not engage more widely through online delivery.

The Student Linkup and Try Church seasons faced enormous uncertainty that reflected the higher education environment. With a dearth of physical events the universities attempts to move Freshers events online were largely unsuccessful and directly affected the ability to drive Student Linkups for local churches and for new students to be invited to Try Church in their new locations. With the continued support and trust from the Allchurches Trust we developed innovative ways to invite students to try church online and through local church student workers.

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

Summary of the year's activities (continued)

With travel and meeting restrictions in place Fusion invested heavily in the professional development of the team. Nine team members began training for recognised qualifications in Project Management, Digital Communications, and People Leadership during the second quarter. These courses are already bringing in new ideas and practices that sharpen the day-to-day delivery of the Fusion mission as well as serving the long-term needs of amplifying our message and improving our efficiency as a movement.

The team did a great job with a Lent series of devotionals based entirely upon each verse of Isaiah 61. A core, meaningful chapter of the Bible for this generation which generated a great level of wider engagement and learning for Fusion Communications by doing this and we will want to do similar things in the future.

In partnership with 24-7 Prayer we launched the P.R.A.Y. Deck. A new resource that complements the How to Pray book from 24-7 Prayer and the two existing Fusion decks, The Discipleship Deck and DMC Deck (Deep Meaningful Conversations). The first print run sold out and it is positioned well for all activity going forward. As reflected in the accounts in this report, other resources in the Fusion portfolio have not sold as well as previous years due to the team not being at events where the resources support the training.

The Graduate Diploma in Kingdom Theology and Student Ministry entered its second year and launched its second cohort in partnership with Westminster Theology Centre (WTC). This important strand of the Fusion Movement, like many aspects of church ministry and mission in this season, has faced challenges and a new emphasis on recruitment will be carried into the year ahead.

Throughout the year we have maintained a focus on Partner Raising at Fusion – our internal terminology for ministry partner development (MPD). This critical element of drawing people into the movement to provide prayer, encouragement, and financial support has continued to ensure sustainability in this season and a confidence in planning and accelerating with confidence into the years ahead. We had two great partner raising weeks dedicated to helping the team focus on their supporter teams and to hit their salary targets.

Finally, throughout the year we launched the Sixty One Festival in partnership with New Wine, an exciting new festival and gathering for students and young adults. A huge amount of time and energy went into planning and gathering a team throughout the year to curate the very best event for launch. But by March 2021 it was clear that due to the pandemic conditions and with unclear guidance from central government meant that we would need to cancel the event for this year. But we continued to lay strong foundations for Sixty One with churches and key partners. It will now launch in August 2022.

FUSION UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

Operational outcomes

A 23% increase (£81k) in individual contributions reflects the success of the championing of Partner Raising, the new coaching structure, and a better, deeper theological understanding of pioneering ministry partner development (MPD);

The higher expenditures in training and team development (£17k) reflect a higher salience in long-term training and nurturing of individuals for the development of the team;

Fusion has developed into a three-quarters-of-a-million pound charity during two years of COVID lockdown with more cost going directly to the team and its development (£102k) and less into the operational overhead, is encouraging;

The operations team has developed a capacity during this year that can grow with the need for greater support as things return to the new version of normal and support new projects; and

Giving to Fusion from church partners was identified as a risk and potentially under threat as budgets tightened, but has seen 19% (£18k) growth over this year.

Review and summary of the year

The results for the year and state of the charity's affairs at 31 August 2021 are set out in the financial statements on pages 13 to 23 showing income of £721,152 (2020 - £737,547) and expenditure of £725,997 (2020 - £645,755). The charity does not use professional fundraisers or raise funds from the general public.

The charity recorded net outgoing resources of £4,845 (2021 - net incoming resources of £91,792) combined with net unrealised gains for the year of £40,721 (2020 - net unrealised losses of £37,220) bringing the total reserves to a surplus of £390,558 (2020 - £354,682) which includes restricted funds of £6,022 (2020 - £6,022).

Principal funding sources

The principal funding sources of the charity continue to be received from the very generous donors and grant funders that the charity is so very thankful to.

Reserves policy

The trustees have a reserves policy to hold in free reserves an amount of around £220,000, sufficient to cover six months' operational expenditure of around £70,000 plus three months of salary expenditure of around £150,000 as explained further on the next page.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

FINANCIAL REVIEW (continued)

Reserves policy (continued)

The trustees have a reserves policy to hold in free reserve sufficient sums to cover six months operational expenditure minus salaries, as any fall in support income is mitigated by a contractual reduction in wage costs through the partner raising model. The trustees believe that this reserve sum is adequate to ensure continuity in ministry and cover the costs associated with training, conferencing, student support and travel due to any unforeseen changes in circumstances and revenues.

The charity remains heavily dependent on income from supporters to fulfil its objectives. In particular, 'partner raising' income whereby team members' salaries are directly linked to raising funds for the charity in relationship and partnership with individuals. As a core tenet of the charity's income stream, the trustees have set an additional reserve target calculated at 3 months of total wage costs in the year which they consider sufficient to cover three months of partner raising income should the need arise.

Through the approval and management of appropriate budgets, the charity also ensures it is in a position to maximise investment opportunities. At present, the free reserves, which amount to £367,586 are above target. The trustees consider the additional free reserves necessary to mitigate the risks outlined below. The level of desired reserves will be kept under review each year in the light of the charity's development. In addition to this, the Charity holds restricted funds totalling £6,022 to fund the establishment and development of Fusion Ireland.

Investment policy

The charity's memorandum provides the trustees with the power to invest monies not immediately required for its purposes, with the objective of managing resources effectively. The trustees will identify funds not required for short or medium term needs and will designate them for longer term investment. The trustees will consider the risk and benefits of such investments, and where necessary seek advice when selecting investment funds. The ethical stance of the charity is a core consideration for the placement of investment funds.

Pay policy for senior staff

The trustees consider the board of directors, who are also the charity's trustees, and the senior management team which comprises the key management personnel of the charity, responsible for directing, controlling, running and operating the charity on a day to day basis. All directors give their time freely and no director received any remuneration during the year.

RISK REVIEW

Principal risks and uncertainties

The trustees have identified two principal risks, which have been mitigated for, and are office provision and sustainable income streams as described on the next page:

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

RISK REVIEW (continued)

Principal risks and uncertainties (continued)

The charity rents office spaces in Loughborough, London, Portsmouth and Manchester. It also receives office spaces in York rent-free. The future availability of all of these offices is uncertain to varying degrees but, as these spaces are seen as crucial to the professionalisation and development of a healthy work culture at the charity, it is necessary to closely monitor and communicate with the various landlords to ensure a continuity in tenure and to identify potential alternatives in case of an enforced move. Part of the cash reserves are in place to finance a shift in office premises and to secure long term leases where available of new office spaces when they are required.

Secondly, establishing sustainable fundraising income streams is an increasing uncertainty in the current socio-political climate. The trustees mitigate this risk through the partnership fundraising model (known as partner raising within the charity). This is where ministry team members seek to raise 100% of their gross salary from individuals with whom they partner, spreading the risk of income loss across multiple sources, and increasing the number of directly invested stakeholders in the charity. The trustees have established key performance indicators tracking regular giving as a percentage of salary cost, and continually review and monitor progress.

A risk management strategy is in place that consists of an annual review document detailing the risks to the charity and the control measures to be taken. This is prepared by the head of operations and then reviewed, assessed and minuted by the board of trustees. The board of trustees along with the head of operations ensure the establishment and continuance of systems and procedures to mitigate those risks.

The financial effect of COVID-19

The charity consistently monitors the charity sector and undertakes environment scans for risks to its mission as a direct effect or consequence of the global coronavirus pandemic. The student population has never needed the charity more than it does at this time of restricted movement and activity. As a consequence, the board of trustees has determined that where universities are open and where students are attending their courses, the charity should not be absent in fulfilling its mission in supporting local churches support their student constituencies. This determination and commitment to the mission and purpose of the charity at a time when free reserves are above target means that a deficit budget can and has been set to ensure that ongoing commitments are met and a strategy for the growth in impact is delivered even in these most difficult of times. Therefore, it is predicted that our expenditure will be higher than our income in at least this next year – if not longer – in order to meet the need of students and the churches supporting students and their student workers during the pandemic and in its disruptive wake.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

PLANS FOR FUTURE PERIODS

General plans

Operationally Fusion is a well run, balanced, and professionally managed charity. The indicators of success are seen in the Operational Outcomes above. But we know that we can still improve and do some things differently and better. We aim to work through the learning and increase understanding across the team and look to continually sharpen and be sharpened. We look at the year ahead to see what we can carry forward and build upon from the solid foundation that was tested and set in place over the past twelve-to-eighteen months of the COVID-19 pandemic.

Sixty One

The Sixty One Festival will take place in August 2022 in partnership with New Wine. This is a core, strategic objective for Fusion in the year ahead with a great deal of energy, time, and resource dedicated to delivering the very best space for students and young adults to gather and meet with God. To provide a place for beginning or re-energising discipleship in a generation that is critical to the future of the church and to the benefit and healing of society. Purposefully built from the ground up to reduce the traditional barriers to access for a wider audience, especially BAME participation, and a programme that is curated to be purposefully exciting and attractive for students and young adults.

Student Linkup and Try Church

Due to the effect of COVID-19 on higher education and the established pathways of engagement at university, Student Linkup numbers have struggled in the past year but we still managed to connect 921 new students with churches in their new university towns. A new strategic lead for Student Linkup will be recruited to drive the Student Linkup season, develop the app, aid sales of the Student Linkup Box, and prepare the ground for the height of the Try Church season at the start of the academic year. We pray for an exciting candidate to be called into the Operations role to drive this project successfully.

Graduate Diploma in Kingdom Theology and Student Ministry in Partnership with WTC

It is critical for the long term success of student mission that an established theology is supported and taught alongside and complementary to the practitioner peer support and best practice that is shared in the Fusion Movement. It faces many challenges in establishing its place and salience within other church initiatives. As such, a greater focus will be given to working with church leaders in educating and recruiting for the Grad Dip.

Operations

Fusion Operations is being gradually reshaped into a digital-first outfit, clarifying and amplifying a thought leadership position. The ongoing upskilling and scaling of the communications unit has been core to this. Operations will continue to do the quiet stuff to understand and develop this new shape that is required for the mission going forward. And, as we are a movement, it needs to be flexible and resilient, and we seek to recruit the right people with the right skills working in alignment with their calling and our mission.

FUSION UK

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

- a. select suitable accounting policies and apply them consistently;
- b. observe the methods and principals in the Charities Statement of Recommended Practice (SORP);
- c. make judgements and estimates that are reasonable and prudent;
- d. state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- e. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity 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 corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT EXAMINER

Daniel Styles of Lifestyles Accountancy Limited has signified his willingness to continue in office and a resolution for his re-appointment will be proposed at the forthcoming annual general meeting.

This report was approved by the board of trustees on 9 February 2022 and signed on its behalf by:



Mr James Hill - Trustee board chair

FUSION UK

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF GP GIFT LIMITED

FOR THE YEAR ENDED 31 AUGUST 2021

I report to the trustees on my examination of the financial statements of Fusion UK ('the charity') for the year ended 31 August 2021, which are set out on pages 13 to 23.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake this examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Daniel Styles FCA (Independent examiner)

for and on behalf of Lifestyles Accountancy Limited
39 Kirklees Road, Southport, PR8 4RB

Dated: 29 January 2022

FUSION UK

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure)

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOMING RESOURCES					
Donations and similar income:					
Donations received	3	555,066	-	555,066	459,924
Income tax recoverable		52,490	-	52,490	45,597
Income from grant making trusts	4	78,633	-	78,633	164,760
Charitable activities:					
Training and conference fees		2,203	-	2,203	11,522
Sale of training materials		24,178	-	24,178	35,242
Advertising revenue		-	-	-	172
Investments					
Investment income	5	8,582	-	8,582	10,330
Other income:					
Covid-19 grants		-	-	-	10,000
TOTAL INCOMING RESOURCES		721,152	-	721,152	737,547
RESOURCES EXPENDED					
Raising funds	6	6,855	-	6,855	10,140
Charitable activities	7	718,083	-	718,083	634,508
Governance costs	8	1,059	-	1,059	1,107
TOTAL RESOURCES EXPENDED		725,997	-	725,997	645,755
NET (OUTGOING) / INCOMING RESOURCES FOR THE YEAR		(4,845)	-	(4,845)	91,792
OTHER RECOGNISED GAINS					
Unrealised investment gain / (loss)		40,721	-	40,721	(37,220)
NET MOVEMENT IN FUNDS		35,876	-	35,876	54,572
Fund balances at 1 September		348,660	6,022	354,682	300,110
Fund balances at 31 August		384,536	6,022	390,558	354,682

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 16 - 23 form part of these financial statements.

FUSION UK

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	Total funds 2021 £	Total funds 2020 £
FIXED ASSETS			
Tangible assets	10	23,165	28,956
Investments	11	196,442	155,720
		<u>219,607</u>	<u>184,676</u>
CURRENT ASSETS			
Stocks of resources		27,606	16,283
Debtors and prepayments	12	41,117	21,436
Cash at bank and in hand		121,155	157,331
		<u>189,878</u>	<u>195,050</u>
CREDITORS: Amounts falling due within one year	13	18,927	25,044
NET CURRENT ASSETS		<u>170,951</u>	<u>170,006</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>390,558</u>	<u>354,682</u>
FUNDS			
Restricted funds		6,022	6,022
Unrestricted funds:			
Designated funds	14	-	338
General funds		384,536	348,322
TOTAL FUNDS		<u>390,558</u>	<u>354,682</u>

For the year ending 31 August 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 9 February 2022, and are signed on behalf of the board by:


.....
Mr. James Hill - Director

The notes on pages 16 - 23 form part of these financial statements.

FUSION UK

STATEMENT OF CASH FLOWS

AS AT 31 AUGUST 2021

	Notes	Total funds 2021 £	Total funds 2020 £
Net cash flow from operating activities	17	(44,758)	58,906
Cash flow from investing activities			
Payments to acquire investments		-	-
Interest received	5	8,582	10,330
Net cash flow from investing activities		<u>8,582</u>	<u>10,330</u>
Net increase / (decrease) in cash and cash equivalents		<u>(36,176)</u>	<u>69,236</u>
Cash and cash equivalents as at 1 September 2020		157,331	88,095
Cash and cash equivalents at 31 August 2021		<u>121,155</u>	<u>157,331</u>

The notes on pages 16 - 23 form part of these financial statements.

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 GENERAL INFORMATION

Fusion UK is a company, limited by guarantee, incorporated in England and Wales under the Companies Act 2006 and Charities Act 2011. The address of the registered office is provided in the Legal and Administration details on page 1. Details of the charity's operations are provided in the Trustees Report starting at page 3.

2 ACCOUNTING POLICIES

a Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared on a going concern basis, under the historical cost convention and include the results of the charity which are described in the Trustees Report and all of which are continuing. The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

b Incoming resources

All income is included in the Statement of Financial Activities when the charity is legally entitled to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

c Resources expended

Liabilities are recognised on the accruals basis. Expenditure is recognised in the period in which it is incurred and includes any attributable VAT which cannot be recovered. Costs which are identified as relating to restricted activities are allocated directly to those activities. Costs which relate to the general running of the charity are allocated against unrestricted funds, and within the Statement of Financial Activities these expenses are shown as costs of generating funds and costs in furtherance of charitable objects.

d Fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised and are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life as follows:

Leasehold improvements	- straight line over the period of the lease
Computer equipment	- straight line over 3 years

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

2 ACCOUNTING POLICIES (continued)

e Investments

Investments are included at market value and any unrealised gains and losses recognised in the Statement of Financial Activities as they occur.

f Fund accounting

Unrestricted funds are those which are not subject to any special restrictions and they can be used as the trustees decide. Designated funds are part of unrestricted funds and are amounts the trustees have set aside to cover particular expenditure.

Restricted funds are those where the donor has imposed restrictions on how the fund may be used, but which do not prevent the fund being spent.

g Taxation

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value added tax is not recovered by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

h Pension scheme

The charity operates a defined contribution scheme for certain employees. The assets of the scheme are administered by trustees in a fund independent from those of the charity.

i Limited by guarantee

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3 DONATIONS RECEIVED

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Individuals	430,212	-	430,212	349,499
Churches	113,644	-	113,644	95,090
Other organisations	11,210	-	11,210	15,335
	555,066	-	555,066	459,924

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

4 INCOME FROM GRANT MAKING TRUSTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Trusts and organisations	78,633	-	78,633	164,760
	<u>78,633</u>	<u>-</u>	<u>78,633</u>	<u>164,760</u>

5 INVESTMENT INCOME

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Listed investments	8,556	-	8,556	10,129
Interest on cash deposits	26	-	26	201
	<u>8,582</u>	<u>-</u>	<u>8,582</u>	<u>10,330</u>

6 COST OF RAISING FUNDS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Publicity costs	6,855	-	6,855	10,140
	<u>6,855</u>	<u>-</u>	<u>6,855</u>	<u>10,140</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

7 COST OF CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Resources	4,595	-	4,595	17,421
Events	12,049	-	12,049	21,417
Salaries and other staff costs	594,006	-	594,006	501,602
Travel and other staff expenses	26,528	-	26,528	26,823
Premises costs	10,138	-	10,138	11,145
Telephone and communications	22,367	-	22,367	14,631
Electronic media and computers	19,558	-	19,558	10,531
Other office costs	23,051	-	23,051	24,950
Depreciation	5,791	-	5,791	5,988
	718,083	-	718,083	634,508

8 GOVERNANCE COSTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Independent examination	1,046	-	1,046	1,050
Legal and sundry governance	13	-	13	57
	1,059	-	1,059	1,107

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

9 STAFF COSTS

No remuneration or expenses were paid to trustees during the year (2020 - £nil). The staff costs of the remaining staff were:

	2021 £	2020 £
Wages and salaries	521,879	439,245
Social security costs	34,377	30,336
Pension costs	37,750	32,021
	594,006	501,602

The average weekly number of staff employed by the charity during the year was as follows:

	2021	2020
Direct charitable work	17.41	15.96
Administration	4.00	3.02
	21.41	18.98
Average number of staff employed (headcount)	26.00	25.10

No employee earned £60,000 per annum or more during the year.

10 TANGIBLE FIXED ASSETS

	Leasehold improvements £	Office and computer equipment £	Total £
Cost			
At 1 September 2020 and 31 August 2021	40,539	5,781	46,320
Depreciation			
At 1 September 2020	11,583	5,781	17,364
Charge for year	5,791	-	5,791
At 31 August 2021	17,374	5,781	23,155
Net book value			
At 31 August 2021	23,165	-	23,165
At 1 September 2020	28,956	-	28,956

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

11 INVESTMENTS

Investments represent units held in equities investment fund for charities.

	2021	2020
	£	£
Market valuation		
At 1 September 2020	155,721	192,940
Increase / (decrease) in unrealised gains	<u>40,721</u>	<u>(37,220)</u>
At 31 August 2021	196,442	155,720
Original Cost		
At 1 September 2020 & 31 August 2021	<u>200,000</u>	<u>200,000</u>

12 DEBTORS AND PREPAYMENTS

	2021	2020
	£	£
Income tax recoverable	12,000	17,800
Other debtors and prepayments	29,117	3,636
	<u>41,117</u>	<u>21,436</u>

13 CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Taxation and social security	9,169	8,375
Accruals	1,046	7,913
Other creditors	8,712	8,756
	<u>18,927</u>	<u>25,044</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

14 ANALYSIS OF FUNDS

	Balance at 1 Sep 20	Incoming resources	Outgoing resources	Unrealised gains	Balance at 31 Aug 21
Unrestricted funds:					
General funds	348,322	721,152	725,659	40,721	384,536
Fusion Scotland (designated)	338	-	338	-	-
Restricted funds:					
Fusion Ireland	6,022	-	-	-	6,022
Total funds:	<u>354,682</u>	<u>721,152</u>	<u>725,997</u>	<u>40,721</u>	<u>390,558</u>

Fusion Ireland: A grant was received from WCFI designated toward the setup costs of Fusion in Ireland and is expected to be utilised in the year ahead.

Fusion Scotland: A separate charity has been formed to develop the work of Fusion in Scotland which is registered with The Office of The Scottish Regulator (OSCR). Donations intended to fund work in Scotland were passed to this charity during the year.

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	23,165	-	23,165
Investments	196,442	-	196,442
Net current assets	164,929	6,022	170,951
	<u>384,536</u>	<u>6,022</u>	<u>390,558</u>

16 GROSS OBLIGATIONS UNDER OPERATING LEASING AGREEMENTS

As at 31 August 2021, the charity had annual commitments under non-cancellable leases as follows:

	2021 £	2020 £
No later than one year	-	5,661
Later than one year but not later than 5 years	16,950	22,644
	<u>16,950</u>	<u>28,305</u>

FUSION UK

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

17 RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the year	35,876	54,572
Interest receivable	(8,582)	(10,330)
Depreciation and impairment of tangible fixed assets	5,791	5,988
Unrealised losses / (gains) on investments	(40,721)	37,220
(Increase) / decrease in stock	(11,323)	13,755
(Increase) / decrease in debtors	(19,681)	(1,651)
Increase / (decrease) in creditors	(6,117)	(40,649)
Net cash flow from operating activities	<u>(44,758)</u>	<u>58,906</u>