

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/>

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INDEX TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

	Page
Legal and administrative information	1
Executive summary	2
Trustees' annual report (incorporating the directors report)	3 - 9
Independent examiner's report to the trustees	10
Statement of financial activities	11
Statement of financial position	12
Statement of cash flows	13
Notes to the financial statements	14 - 21

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)

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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 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:

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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
	<hr/> 722,348	-	<hr/> 722,348	<hr/> 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
	<hr/> 1,202	-	<hr/> 1,202	<hr/> 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)