

NEWLON FUSION

England & Wales · Charity number 1119673

Details

Other names	PROJECT FRESH START
Status	Registered
Legal form	Charitable company
Company number	04000022
Registered	2007-06-15
Register	View on the Charity Commission register

Contact

Address	Newlon Fusion Newlon House 4 Daneland Walk London N17 9FE
Phone	0207 613 8000
Email	info@newlon.org.uk
Website	www.newlon.org.uk

Activities

Objects: A) THE RELIEF OF POVERTY;B) THE RELIEF OF UNEMPLOYMENT;C) THE ADVANCEMENT OF EDUCATION, TRAINING OR RE-TRAINING, PARTICULARLY AMONG UNEMPLOYED PEOPLE, AND PROVIDING UNEMPLOYED PEOPLE WITH WORK EXPERIENCE;D) THE PROVISION OF FINANCIAL ASSISTANCE, TECHNICAL ASSISTANCE OR BUSINESS ADVICE OR CONSULTANCY IN ORDER TO PROVIDE TRAINING AND EMPLOYMENT OPPORTUNITIES FOR UNEMPLOYED PEOPLE IN CASES OF FINANCIAL OR OTHER CHARITABLE NEED THROUGH HELP: (I) IN SETTING UP THEIR OWN BUSINESS, OR (II) TO EXISTING BUSINESSES;E) THE CREATION OF TRAINING AND EMPLOYMENT OPPORTUNITIES BY THE PROVISION OF WORKSPACE, BUILDINGS, AND/OR LAND FOR USE ON FAVOURABLE TERMS;F) THE PROVISION OF HOUSING FOR THOSE WHO ARE IN CONDITIONS OF NEED AND THE IMPROVEMENT OF HOUSING IN THE PUBLIC SECTOR OR IN CHARITABLE OWNERSHIP PROVIDED THAT SUCH POWER SHALL NOT EXTEND TO RELIEVING ANY LOCAL AUTHORITIES OR OTHER BODIES OF A STATUTORY DUTY TO PROVIDE OR IMPROVE HOUSING;G) THE PROVISION OF RECREATIONAL FACILITIES FOR THE PUBLIC AT LARGE OR THOSE WHO BY REASON OF THEIR YOUTH, AGE, INFIRMITY OR DISABLEMENT, POVERTY OR SOCIAL AND ECONOMIC CIRCUMSTANCES, HAVE NEED OF SUCH FACILITIES:H) THE PROTECTION OR CONSERVATION OF THE ENVIRONMENT;I) THE PROMOTION OF PUBLIC SAFETY AND PREVENTION OF CRIME;J) SUCH OTHER MEANS AS MAY FROM TIME TO TIME BE DETERMINED.

Activities: The promotion of public benefit of regeneration in areas of social and economic deprivation, working to deliver, knowledge and action needed to make better places. Its portfolio includes training for employment, personal development, behavioural interventions with challenging young people, environmental improvements, crime diversion projects and support for local people.

Classification

- **How:** Makes Grants To Individuals, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Amateur Sport, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE, GREATER LONDON, ESSEX, KENT, HERTFORDSHIRE
- Essex
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£61,153	£61,153	-	-
2024-03-31	£60,182	£84,260	-	-
2023-03-31	£63,430	£76,671	-	-
2022-03-31	£61,000	£78,000	-	-
2021-03-31	£48,613	£61,135	-	-

Trustees

Name	Role	Appointed
Aman Dalvi		2022-12-14
Edward Ihejirika		2022-12-14
Lloyd Gale-Ward		2019-07-17
NEWLON HOUSING TRUST		2012-12-21

NEWLON FUSION

England & Wales - Charity number 1119673

Accounts

Financial Statements

for the Year ended 31 March 2025

Newlon Fusion

Company number: 04000022

Charity number: 1119673

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The Board and professional advisors

Company number: 04000022

Charity number: 1119673

Registered office and operational address

Newlon House
4 Daneland Walk
Hale Village
London
N17 9FE

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Lloyd Gale-Ward Chair

Edward Ihejirika

Aman Dalvi

Person with significant control

Newlon Housing Trust

Company Secretary

Tom O'Malley

Key personnel

Misba Bemath

Bankers

Barclays Bank PLC
Business Service Team
Level 28
1 Churchill Place
London
E14 5HP

Solicitors

Devonshires
30 Finsbury Circus
London
EC2M 7DT

Auditors

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 OPA

The Trustees present their report and the audited financial statements for the year ended 31 March 2025. Reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities. SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The Charity's objectives during the past financial year in the context of urban regeneration and socio economic deprivation have been:

- To relieve poverty, reduce unemployment, advance education, skills development, work experience.
- To provide advice, assistance or consultancy in order to provide support to existing and new businesses.
- To provide appropriate community buildings.
- To protect or conserve the environment including 'green' initiatives.
- To promote public safety.

Following a review of the Newlon Group structure, the board of the parent company Newlon Housing Trust approved the closure of Newlon Fusion at the Newlon Housing Trust Board meeting held in September 2023. It was considered that the purposes and aims of Newlon Fusion can continue to be delivered directly by the Newlon Group members Newlon Housing Trust and Outward and that closing Newlon Fusion will reduce the administrative time and costs of the Newlon Group. The dissolution of Newlon Fusion was completed on 3 June 2025.

The accumulated funds of Newlon Fusion were transferred to Newlon Housing Trust and Outward and will be used to continue to deliver Newlon Fusion's purposes and aims. Newlon Fusion does not have any restricted funds that will continue to need to be monitored and used to deliver objectives specifically set by donors. However, these funds will be ringfenced through the use of a separate bank accounts owned by Newlon Housing Trust and Outward. This will ensure that the remaining funds donated by individuals and organisations will continue to be used to pursue Newlon Fusion's charitable aims.

As a result of the closure of Newlon Fusion, these accounts have been prepared on a basis other than going concern.

This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees to ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives. In particular, the Trustees consider how activities have contributed to the aims and objectives that have been set.

Newlon Fusion operated in a strategic landscape shaped by concerns for rising poverty, the longer-term effects of the cost of living crisis and the ongoing impact of Welfare Reform. Our vision to address individual hardship and nurture communities translated into two clear objectives which provided focus and direction for activities undertaken in 2024-25:

- To grow the impact of our work, reaching more people, helping them out of hardship, out of debt and into employment.

- To strengthen the London communities in which Newlon works, particularly through effective and financially viable community hubs and activities that reduces poverty, isolation, and digital exclusion.

The following strategies were adopted over the course of the year to drive activity and help us achieve these primary objectives. These strategies will continue to be pursued by Newlon Housing Trust and Outward following the dissolution of Newlon Fusion:

1. Financial inclusion

Secure and deliver the resident hardship fund, as well as strengthen the long term financial resilience of residents. This includes reducing debt in priority areas such as rent arrears, reducing the incidence of possession proceedings and delivering tenancy sustainment using the provision of information around personal finance.

In addition, we are proactively engaging with residents when they initially contact us and providing information more widely about the help available, both nationally and within their own community. We have been raising awareness about Pension Credit and Universal Credit migration as well as developing schemes targeting members of the community that have been underserved such as care leavers, who would significantly benefit from this type of information.

2. Community facilities

The goals are to enhance and expand service delivery in Hackney, Tower Hamlets, Haringey, Islington, Camden, Enfield, Waltham Forest and Redbridge in response to changing local need through a range of wellbeing, welfare and inclusion initiatives and improve longer-term sustainability of community venues through cost-effective partnership delivery and external income generation.

Achievements

Newlon residents receive help to financially sustain their tenancies, meet their basic needs and avoid the risk of becoming over-indebted through furnishing their homes or addressing emergency situations. The funding supports residents in need, whether they are moving into Newlon properties, or current residents facing unexpected or emergency situations that put extra pressure on their income, including those facing extreme poverty and debt.

The goal of the Hardship Fund is to distribute funding to Newlon residents in hardship. The need for support has increased steadily since the pandemic and the current cost of living crisis. In response to these challenges, this past year the Financial Inclusion Team distributed over £108,000 in hardship support to 525 households. £63,000 was distributed via Fusion with the remaining £45,000 directly distributed by the parent Newlon Trust. due to the decision to close Fusion.

In addition, the Financial Inclusion Team proactively engaged with residents when they initially contacted us and provided information more widely about the help available, both nationally and within their own community. We have been raising awareness about Pension Credit and Universal Credit migration as well as developing schemes targeting members of the community that have been underserved such as care leavers, who would significantly benefit from this type of information.

By providing information around personal finance our residents can maximise their household income while maintaining their domestic budgets, address their debts and avoid future indebtedness. Our ambition is for residents to become financially resilient.

Our community venue in Tower Hamlets (Lascar Wharf) continues to promote social inclusion, bringing local people together through activities that provide opportunity for personal and social development

Beneficiaries of our services

Newlon Fusion worked with residents of Newlon Housing Trust and community members across our target boroughs of Hackney, Tower Hamlets, Haringey, Islington, Camden, Enfield, Waltham Forest, and Redbridge. Recipients of Newlon Fusion's services included young people and adults who required support with understanding all aspects of domestic finances, health and wellbeing, training employment and other community engagement opportunities.

We have also collaborated with external organisations to support their ongoing work with Newlon residents, including food banks and a local homework club.

Our work helped hundreds of Newlon residents and community members to improve their skills and their lives and to create vibrant communities.

As we face the migration of many residents from general income benefits, including housing benefit, to Universal Credit we have worked to identify the potential problems our residents could face, how they prepare and highlight how we could help address them. As the migration is ongoing the work we are undertaking is not limited to 2024-25 and will be continued by Newlon Housing Trust in 2025-26 following the dissolution of Newlon Fusion.

To address the transition, we have provided information to residents explaining what they need to do to limit any potential negative impact. This includes information on welfare changes, regular updates in resident newsletters, and ensuring all colleagues who are engaging with residents are fully briefed and able to offer possible solutions for those negatively impacted.

Financial review

During the previous financial years we saw a significant increase in requests for hardship funding. As a result Newlon Fusion set an ambitious target of financial assistance delivered through the hardship fund in 2024-25 to £101K. We aimed to raise £50.5K from donations from third party donors, while funding the remaining £50.5K through a combination of revenue generated during the year and Newlon Fusion's reserves. During the year we secured £69K of third party funding and delivered £152K of hardship support. £49K of the third party funding was received by Newlon Fusion, with the remaining £20K received directly by Newlon Trust due to the decision to close Newlon Fusion. Newlon Fusion would like to extend its gratitude to all donors that contributed towards the hardship fund this year and during its period of operation.

The net movement in funds was a deficit of £154,897 (2023-24: £24,078 deficit) on income of £61,153 (2023-24: £60,182). The growth in the deficit was due to the transfer of Newlon Fusions' reserves to Newlon Housing Trust and Outward.

Plans for the future

Although Newlon Fusion has been dissolved, hardship projects will continue to be delivered by Newlon Housing Trust and Outward with renewed focus on the needs of Newlon Group residents and communities. Newlon Housing Trust plans to raise £36K of third party contributions to the hardship fund and deliver £72K of financial assistance during the financial year ending 31 March 2026.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 18 May 2000 and registered as a charity.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Trustees' annual report

The day to day operations of Newlon Fusion and administration of the hardship fund is run by the Financial Inclusion Manager of Newlon Housing Trust, the ultimate parent company of Newlon Fusion. The Financial Inclusion Manager is an employee of Newlon Housing Trust and does not receive remuneration from Newlon Fusion.

The Trustees are members of the Board of Newlon Housing Trust and all training requirements are provided by Newlon Housing Trust. All Trustees give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the charity are set out in the accounts.

The charity is a company limited by guarantee and is a subsidiary of Newlon Housing Trust, part of the Newlon Group.

Intra-Group transactions and activity are governed by a formal agreement with Newlon Housing Trust. The charity operates under a memorandum and articles of association drafted widely to give the charity flexibility in delivering its principal objective of supporting and regenerating communities in areas of deprivation.

During the year the Board agreed that staff from Newlon Housing Trust would not deliver services and activities on behalf of Newlon Fusion and no management fee would be paid to the group. Financial services (if provided) are provided by the Group finance function.

Appointment of Trustees

We seek to ensure that Trustees, as far as possible, represent the diversity of the communities we serve and collectively provide the range of experience, technical and professional skills required by Newlon Fusion.

Trustees are appointed by the parent Board and they do not receive remuneration.

Policy for employment of disabled persons

Newlon Fusion is committed to a positive policy of equal opportunities and diversity. We uphold our belief in a society in which every person has a fair and equal place, by seeking to ensure that there is total equality in all of the functions of the organisation and in the delivery of its services, integrating equality of opportunity into all of our activities and actively opposing discrimination and prejudice in all forms. We work to ensure that all members of the community have access to and equal treatment in the provision of our services.

Statement of responsibilities of the Trustees

The Trustees (who are also directors of Newlon Fusion for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 1 to the financial statements, the directors do not believe the going concern basis to be appropriate and, in consequence, these financial statements have not been prepared on that basis.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information;
- 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; and
- members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 2023-24 was 4 (2022-23 was 4). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Going concern

Newlon Fusion was dissolved on 3 June 2025. The financial statements are therefore prepared on a basis other than going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

Auditors

BDO LLP were reappointed as the charitable company's auditors during the year.

Advantage has been taken of the small company's exemption.

The Trustees' annual report has been approved by the Trustees on 16 July 2025 and signed on their behalf by



Lloyd Gale-Ward, Chair

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Newlon Fusion ("the Charitable Company") for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 **The Financial Reporting Standard applicable in the UK and Republic of Ireland** (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - basis of preparation

We draw attention to Note 1 to the financial statements which explains that the Company was dissolved on 3 June 2025. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 1. No material adjustments arose as a result of ceasing to apply the going concern basis. Our opinion is not modified in respect of this matter.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Charitable Company and the sector in which it operates;
- Discussion with management and those charged with governance including the Group Audit and Risk Committee; and
- Obtaining and understanding of the Charitable Company's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be Charities Act 2011, Charities SORP (FRS 102) and Companies Act 2006.

The Charitable Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be health and safety legislation, UK tax legislation, Employment Taxes and the Bribery Act 2010.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations; and
- Review of financial statement disclosures and agreeing to supporting documentation.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance including the Group Audit and Risk Committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Charitable Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override through accounting estimates and inappropriate journal entries.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Testing a sample of journal entries throughout the year that do not meet a defined risk criteria (ie non risky journals); and
- Assessing significant estimates made by management for bias.

Independent auditor's report to the members of Newlon Fusion

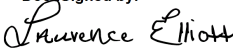
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

C9A7C7386A35456...
Laurence Elliott, Senior Statutory Auditor

For and on behalf of BDO LLP, Statutory Auditor

Gatwick

United Kingdom

Date: **19 September 2025**

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Statement of financial activities (incorporating an income and expenditure account)
for the year ended 31 March 2025

				2025			2024
	Note	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:							
Donations and legacies	2	-	-	-	2,000	-	2,000
Charitable activities							
Resident Empowerment	3	-	49,621	49,621	-	39,450	39,450
Community hubs	3	8,951	-	8,951	16,407	-	16,407
Investments	4	2,581	-	2,581	2,325	-	2,325
Total income		11,532	49,621	61,153	20,732	39,450	60,182
Expenditure on:							
Charitable activities							
Resident empowerment	5	-	63,184	63,184	-	78,400	78,400
Other		(2,031)	-	(2,031)	5,860	-	5,860
Total expenditure		(2,031)	63,184	61,153	5,860	78,400	84,260
Net income/(expenditure) for the year	6	13,563	(13,563)	-	14,872	(38,950)	(24,078)
Extraordinary Item - Closure asset transfers		(304,346)	149,450	(154,897)	14,872	(38,950)	(24,078)
Net movement in funds		(290,783)	135,886	(154,897)	14,872	(38,950)	(24,078)
Reconciliation of funds:							
Total funds brought forward		290,782	(135,886)	154,897	275,910	(96,936)	178,974
Total funds carried forward		-	-	-	290,782	(135,886)	154,897

All of the above results are derived from discontinuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

The notes on pages 16 to 24 form part of these financial statements.

Balance sheet
as at 31 March 2025

Company no. 04000022

			2025	2024
	Note	£	£	£
Current assets:				
Debtors	9	-	2,083	
Cash at bank and in hand		-	165,322	
		-	167,405	
Liabilities:				
Creditors: amounts falling due within one year	10	-	12,508	
Net current assets		-		154,897
Total assets less current liabilities		-		154,897
Total net assets		-		154,897
The funds of the Charity:				
	13			
Unrestricted income funds:				
General funds		-	104,897	
Designated funds		-	50,000	
Total unrestricted funds		-		154,897
Total Charity funds		-		154,897

Approved by the Trustees on 16 July 2025 and signed on their behalf by



Lloyd Gale-Ward, Chair



Aman Dalvi, Director

The notes on pages 16 to 24 form part of these financial statements.

Statement of cash flows

for the year ended 31 March 2025

	Note	2025	2024
		£	£
Cash flows from operating activities:			
Net cash used in operating activities	14	(13,006)	(45,951)
Cash flows from investing activities:			
Distributions to Group Members		(154,897)	-
Interest received		2,581	2,325
Net cash from investing activities		(152,316)	2,325
Cash flows from financing activities:			
Net cash from financing activities		-	-
Change in cash and cash equivalents in the year		(165,321)	(43,626)
Cash at the beginning of the year		165,321	208,947
Cash and cash equivalents at the end of the year	15	-	165,321

The notes on pages 16 to 24 form part of these financial statements.

1. Accounting policies

a) Basis of preparation

Newlon Fusion, limited by guarantee is a company incorporated in England & Wales under the Companies Act 2006. The registered office address is Newlon House, 4 Daneland Walk, Hale Village, London, N17 9FE.

The financial statements have been 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 (FRS102) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

c) Going concern

Newlon Fusion was dissolved on 3 June 2025. The financial statements are therefore prepared on a basis other than going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Donations Income is used to fund Newlon Fusion's annual hardship fund. Donors specify which year's fund they are donating to and the income is recognised during the financial year specified.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

f) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purpose.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.
- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

- Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Community hubs 100%

- Support and governance costs are reallocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

Community hubs 100%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

k) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

l) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, key judgements have been made in respect of the following:

Income is generated from a range of sources, in particular, from grants and within the Newlon Group. Judgement is applied as to income recognition and recoverability on a source by source and/or contract by contract basis.

m) Disclosure exemptions

Disclosures in respect of the charity's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Newlon Group as a whole in the consolidated accounts of the Newlon Group.

2. Income from donations and legacies

	Unrestricted	Restricted	2025 Total	2024 Total
	£	£	£	£
Donations	-	-	-	2,000
	-	-	-	2,000

3. Income from charitable activities

	Unrestricted	Restricted	2025 Total	2024 Total
	£	£	£	£
Smarter Services	-	3,450	3,450	3,450
Oracle	-	-	-	1,000
Mobysoft	-	3,000	3,000	-
Wates	-	-	-	10,000
QFSM	-	1,250	1,250	1,100
Delta Security	-	1,100	1,100	1,150
Locations London	-	34,004	34,004	-
Mulalley	-	5,000	5,000	5,500
Oakray	-	-	-	1,900
Martin Arnold	-	-	-	2,750
EEM Limited	-	567	567	10,000
Other donors	-	1,250	1,250	2,600
Sub-total for resident empowerment	-	49,621	49,621	39,450
Community hall hire income	8,951	-	8,951	16,407
Total income from charitable services	8,951	49,621	58,572	55,857

4. Income from investments

	Unrestricted	Restricted	2025 Total	2024 Total
	£	£	£	£
Interest	2,581	-	2,581	2,325
	2,581	-	2,581	2,325

5. Analysis of expenditure

	Resident empowerment	Support costs	2025 Total	2024 Total
	£	£	£	£
Materials	63,184	-	63,184	78,400
Professional services	-	(1,928)	(1,928)	6,617
Other costs	-	120	120	150
Provision for bad debt	-	(223)	(223)	(907)
	63,184	(2,031)	61,153	84,260
Support costs	(2,031)	2,031	-	-
Total expenditure	61,153	-	61,153	84,260

Of the total expenditure, (£2,031) was unrestricted (2024: £5,860) and £63,184 was restricted (2024: £78,400).

6. Net incoming resources for the year

This is stated after charging:

	2025 £	2024 £
Donated Services	-	2,000
Auditors' remuneration (excluding VAT):		
Audit	-	4,148

7. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

There were no employees during the year.

Trustees consider those staff with material delegations of authority available to them to conduct operational activities as key management personnel. The total employee benefits including pension contributions of the key management personnel, comprising the Chief Executive and the executive team, were Nil (2024: Nil). Within employee benefits, employers pension contributions of Nil were paid on behalf of key management personnel (2024: Nil) into defined contribution schemes including the 'auto enrolment' scheme.

The total employee benefits including pension contributions of the key management personnel were Nil (2024: Nil).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2024: £Nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £Nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totaling Nil (2024: Nil) incurred by Nil (2024: Nil) members relating to attendance at meetings of the trustees.

8. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9. Debtors

	2025 £	2024 £
Trade debtors	-	3,265
Provision for bad debts	-	(1,182)
Amount owed by Group undertakings	-	-
	-	2,083

10. Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	-	39
Accruals	-	4,977
Deferred income	-	7,292
Other creditors	-	200
	-	12,508

11. Deferred income

Deferred income includes grants received in advance of project delivery.

	2025 £	2024 £
Balance at the beginning of the year	7,292	37,350
Amount released to income in the year	(7,292)	(37,350)
Amount deferred in the year	-	7,292
Balance at the end of the year	-	7,292

12. Analysis of net assets between funds

	General unrestricted 2025 £	Restricted 2025 £	Total funds 2025 £
Net current assets	-	-	-
Net assets at the end of the year	-	-	-

	General unrestricted 2024 £	Restricted 2024 £	Total funds 2024 £
Net current assets	154,897	-	154,897
Net assets at the end of the year	154,897	-	154,897

13. Movements in funds

	At 1 April 2024 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers to Restricted Funds £	Transfers to Other Group Entities £	At 31 March 2025 £
General funds	104,897	11,533	2,031	(13,563)	(104,897)	-
Designated funds	50,000	-	-	-	(50,000)	-
Total unrestricted funds	154,897	11,533	2,031	(13,563)	(154,897)	-
Restricted funds	-	49,621	(63,184)	13,563	-	-
Total funds	154,897	61,153	(61,153)	-	(154,897)	-

	At 1 April 2023 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At 31 March 2024 £
General funds	128,974	20,732	(5,860)	(38,950)	104,897
Designated funds	50,000	-	-	-	50,000
Total unrestricted funds	178,974	20,732	(5,860)	(38,950)	154,897
Restricted funds	-	39,450	(78,400)	38,950	-
Total funds	178,974	60,182	(84,260)	-	154,897

14. Reconciliation of net income to net cash flow from operating activities

	2025 £	2024 £
Net income for the reporting period (as per the statement of financial activities)	-	(24,078)
Dividends, interest and rent from investments	(2,581)	(2,325)
Decrease/(Increase) in debtors	2,083	9,473
(Decrease)/Increase in creditors	(12,508)	(29,021)
Net cash flow from operating activities	(13,006)	(45,951)

15. Analysis of cash and cash equivalents

	At 1 April 2024 £	Cash flows £	Other changes £	At 31 March 2025 £
Cash at bank and in hand	165,322	(165,322)	-	-
Total cash and cash equivalents	165,322	(165,322)	-	-

16. Analysis of changes in net debt

	At 31 March 2024 £	Cash flows £	Other changes £	At 31 March 2025 £
Cash at bank and in hand	165,322	(165,322)	-	-
Loans falling due within one year	-	-	-	-
Loans falling due after more than one year	-	-	-	-
Total cash and cash equivalents	165,322	(165,322)	-	-

17. Related party transactions

	2025 £	2024 £
Donations from Newlon Housing Trust	-	2,000

Newlon Housing Trust provided Newlon Fusion with back office support services including IT and Finance services. However, due to the closure of Newlon Fusion no charge was levied during the 2025 financial year. The estimated value of the donated services for 2024 were £2K. There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties. Newlon Housing Trust is a parent company of Newlon Fusion and Access Homes.

18. Legal status of the Charity

At 31 March 2025, the charity was a company limited by guarantee and had no share capital. The liability of each member in the event of winding up was limited to £1. Newlon Fusion was dissolved on 3 June 2025.

19. Parent entity

The Immediate parent undertaking is Newlon Housing Trust.

The ultimate parent undertaking and controlling party is Newlon Housing Trust, a registered premier of social housing in England and Wales. Newlon Housing Trust is the parent undertaking of the smallest and largest group to consolidate these financial statements. Consolidated financial statements for Newlon Housing Trust are available from its registered office at 4 Daneland Walk, Hale Village, London, N17 9FE. Control is exercised by virtue of a 51% golden voting share available as part of reciprocal representation on the Boards of the two entities. Newlon Housing Trust authorises the proposed appointment and removal of Trustees from the board of Newlon Fusion.

20. Subsequent events

After 3 June 2025, the charity ceased operations and was formally closed. All assets and liabilities were settled or transferred in accordance with applicable regulations and governance requirements.

21 Transfer of trade and assets to Newlon

Subsequent to the year-end, the charity's trade and assets were transferred to Newlon Housing Trust and Outward. The transfer included all operational activities, tangible assets, and related liabilities at their carrying values. This transfer was undertaken to ensure the continued delivery of charitable services and to align with the charity's strategic and governance decisions.

All obligations to creditors, donors, and other stakeholders have been appropriately addressed as part of the transfer process. A total value of £154,897 was transferred as part of this arrangement.

NEWLON FUSION

England & Wales - Charity number 1119673

Accounts

Financial Statements

for the Year ended 31 March 2024

Newlon Fusion

Company number: 04000022

Charity number: 1119673

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The Board and professional advisors

Company number: 04000022

Charity number: 1119673

Registered office and operational address

Newlon House
4 Daneland Walk
Hale Village
London
N17 9FE

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Lloyd Gale-Ward Chair

Edward Ihejirika

Aman Dalvi

Person with significant control

Newlon Housing Trust

Company Secretary

Tom O'Malley

Key personnel

Misba Bemath

Bankers

Barclays Bank PLC
Business Service Team
Level 28
1 Churchill Place
London
E14 5HP

Solicitors

Devonshires
30 Finsbury Circus
London
EC2M 7DT

Auditors

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 OPA

The Trustees present their report and the audited financial statements for the year ended 31 March 2024.

Reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities. SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The Charity's objectives during the past financial year in the context of urban regeneration and socio economic deprivation have been:

- To relieve poverty, reduce unemployment, advance education, skills development, work experience.
- To provide advice, assistance or consultancy in order to provide support to existing and new businesses.
- To provide appropriate community buildings.
- To protect or conserve the environment including 'green' initiatives.
- To promote public safety.

Following a review of the Newlon Group structure, the board of the parent company Newlon Housing Trust approved the closure of Newlon Fusion at the Newlon Housing Trust Board meeting held in September 2023. The closure of Newlon Fusion will be completed during the financial year ending 31 March 2025. It was considered that the purposes and aims of Newlon Fusion can continue to be delivered directly by Newlon Housing Trust and that closing Newlon Fusion will reduce the administrative time and costs of the Newlon Group.

The accumulated funds of Newlon Fusion will be transferred to Newlon Housing Trust and used to continue to deliver Newlon Fusion's purposes and aims. Newlon Fusion does not have any restricted funds that will continue to need to be monitored and used to deliver objectives specifically set by donors. However, these funds will be ringfenced through the use of a separate bank account owned by Newlon Housing Trust and administered by the Financial Inclusion Manager, an employee of Newlon Housing Trust who currently administers the hardship funds within Newlon Fusion. This will ensure that the remaining funds donated by individuals and organisations will continue to be used to pursue Newlon Fusion's charitable aims.

The practical closure of Newlon Fusion will follow legal discussions and approval from the Charity Commission. All assets and liabilities are expected to be transferred to Newlon Housing Trust with the exception of the lease at the Lascar Wharf Community Centre, which is expected to be transferred to Outward, a charity and member of the Newlon Group.

As a result of the planned closure of Newlon Fusion, these accounts have been prepared on a basis other than going concern.

This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees to ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives. In particular, the Trustees consider how activities have contributed to the aims and objectives that have been set.

Newlon Fusion operates in a strategic landscape shaped by concerns for rising poverty, the longer-term effects of the cost of living crisis and the ongoing impact of Welfare Reform. Our vision to address individual hardship and nurture communities translates into two clear objectives which provided focus and direction for activities undertaken in 2023-24:

- To grow the impact of our work, reaching more people, helping them out of hardship, out of debt and into employment.
- To strengthen the London communities in which Newlon works, particularly through effective and financially viable community hubs and activities that reduces poverty, isolation, and digital exclusion.

The following strategies were adopted over the course of the year to drive activity and help us achieve these primary objectives. These strategies will continue to be pursued by Newlon Housing Trust following the planned closure of Newlon Fusion in 2024-2025:

1. Financial Inclusion

Secure and deliver the resident hardship fund, as well as strengthen the long term financial resilience of residents. This includes reducing debt in priority areas such as rent arrears, reducing the incidence of possession proceedings and delivering tenancy sustainment using the provision of information around personal finance.

In addition, we are proactively engaging with residents when they initially contact us and providing information more widely about the help available, both nationally and within their own community. We have been raising awareness about Pension Credit and Universal Credit migration as well as developing schemes targeting members of the community that have been underserved such as care leavers, who would significantly benefit from this type of information.

2. Community facilities

The goals are to enhance and expand service delivery in Hackney, Tower Hamlets, Haringey, Islington, Camden, Enfield, Waltham Forest and Redbridge in response to changing local need through a range of wellbeing, welfare and inclusion initiatives and improve longer-term sustainability of community venues through cost-effective partnership delivery and external income generation.

Achievements

Newlon residents receive help to financially sustain their tenancies, meet their basic needs and avoid the risk of becoming over-indebted through furnishing their homes or addressing emergency situations. The funding supports residents in need, whether they are moving into Newlon properties, or current residents facing unexpected or emergency situations that put extra pressure on their income, including those facing extreme poverty and debt.

The goal of the Hardship Fund is to distribute funding to Newlon residents in hardship. The need for support has increased steadily since the pandemic and the current cost of living crisis. In response to these challenges, this past year we distributed over £83,000 in hardship support to 275 households.

In addition, we proactively engaged with residents when they initially contacted us and provided information more widely about the help available, both nationally and within their own community. We have been raising awareness about Pension Credit and Universal Credit migration as well as developing schemes targeting members of the community that have been underserved such as care leavers, who would significantly benefit from this type of information.

By providing information around personal finance our residents can maximise their household income while maintaining their domestic budgets, address their debts and avoid future indebtedness. Our ambition is for residents to become financially resilient.

Our community venue in Tower Hamlets (Lascar Wharf) continues to promote social inclusion, bringing local people together through activities that provide opportunity for personal and social development

Beneficiaries of our services

Newlon Fusion works with residents of Newlon Housing Trust and community members across our target boroughs of Hackney, Tower Hamlets, Haringey, Islington, Camden, Enfield, Waltham Forest, and Redbridge. Recipients of Newlon Fusion's services include young people and adults who require support with understanding all aspects of domestic finances, health and wellbeing, training employment and other community engagement opportunities.

We have also collaborated with external organisations to support their ongoing work with Newlon residents, including food banks and a homework club.

Our work helps hundreds of Newlon residents and community members to improve their skills and their lives and to create vibrant communities.

As we face the migration of many residents from general income benefits, including housing benefit, to Universal Credit we have worked to identify the potential problems our residents could face, how they prepare and highlight how we could help address them. As the migration is ongoing the work we are undertaking is not limited to 2023-24 and will be continued by Newlon Housing Trust in 2024-25.

To address the transition, we have provided information to residents explaining what they need to do to limit any potential negative impact. This includes information on welfare changes, regular updates in resident newsletters, and ensuring all colleagues who are engaging with residents are fully briefed and able to offer possible solutions for those negatively impacted.

Financial review

During the previous financial years we saw a significant increase in requests for hardship funding. As a result Newlon Fusion set an ambitious target of increasing the financial assistance delivered through the hardship fund in 2023-24 to £108K from £72K in 2022-23. We aimed to raise £54K from donations from third party donors, while funding the remaining £54K through a combination of revenue generated during the year and Newlon Fusion's reserves. During the year we secured £38K of third party funding and delivered £83K of hardship support. Newlon Fusion would like to extend its gratitude to all donors that contributed towards the hardship fund this year.

The net movement in funds was a deficit of £24,078 (2022-23: £13,241 deficit) on income of £60,182 (2022-23: £63,430). The growth in the deficit was due to Newlon Fusion utilising more reserves for the hardship fund than expected to cover the lower than expected total third party donations.

Plans for the future

Although Newlon Fusion will be closed during the next financial year, the projects will continue to be delivered by Newlon Housing Trust with renewed focus on the needs of Trust residents and communities. Newlon Housing Trust plans to raise £51K of third party contributions to the hardship fund and deliver £101K of financial assistance during the financial year ending 31 March 2025.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 18 May 2000 and registered as a charity.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Trustees' annual report

The day to day operations of Newlon Fusion and administration of the hardship fund is run by the Financial Inclusion Manager of Newlon Housing Trust, the ultimate parent company of Newlon Fusion. The Financial Inclusion Manager is an employee of Newlon Housing Trust and does not receive remuneration from Newlon Fusion.

The Trustees are members of the Board of Newlon Housing Trust and all training requirements are provided by Newlon Housing Trust. All Trustees give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the charity are set out in the accounts.

The charity is a company limited by guarantee and is a subsidiary of Newlon Housing Trust, part of the Newlon Group.

Intra-Group transactions and activity are governed by a formal agreement with Newlon Housing Trust. The charity operates under a memorandum and articles of association drafted widely to give the charity flexibility in delivering its principal objective of supporting and regenerating communities in areas of deprivation.

During the year the Board agreed that staff from Newlon Housing Trust would not deliver services and activities on behalf of Newlon Fusion and no management fee would be paid to the group. Financial services (if provided) are provided by the Group finance function.

Appointment of Trustees

We seek to ensure that Trustees, as far as possible, represent the diversity of the communities we serve and collectively provide the range of experience, technical and professional skills required by Newlon Fusion.

Trustees are appointed by the parent Board and they do not receive remuneration.

Policy for employment of disabled persons

Newlon Fusion is committed to a positive policy of equal opportunities and diversity. We uphold our belief in a society in which every person has a fair and equal place, by seeking to ensure that there is total equality in all of the functions of the organisation and in the delivery of its services, integrating equality of opportunity into all of our activities and actively opposing discrimination and prejudice in all forms. We work to ensure that all members of the community have access to and equal treatment in the provision of our services.

Statement of responsibilities of the Trustees

The Trustees (who are also directors of Newlon Fusion for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

Trustees' annual report

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 1 to the financial statements, the directors do not believe the going concern basis to be appropriate and, in consequence, these financial statements have not been prepared on that basis.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information;
- 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; and
- members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 2023-24 was 4 (2022-23 was 4). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Going concern

A decision was taken by the Board of the ultimate parent company, Newlon Housing Trust, at a Board meeting held in September 2023 to transfer the trade and assets of Newlon Fusion to Newlon Housing Trust. Newlon Housing Trust will utilise the funds gifted to continue to deliver the purposes and aims of Newlon Fusion. Once the reserves have been transferred to Newlon Housing Trust, it is the directors intention to dissolve the entity. The financial statements are therefore prepared on a basis other than going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

Auditors

BDO LLP were reappointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Advantage has been taken of the small company's exemption.

The Trustees' annual report has been approved by the Trustees on 10 July 2024 and signed on their behalf by



Lloyd Gale-Ward, Chair

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Newlon Fusion ("the Charitable Company") for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 1a to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: The Trustees' annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Trustees' annual report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which is included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

Independent auditor's report to the members of Newlon Fusion

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Emphasis of matter - basis of preparation

We draw attention to Note 1 to the financial statements which explains that the directors intend to dissolve the legal entity and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 1. Our opinion is not modified in respect of this matter.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

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

Independent auditor's report to the members of Newlon Fusion

Based on our understanding of the Charitable Company and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 and the Charities SORP (FRS 102), and we considered the extent to which non-compliance might have a material effect on the Financial Statements or their continued operation. We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with the Companies Act 2006 and relevant tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

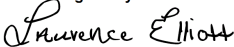
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence if any.

The audit procedures to address the risks identified included:

- Challenging assumptions made by management in their significant accounting estimates and judgements in relation to income recognition and debtor recoverability.
- Identifying and testing journal entries, in particular any journal entries posted from staff members with privilege access rights, journals posted by key management, journals posted and journals posted after the year end.
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

DocuSigned by:

C9A7C7386A35456...

Laurence Elliott, Senior Statutory Auditor

For and on behalf of BDO LLP, Statutory Auditor

Gatwick

United Kingdom

Date: **16 September 2024**

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Statement of financial activities (incorporating an income and expenditure account)
for the year ended 31 March 2024

				2024			2023
	Note	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:							
Donations and legacies	2	2,000	-	2,000	2,000	-	2,000
Charitable activities							
Resident Empowerment	3	-	39,450	39,450	-	43,553	43,553
Community hubs	3	16,407	-	16,407	16,412	-	16,412
Investments	4	2,325	-	2,325	1,465	-	1,465
Total income		20,732	39,450	60,182	19,877	43,553	63,430
Expenditure on:							
Charitable activities					-	-	-
Resident empowerment	5	-	78,400	78,400	-	71,900	71,900
Community hubs	5				-	-	-
Other		5,860	-	5,860	4,771	-	4,771
Total expenditure		5,860	78,400	84,260	4,771	71,900	76,671
Net income/(expenditure) for the year	6	14,872	(38,950)	(24,078)	15,107	(28,347)	(13,241)
Net movement in funds		14,872	(38,950)	(24,078)	15,107	(28,347)	(13,241)
Reconciliation of funds:							
Total funds brought forward		275,910	(96,936)	178,974	260,803	(68,588)	192,215
Total funds carried forward		290,782	(135,886)	154,897	275,910	(96,936)	178,974

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

The notes on pages 15 to 23 form part of these financial statements.

Balance sheet

as at 31 March 2024

Company no. 04000022

			2024	2023
	Note	£	£	£
Current assets:				
Debtors	9	2,083	11,556	
Cash at bank and in hand		165,322	208,947	
		167,405	220,503	
Liabilities:				
Creditors: amounts falling due within one year	10	12,508	41,529	
Net current assets			154,897	178,974
Total assets less current liabilities			154,897	178,974
Total net assets			154,897	178,974
The funds of the Charity:				
	13			
Unrestricted income funds:				
General funds		104,897	128,974	
Designated funds		50,000	50,000	
Total unrestricted funds			154,897	178,974
Total Charity funds			154,897	178,974

Approved by the Trustees on 10 July 2024 and signed on their behalf by



Lloyd Gale-Ward, Chair



Aman Dalvi, Director

The notes on pages 15 to 23 form part of these financial statements.

Statement of cash flows

for the year ended 31 March 2024

	Note	2024	2023
		£	£
Cash flows from operating activities:			
Net cash used in operating activities	14	(45,951)	(21,881)
Cash flows from investing activities:			
Interest received		2,325	1,465
Net cash from investing activities		2,325	1,465
Change in cash and cash equivalents in the year		(43,626)	(20,416)
Cash at the beginning of the year		208,947	229,363
Cash and cash equivalents at the end of the year	15	165,321	208,947

The notes on pages 15 to 23 form part of these financial statements.

1. Accounting policies

a) Basis of preparation

Newlon Fusion, limited by guarantee is a company incorporated in England & Wales under the Companies Act 2006. The registered office address is Newlon House, 4 Daneland Walk, Hale Village, London, N17 9FE.

The financial statements have been 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 (FRS102) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note

b) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

c) Going concern

A decision was taken by the Board of the ultimate parent company, Newlon Housing Trust, at a Board meeting held in September 2023 to transfer the trade and assets of Newlon Fusion to Newlon Housing Trust. Newlon Housing Trust will utilise the funds gifted to continue to deliver the purposes and aims of Newlon Fusion. Once the reserves have been transferred to Newlon Housing Trust, it is the directors intention to dissolve the entity. The financial statements are therefore prepared on a basis other than going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Donations Income is used to fund Newlon Fusion's annual hardship fund. Donors specify which year's fund they are donating to and the income is recognised during the financial year specified.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

f) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

g) **Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.
- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) **Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

- Community hubs 100%
Support and governance costs are reallocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.
- Community hubs 100%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

i) **Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j) **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

k) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

l) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, key judgements have been made in respect of the following:

Income is generated from a range of sources, in particular, from grants and within the Newlon Group. Judgement is applied as to income recognition and recoverability on a source by source and/or contract by contract basis.

m) Disclosure exemptions

Disclosures in respect of the charity's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Newlon Group as a whole in the consolidated accounts of the Newlon Group.

2. Income from donations and legacies

	Unrestricted	Restricted	2024 Total	2023 Total
	£	£	£	£
Donations	2,000	-	2,000	2,000
	2,000	-	2,000	2,000

3. Income from charitable activities

	Unrestricted	Restricted	2024 Total	2023 Total
	£	£	£	£
The National Lottery		-	-	-
Hill Partnerships		-	-	-
Smarter Services		3,450	3,450	3,500
Mount Anvil		-	-	10,000
Oracle		1,000	1,000	1,500
Countryside Properties Plc		-	-	-
Media People		-	-	-
Etec		-	-	1,000
London Housing Consortium		-	-	-
Anglian		-	-	-
Wates		10,000	10,000	-
PRP Architects		-	-	2,500
QFSM		1,100	1,100	1,000
Delta Security		1,150	1,150	1,000
Glenman Corp		-	-	1,500
Mulalley		5,500	5,500	5,000
Oakray		1,900	1,900	4,500
Equans		-	-	5,000
Martin Arnold		2,750	2,750	2,500
Lightside Limited		-	-	2,500
EEM Limited		10,000	10,000	1,053
Other donors		2,600	2,600	1,000
Sub-total for resident empowerment	-	39,450	39,450	43,553
Community hall hire income	16,407		16,407	16,412
Total income from charitable services	16,407	39,450	55,857	59,965

4. Income from investments

	Unrestricted £	Restricted £	2024 Total £	2023 Total £
Interest	2,325	-	2,325	1,465
	2,325	-	2,325	1,465

5. Analysis of expenditure

	Resident empowerment £	Support costs £	2024 Total £	2023 Total £
Materials	78,400		78,400	71,900
Professional services		6,617		4,226
Other costs		150		150
Provision for bad debt		(907)		395
	78,400	5,860	84,260	76,671
Support costs	5,860	(5,860)	-	-
Total expenditure			84,260	76,671

Of the total expenditure, £5,860 was unrestricted (2023: £4,771) and £78,400 was restricted (2023: £71,900).

6. Net incoming resources for the year

This is stated after charging:

	2024 £	2023 £
Donated Services	2,000	2,000
Auditors' remuneration (excluding VAT):		
Audit	4,148	3,450

7. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

There were no employees during the year.

Trustees consider those staff with material delegations of authority available to them to conduct operational activities as key management personnel. The total employee benefits including pension contributions of the key management personnel, comprising the Chief Executive and the executive team, were Nil (2023: Nil). Within employee benefits, employers pension contributions of Nil were paid on behalf of key management personnel (2023: Nil) into defined contribution schemes including the 'auto enrolment' scheme.

The total employee benefits including pension contributions of the key management personnel were Nil (2023: Nil).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2023: £Nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £Nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totaling Nil (2023: Nil) incurred by Nil (2023: Nil) members relating to attendance at meetings of the trustees.

8. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9. Debtors

	2024 £	2023 £
Trade debtors	3,265	3,645
Provision for bad debts	(1,182)	(1,996)
Amount owed by Group undertakings	-	9,907
	2,083	11,556

10. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	39	39
Accruals	4,977	4,140
Deferred income	7,292	37,350
Other creditors	200	-
	-	-
	12,508	41,529

11. Deferred income

Deferred income includes grants received in advance of project delivery.

	2024 £	2023 £
Balance at the beginning of the year	37,350	32,900
Amount released to income in the year	(32,900)	(32,900)
Amount deferred in the year	7,292	37,350
Balance at the end of the year	(11,742)	37,350

12. Analysis of net assets between funds

	General unrestricted 2024 £	Restricted 2024 £	Total funds 2024 £
Net current assets	154,897	-	154,897
Net assets at the end of the year	154,897	-	154,897

	General unrestricted 2023 £	Restricted 2023 £	Total funds 2023 £
Net current assets	178,974	-	178,974
Net assets at the end of the year	178,974	-	178,974

13. Movements in funds

	At 1 April 2023 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At 31 March 2024 £
General funds	128,974	20,732	(5,860)	(38,950)	104,897
Designated funds	50,000	-	-	-	50,000
Total unrestricted funds	178,974	20,732	(5,860)	(38,950)	154,897
Restricted funds	-	39,450	(78,400)	38,950	-
Total funds	178,974	60,182	(84,260)	-	154,897

	At 1 April 2022 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At 31 March 2023 £
General funds	142,215	19,877	(4,771)	(28,347)	128,974
Designated funds	50,000	-	-	-	50,000
Total unrestricted funds	192,215	19,877	(4,377)	(28,347)	178,974
Restricted funds	-	43,553	(71,900)	28,347	-
Total funds	192,215	63,430	(76,671)	-	178,974

14. Reconciliation of net income to net cash flow from operating activities

	2024 £	2023 £
Net income for the reporting period (as per the statement of financial activities)	(24,078)	(13,241)
Dividends, interest and rent from investments	(2,325)	(1,465)
Decrease/(Increase) in debtors	9,473	(11,185)
(Decrease)/Increase in creditors	(29,021)	4,010
Net cash flow from operating activities	(45,951)	(21,881)

15. Analysis of cash and cash equivalents

	At 1 April 2023 £	Cash flows £	Other changes £	At 31 March 2024 £
Cash at bank and in hand	208,947	(43,625)	-	165,322
Total cash and cash equivalents	208,947	(43,625)	-	165,322

16. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	Other changes £	At 31 March 2024 £
Cash at bank and in hand	208,947	(43,625)	-	165,322
Loans falling due within one year	-	-	-	-
Loans falling due after more than one year	-	-	-	-
Total cash and cash equivalents	208,947	(43,625)	-	165,322

17. Related party transactions

	2024 £	2023 £
Donations from Newlon Housing Trust	2,000	2,000

Newlon Housing Trust provides Newlon Fusion back office support services including IT and Finance services. The estimated value of the donated services for 2024 were £2K (2023: £2K). There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties. Newlon Housing Trust is a parent company of Newlon Fusion and Access Homes.

18. Legal status of the Charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

18. Parent entity

The Immediate parent undertaking is Newlon Housing Trust.

The ultimate parent undertaking and controlling party is Newlon Housing Trust, a registered premier of social housing in England and Wales. Newlon Housing Trust is the parent undertaking of the smallest and largest group to consolidate these financial statements. Consolidated financial statements for Newlon Housing Trust are available from its registered office at 4 Daneland Walk, Hale Village, London, N17 9FE. Control is exercised by virtue of a 51% golden voting share available as part of reciprocal representation on the Boards of the two entities. Newlon Housing Trust authorises the proposed appointment and removal of Trustees from the board of Newlon Fusion.

NEWLON FUSION

England & Wales - Charity number 1119673

Accounts

Financial Statements

for the Year ended 31 March 2023

Newlon Fusion

Company number: 04000022

Charity number: 1119673

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The Board and professional advisors

Company number: 04000022

Charity number: 1119673

Registered office and operational address

Newlon House
4 Daneland Walk
Hale Village
London
N17 9FE

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Lloyd Gale-Ward	Chair
Matt Champion	Director (resigned December 2022)
Nicola Bastin	Director (resigned December 2022)
Edward Ihejirika	Director (appointed December 2022)
Aman Dalvi	Director (appointed December 2022)

Person with significant control

Newlon Housing Trust

Company Secretary

Tom O'Malley	(Appointed March 2023)
Cristina Jandic	(Resigned March 2023)

Key personnel

Misba Bemath

Bankers

Barclays Bank PLC
Business Service Team
Level 28
1 Churchill Place
London
E14 5HP

Solicitors

Devonshires
30 Finsbury Circus
London
EC2M 7DT

Auditors

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 OPA

The Trustees present their report and the audited financial statements for the year ended 31 March 2023.

Reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities. SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The Charity's objectives in the context of urban regeneration and socio economic deprivation are:

- To relieve poverty, reduce unemployment, advance education, skills development, work experience.
- To provide advice, assistance or consultancy in order to provide support to existing and new businesses.
- To provide appropriate community buildings.
- To protect or conserve the environment including 'green' initiatives.
- To promote public safety.

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees to ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Newlon Fusion operates in a strategic landscape shaped by an increasingly prominent employability and skills agenda, concerns for rising poverty and the wider impact of Welfare Reform. Our vision to address individual hardship and nurture communities translates into 2 clear objectives which provided focus and direction for activities undertaken in 2022-23:

- To grow the impact of our work, reaching more people, helping them out of hardship, out of debt and into employment.
- To strengthen the London communities in which Newlon works, in particular through effective and financially viable community hubs and activities that reduces poverty, isolation and digital exclusion.

The following strategies were adopted over the course of the year to drive activity and help us achieve these primary objectives:

1. Supporting residents in hardship

Secure and deliver the resident hardship fund, achieving longer term impact and benefit, including reduced rent arrears, incidence of possession proceedings and tenancy sustainment.

2. Community facilities

The goals are to enhance and expand service delivery in Tower Hamlets in response to changing local need through a range of wellbeing, welfare and inclusion initiatives, and improve longer-term sustainability of Newlon Fusion community venues through cost-effective partnership delivery and external income generation.

Achievements

Newlon residents receive support to help sustain their tenancies and to help them avoid the risk of becoming over-indebted through furnishing their homes. The funding supports residents in need, whether they are moving into Newlon properties, or facing emergency situations, including extreme poverty and debt.

The goal of the Hardship Fund is to distribute funding to Newlon residents in hardship. The need for support has increased nearly 5-fold as a result of the pandemic and the emerging cost of living crisis. In response to these challenges, this past year we distributed over £72,000 in hardship support to 229 households.

Our community venue in Tower Hamlets (Lascar Wharf) continued to promote social inclusion, bringing local people together through activities that provide opportunity for personal and social development.

Beneficiaries of our services

Newlon Fusion works with residents of Newlon Housing Trust and community members across our target boroughs of Hackney, Tower Hamlets, Haringey, Islington, Camden, Enfield, Waltham Forest and Redbridge. Recipients of Newlon Fusion's services include young people and adults who require support with finances, health and wellbeing, training, employment and other community engagement opportunities.

Our work helps hundreds of Newlon residents and community members to improve their skills and their lives and to create vibrant communities.

Financial review

A net expenditure budget was set for 2022-23, due to the challenges of securing external funding and the use of reserves in supporting Newlon Fusion's objectives. The net movement in funds was a deficit of £13,241 (2021-22: £16,758 deficit) on income of £63,430 (2021-22: £61,133). During 22-23 Fusion aimed to provide financial assistance of the value of £65K to residents facing hardship or poverty. This target was exceeded by £7K reflecting the significant demand from residents for assistance. The funds were used to provide items of furniture including white goods, as well as provide assistance with resident's energy bills.

In addition, Newlon Fusion aimed to secure donations income from third parties of £30K during the 22-23 financial year. This target was exceeded by £13.5K, Newlon Fusion would like to extend its gratitude to all donors that contributed towards the hardship fund.

The new financial year will see service delivery and funding distribution levels increase, with additional reserves funding accessed and match funding approved, alongside new external funding secured.

Reserves policy

The Trustees acknowledge their ability to designate all or some of the unrestricted accumulated surpluses. Should sufficient accumulated surpluses arise in the future, designations will be considered for contingent risk areas and/or key development areas. In particular the Trustees' policy is to consider six months expenditure to be a prudent amount to hold in reserves. Based on current levels of spend, this would target reserves to be in the range of £40,000. Newlon Fusion's unrestricted reserves at the end of the year were £129K. Fusion will continue to utilise unrestricted reserves to match donations from third parties and increase the reach of the hardship fund, which will reduce the gap between existing reserves and target reserves.

Principal risks and uncertainties

The majority of Newlon Fusion's income arises from charitable donations from third parties, all of which may face financial uncertainty due to current economic pressures, including inflation and rising interest rates. There is a risk that donation income will drop as potential donors retain funds for their own operations. This risk is mitigated as the vast majority of Newlon Fusion's donors are suppliers to Newlon Group companies and are contractually obligated to make donations to Newlon Fusion's hardship fund.

Newlon Fusion also generates income through the rental of a community centre, which would be impacted by a fall in bookings or a major repair requirement. If the community centre income were to fall, Newlon Fusion has significant cash reserves of £209K that could be used to maintain the level of hardship support to residents for the foreseeable future despite the drop in income.

Plans for the future

Newlon Fusion projects are expected to continue, with renewed focus on the needs of Trust residents and communities. Future business planning and activity will continue to reflect our core charitable objectives through tackling individual hardship and need and nurturing local communities in Newlon's operational area.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 18 May 2000 and registered as a charity.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The day to day operations of Newlon Fusion and administration of the hardship fund is run by the Financial Inclusion Manager of Newlon Housing Trust, the ultimate parent company of Newlon Fusion. The Financial Inclusion Manager is an employee of Newlon Housing Trust and does not receive remuneration from Newlon Fusion.

The Trustees are members of the Board of Newlon Housing Trust and all training requirements are provided by Newlon Housing Trust. All Trustees give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the charity are set out in the accounts.

The charity is a company limited by guarantee and is a subsidiary of Newlon Housing Trust, part of the Newlon Group.

Intra-Group transactions and activity are governed by a formal agreement with Newlon Housing Trust. The charity operates under a memorandum and articles of association drafted widely to give the charity flexibility in delivering its principal objective of supporting and regenerating communities in areas of deprivation.

During the year the Board agreed that staff from Newlon Housing Trust would not deliver services and activities on behalf of Newlon Fusion and no management fee would be paid to the group. Financial services (if provided) are provided by the Group finance function.

Appointment of Trustees

We seek to ensure that Trustees, as far as possible, represent the diversity of the communities we serve and collectively provide the range of experience, technical and professional skills required by Newlon Fusion.

Trustees are appointed by the parent Board and they do not receive remuneration.

Policy for employment of disabled persons

Newlon Fusion is committed to a positive policy of equal opportunities and diversity. We uphold our belief in a society in which every person has a fair and equal place, by seeking to ensure that there is total equality in all of the functions of the organisation and in the delivery of its services, integrating equality of opportunity into all of our activities and actively opposing discrimination and prejudice in all forms. We work to ensure that all members of the community have access to and equal treatment in the provision of our services.

Statement of responsibilities of the Trustees

The Trustees (who are also directors of Newlon Fusion for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information;
- 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; and

Trustees' annual report

- members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 2022-23 was 4 (2021-22 was 4). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Going concern

The financial statements are prepared on the basis that Newlon Fusion will continue for the forthcoming 12 months from the date of signing of these financial statements. The annual budget for 2023-24 was issued and approved by the Trustees. The Budget was subjected to various adverse scenarios. This work, along with the consideration of the mitigation plans and good level of liquidity, provides evidence in support of the going concern. For this reason Newlon Fusion continues to adopt the going concern basis in preparation of the financial statements.

Auditors

BDO LLP were reappointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Advantage has been taken of the small company's exemption.

The Trustees' annual report has been approved by the Trustees on 12 July 2023 and signed on their behalf by

Lloyd Gale-Ward, Chair

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Newlon Fusion ("the Charitable Company") for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 1a to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: The Trustees' annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Trustees' annual report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which is included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

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

Based on our understanding of the Charitable Company and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 and the Charities SORP (FRS 102), and we considered the extent to which non-compliance might have a material effect on the Financial Statements or their continued operation. We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with the Companies Act 2006 and relevant tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence if any.

The audit procedures to address the risks identified included:

- Challenging assumptions made by management in their significant accounting estimates and judgements in relation to income recognition and debtor recoverability.
- Identifying and testing journal entries, in particular any journal entries posted from staff members with privilege access rights, journals posted by key management, journals posted and journals posted after the year end.
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Laurence Elliott, Senior Statutory Auditor

For and on behalf of BDO LLP, Statutory Auditor

Gatwick

United Kingdom

Date:

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Statement of financial activities (incorporating an income and expenditure account)
for the year ended 31 March 2023

				2023			2022
	Note	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:							
Donations and legacies	2	2,000	-	2,000	2,000	-	2,000
Charitable activities							
Resident Empowerment	3	-	43,553	43,553	-	44,202	44,202
Community hubs	3	16,412	-	16,412	14,894	-	14,894
Investments	4	1,465	-	1,465	37	-	37
Total income		19,877	43,553	63,430	16,932	44,202	61,133
Expenditure on:							
Charitable activities		-	-	-	-	-	-
Resident empowerment	5	-	71,900	71,900	-	71,952	71,952
Community hubs	5	4,771	-	4,771	5,940	-	5,940
Other		-	-	-	-	-	-
Total expenditure		4,771	71,900	76,671	5,940	71,952	77,891
Net income/(expenditure) for the year	6	15,107	(28,347)	(13,241)	10,992	(27,750)	(16,758)
Net movement in funds		15,107	(28,347)	(13,241)	10,992	(27,750)	(16,758)
Reconciliation of funds:							
Total funds brought forward		260,803	(68,588)	192,215	249,811	(40,838)	208,973
Total funds carried forward		275,910	(96,936)	178,974	260,803	(68,588)	192,215

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

The notes on pages 15 to 23 form part of these financial statements.

Balance sheet

as at 31 March 2023

Company no. 04000022

			2023	2022
	Note	£	£	£
Current assets:				
Debtors	9	11,556	372	
Cash at bank and in hand		208,947	229,363	
		220,503	229,735	
Liabilities:				
Creditors: amounts falling due within one year	10	41,529	37,520	
Net current assets		178,974	192,215	
Total assets less current liabilities		178,974	192,215	
Total net assets		178,974	192,215	
The funds of the Charity:				
	13			
Unrestricted income funds:				
General funds		128,974	142,215	
Designated funds		50,000	50,000	
Total unrestricted funds		178,974	192,215	
Total Charity funds		178,974	192,215	

Approved by the Trustees on 12 July 2023 and signed on their behalf by

Lloyd Gale-Ward, Chair

Aman Dalvi, Director

The notes on pages 15 to 23 form part of these financial statements.

Statement of cash flows

for the year ended 31 March 2023

	Note	2023	2022
		£	£
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	14	(21,881)	(22,588)
Cash flows from investing activities:			
Interest received		1,465	37
Net cash from investing activities		1,465	37
Change in cash and cash equivalents in the year		(20,416)	(22,551)
Cash at the beginning of the year		229,363	251,914
Cash and cash equivalents at the end of the year	15	208,947	229,363

The notes on pages 15 to 23 form part of these financial statements.

1. Accounting policies

a) Basis of preparation

Newlon Fusion, limited by guarantee is a company incorporated in England & Wales under the Companies Act 2006. The registered office address is Newlon House, 4 Daneland Walk, Hale Village, London, N17 9FE.

The financial statements have been 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 (FRS102) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

c) Going concern

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The financial statements are prepared on the basis that Newlon Fusion will continue for the forthcoming 12 months from the date of signing of these financial statements. The annual budget for 2023-24 was issued and approved by the Trustees. The Budget was subjected to various adverse scenarios. This work, along with the consideration of the mitigation plans and good level of liquidity, provides evidence in support of the going concern. For this reason Newlon Fusion continues to adopt the going concern basis in preparation of the financial statements.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Donations Income is used to fund Newlon Fusion's annual hardship fund. Donors specify which year's fund they are donating to and the income is recognised during the financial year specified.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

f) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.
- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

- Community hubs 100%

Support and governance costs are reallocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

- Community hubs 100%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

k) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

l) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, key judgements have been made in respect of the following:

Income is generated from a range of sources, in particular, from grants and within the Newlon Group. Judgement is applied as to income recognition and recoverability on a source by source and/or contract by contract basis.

m) Disclosure exemptions

Disclosures in respect of the charity's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Newlon Group as a whole in the consolidated accounts of the Newlon Group.

2. Income from donations and legacies

	Unrestricted	Restricted	2023 Total	2022 Total
	£	£	£	£
Donations	2,000	-	2,000	2,000
	2,000	-	2,000	2,000

3. Income from charitable activities

	Unrestricted	Restricted	2023 Total	2022 Total
	£	£	£	£
The National Lottery	-	-	-	-
Hill Partnerships	-	-	-	10,000
Smarter Services	-	3,500	3,500	2,500
Mount Anvil	-	10,000	10,000	5,000
Oracle	-	1,500	1,500	1,000
Countryside Properties Plc	-	-	-	10,000
Media People	-	-	-	1,000
Etec	-	1,000	1,000	2,500
London Housing Consortium	-	-	-	3,802
Anglian	-	-	-	2,500
Wates	-	-	-	5,000
PRP Architects	-	2,500	2,500	-
QFSM	-	1,000	1,000	-
Delta Security	-	1,000	1,000	-
Glenman Corp	-	1,500	1,500	-
Mulalley	-	5,000	5,000	-
Oakray	-	4,500	4,500	-
Equans	-	5,000	5,000	-
Martin Arnold	-	2,500	2,500	-
Lightside Limited	-	2,500	2,500	-
EEM Limited	-	1,053	1,053	-
Other donors	-	1,000	1,000	900
Sub-total for resident empowerment	-	43,553	43,553	44,202
Community hall hire income	16,412	-	16,412	14,894
Total income from charitable services	16,412	43,553	59,965	59,096

4. Income from investments

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Interest	1,465	-	1,465	37
	1,465	-	1,465	37

5. Analysis of expenditure

	Resident empowerment £	Support costs £	2023 Total £	2022 Total £
Materials	71,900	-	71,900	71,952
Professional services	-	4,226	4,226	4,096
Other costs	-	150	150	150
Provision for bad debt	-	395	395	1,694
	71,900	4,771	76,671	77,891
Support costs	4,771	(4,771)	-	-
Total expenditure	76,671	-	76,671	77,891

Of the total expenditure, £4,771 was unrestricted (2022: £5,940) and £71,900 was restricted (2022: £71,952).

6. Net incoming resources for the year

This is stated after charging:

	2023 £	2022 £
Donated Services	2,000	2,000
Auditors' remuneration (excluding VAT):		
Audit	3,450	2,850

7. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

There were no employees during the year.

Trustees consider those staff with material delegations of authority available to them to conduct operational activities as key management personnel. The total employee benefits including pension contributions of the key management personnel, comprising the Chief Executive and the executive team, were Nil (2022: Nil). Within employee benefits, employers pension contributions of Nil were paid on behalf of key management personnel (2022: Nil) into defined contribution schemes including the 'auto enrolment' scheme.

The total employee benefits including pension contributions of the key management personnel were Nil (2022: Nil).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2022: £Nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £Nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling Nil (2022: Nil) incurred by Nil (2022: Nil) members relating to attendance at meetings of the trustees.

8. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9. Debtors

	2023 £	2022 £
Trade debtors	3,645	5,393
Provision for bad debts	(1,996)	(4,928)
Amount owed by Group undertakings	9,907	(93)
	11,556	372

10. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	39	1,199
Accruals	4,140	3,421
Deferred income	37,350	32,900
Other creditors	-	-
	41,529	37,520

11. Deferred income

Deferred income includes grants received in advance of project delivery.

	2023 £	2022 £
Balance at the beginning of the year	32,900	43,952
Amount released to income in the year	(32,900)	(43,952)
Amount deferred in the year	37,350	32,900
Balance at the end of the year	37,350	32,900

12. Analysis of net assets between funds

	General unrestricted 2023 £	Restricted 2023 £	Total funds 2023 £
Net current assets	178,974	-	178,974
Net assets at the end of the year	178,974	-	178,974

	General unrestricted 2022 £	Restricted 2022 £	Total funds 2022 £
Net current assets	192,215	-	192,215
Net assets at the end of the year	192,215	-	192,215

13. Movements in funds

	At 1 April 2022 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At 31 March 2023 £
General funds	142,215	19,877	(4,771)	(28,347)	128,974
Designated funds	50,000	-	-	-	50,000
Total unrestricted funds	192,215	19,877	(4,771)	(28,347)	178,974
Restricted funds	-	43,553	(71,900)	28,347	-
Total funds	192,215	63,430	(76,671)	-	178,974

	At 1 April 2021 £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At 31 March 2022 £
General funds	158,974	16,931	(5,940)	(27,750)	142,215
Designated funds	50,000	-	-	-	50,000
Total unrestricted funds	208,974	16,931	(5,940)	(27,750)	192,215
Restricted funds	-	44,202	(71,952)	27,750	-
Total funds	208,974	61,133	(77,891)	-	192,215

14. Reconciliation of net income to net cash flow from operating activities

	2023 £	2022 £
Net income for the reporting period (as per the statement of financial activities)	(13,241)	(16,758)
Dividends, interest and rent from investments	(1,465)	(37)
(Increase)/Decrease in debtors	(11,185)	4,721
Increase/(Decrease) in creditors	4,010	(10,515)
Net cash flow from operating activities	(21,881)	(22,589)

15. Analysis of cash and cash equivalents

	At 1 April 2022 £	Cash flows £	Other changes £	At 31 March 2023 £
Cash at bank and in hand	229,363	(20,416)	-	208,947
Total cash and cash equivalents	229,363	(22,551)	-	208,947

16. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	Other changes £	At 31 March 2023 £
Cash at bank and in hand	229,363	(20,416)	-	208,947
Loans falling due within one year	-	-	-	-
Loans falling due after more than one year	-	-	-	-
Total cash and cash equivalents	229,363	(20,416)	-	208,947

17. Related party transactions

	2023 £	2022 £
Donations from Newlon Housing Trust	2,000	2,000

Newlon Housing Trust provides Newlon Fusion back office support services including IT and Finance services. The estimated value of the donated services for 2023 were £2K (2022: £2K). There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties. Newton Housing Trust is a parent company of Newlon Fusion and Access Homes.

18. Legal status of the Charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

18. Parent entity

The Immediate parent undertaking is Newton Housing Trust.

The ultimate parent undertaking and controlling party is Newlon Housing Trust, a registered premier of social housing In England and Wales. Newlon Housing Trust is the parent undertaking of the smallest and largest group to consolidate these financial statements, Consolidated financial statements for Newlon Housing Trust are available from its registered office at 4 Daneland Walk, Hale Village, London, N17 9FE. Control is exercised by virtue of a 51% golden voting share available as part of reciprocal representation on the Boards of the two entities. Newlon Housing Trust authorises the proposed appointment and removal of Trustees from the board of Newlon Fusion.

NEWLON FUSION

England & Wales - Charity number 1119673

Accounts

Financial Statements

for the year ended 31 March 2022

Newlon Fusion

Company number: 04000022

Charity number: 1119673

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The Board and professional advisors

Company number: 04000022

Charity number: 1119673

Registered office and operational address

Newlon House
4 Daneland Walk
Hale Village
London
N17 9FE

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Lloyd Gale-Ward	Chair
Matt Champion	Director
Nicola Bastin	Director

Person with significant control

Newlon Housing Trust

Company Secretary

Cristina Jandic	(Appointed 20 November 2021)
Surjit Dhande	(Acting Secretary from 13 August to 20 November 2021)
Glenn Dhurowa	(Resigned 13 August 2021)

Key personnel

Graham Watts

Bankers

Barclays Bank PLC
Business Service Team
Level 28
1 Churchill Place
London
E14 5HP

Solicitors

Devonshires
30 Finsbury Circus
London
EC2M 7DT

Auditors

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 OPA

The Trustees present their report and the audited financial statements for the year ended 31 March 2022.

Reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities. SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The Charity's objectives in the context of urban regeneration and socio economic deprivation are:

- To relieve poverty, reduce unemployment, advance education, skills development, work experience.
- To provide advice, assistance or consultancy in order to provide support to existing and new businesses.
- To provide appropriate community buildings.
- To protect or conserve the environment including 'green' initiatives.
- To promote public safety.

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees to ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Newlon Fusion operates in a strategic landscape shaped by an increasingly prominent employability and skills agenda, concerns for rising poverty and the wider impact of Welfare Reform. Our vision to address individual hardship and nurture communities translates into 2 clear objectives which provided focus and direction for activities undertaken in 2021-22:

- To grow the impact of our work, reaching more people, helping them out of hardship, out of debt and into employment.
- To strengthen the London communities in which Newlon works, in particular through effective and financially viable community hubs and activities that reduces poverty, isolation and digital exclusion.

The following strategies were adopted over the course of the year to drive activity and help us achieve these primary objectives:

1. Supporting residents in hardship

Secure and deliver the resident hardship fund, achieving longer term impact and benefit, including reduced rent arrears, incidence of possession proceedings and tenancy sustainment.

2. Community facilities

The goals are to enhance and expand service delivery in Tower Hamlets in response to changing local need through a range of wellbeing, welfare and inclusion initiatives, and improve longer-term sustainability of Newlon Fusion community venues through cost-effective partnership delivery and external income generation.

Achievements

Newlon residents receive support to help sustain their tenancies and to help them avoid the risk of becoming over-indebted through furnishing their homes. The funding supports residents in need, whether they are moving into Newlon properties, or facing emergency situations, including extreme poverty and debt.

The goal of the Hardship Fund is to distribute funding to Newlon residents in hardship. The need for support has increased nearly 5-fold as a result of the pandemic and the emerging cost of living crisis. In response to these challenges, this past year we distributed over £12,500 in Tenant Emergency fund 'small grants' to 147 households and £60,000 in Hardship Fund support to another 151 Households.

Our community venue in Tower Hamlets (Lascar Wharf) continued to promote social inclusion, bringing local people together through activities that provide opportunity for personal and social development.

Beneficiaries of our services

Newlon Fusion works with residents of Newlon Housing Trust and community members across our target boroughs of Hackney, Tower Hamlets, Haringey, Islington, Camden, Enfield, Waltham Forest and Redbridge. Recipients of Newlon Fusion's services include young people and adults who require support with finances, health and wellbeing, training, employment and other community engagement opportunities.

Our work helps hundreds of Newlon residents and community members to improve their skills and their lives and to create vibrant communities.

Financial review

A net expenditure budget was set for 2021-22, due to the challenges of securing external funding and the use of reserves in supporting Newlon Fusion's objectives. The net movement in funds was a deficit of £16,758 (2020-21: £12,522 deficit) on income of £61,133 (2020-21: £48,613). All target objectives for the financial year were successfully achieved, however the new financial year will see service delivery and funding distribution levels increase, with additional reserves funding accessed and match funding approved, alongside new external funding secured.

Reserves policy

The Trustees acknowledge their ability to designate all or some of the unrestricted accumulated surpluses. Should sufficient accumulated surpluses arise in the future, designations will be considered for contingent risk areas and/or key development areas. In particular the Trustees' policy is to consider six months expenditure to be a prudent amount to hold in reserves. Based on current levels of spend, this would target reserves to be in the range of £40,000. With the unrestricted general reserve standing at £142,215 at the Balance Sheet date, this target has been met.

Principal risks and uncertainties

Newlon Fusion's income for charitable activities has traditionally derived from various sources, primarily grants from Trusts, Foundations, and Lottery and local/central government. Initiatives for public benefit comprise hardship and community activities and facilities with a focus on Newlon Housing Trust residents, delivering resident support services in order to meet the Trust's corporate and Group objectives. We work in partnership with beneficiaries, funders, local agencies and community groups to create supportive local networks and neighbourhoods where people can thrive.

The major risks to which the charity is exposed are subject to regular review by the Trustees and systems are in place to ensure that identified risks are managed and mitigated appropriately.

Plans for the future

Newlon Fusion projects are expected to continue, with renewed focus on the needs of Trust residents and communities. Future business planning and activity will continue to reflect our core charitable objectives through tackling individual hardship and need and nurturing local communities in Newlon's operational area.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 18 May 2000 and registered as a charity.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the charity are set out in the accounts.

The charity is a company limited by guarantee and is a subsidiary of Newlon Housing Trust, part of the Newlon Group.

Intra-Group transactions and activity are governed by a formal agreement with Newlon Housing Trust. The charity operates under a memorandum and articles of association drafted widely to give the charity flexibility in delivering its principal objective of supporting and regenerating communities in areas of deprivation.

During the year the Board agreed that staff from Newlon Housing Trust would not deliver services and activities on behalf of Newlon Fusion and no management fee would be paid to the group. Financial services (if provided) are provided by the Group finance function.

Appointment of Trustees

We seek to ensure that Trustees, as far as possible, represent the diversity of the communities we serve and collectively provide the range of experience, technical and professional skills required by Newlon Fusion.

Trustees are appointed by the parent Board and they do not receive remuneration.

Policy for employment of disabled persons

Newlon Fusion is committed to a positive policy of equal opportunities and diversity. We uphold our belief in a society in which every person has a fair and equal place, by seeking to ensure that there is total equality in all of the functions of the organisation and in the delivery of its services, integrating equality of opportunity into all of our activities and actively opposing discrimination and prejudice in all forms. We work to ensure that all members of the community have access to and equal treatment in the provision of our services.

Statement of responsibilities of the Trustees

The Trustees (who are also directors of Newlon Fusion for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information;
- 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; and
- members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 2021-22 was 4 (2020-21 was 4). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Trustees' annual report

Going concern

The financial statements are prepared on the basis that Newlon Fusion will continue for the forthcoming 12 months from the date of signing of these financial statements. The annual budget for 2022-23 was issued and approved by the Trustees. The Budget was done under the Covid-19 conditions and subjected to various adverse scenarios. This work, along with the consideration of the mitigation plans and good level of liquidity, provides evidence in support of the going concern. For this reason Newlon Fusion continues to adopt the going concern basis in preparation of the financial statements.

Auditors

BDO LLP were reappointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Advantage has been taken of the small company's exemption.

The Trustees' annual report has been approved by the Trustees on 13 July 2022 and signed on their behalf by

A handwritten signature in black ink, appearing to be 'Lloyd Gale-Ward', written in a cursive style.

Lloyd Gale-Ward, Chair

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Newlon Fusion ("the Charitable Company") for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 1a to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: The Trustees' annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Trustees' annual report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which is included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

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

Based on our understanding of the Charitable Company and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 and the Charities SORP (FRS 102), and we considered the extent to which non-compliance might have a material effect on the Financial Statements or their continued operation. We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with the Companies Act 2006 and relevant tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

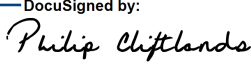
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence if any.

The audit procedures to address the risks identified included:

- Challenging assumptions made by management in their significant accounting estimates and judgements in relation to income recognition and debtor recoverability.
- Identifying and testing journal entries, in particular any journal entries posted from staff members with privilege access rights, journals posted by key management, journals posted and journals posted after the year end.
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

DocuSigned by:

D1FB52C82A114D7...

Philip Cliftlands, Senior Statutory Auditor

For and on behalf of BDO LLP, Statutory Auditor

Gatwick

United Kingdom

20 September 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Statement of financial activities (incorporating an income and expenditure account)
for the year ended 31 March 2022

				2022			2021
	Note	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:							
Donations and legacies	2	2,000	-	2,000	2,000	-	2,000
Charitable activities							
Resident Empowerment	3	-	44,202	44,202	-	32,175	32,175
Community hubs	3	14,894	-	14,894	14,427	-	14,427
Investments	4	37	-	37	11	-	11
Total income		16,932	44,202	61,133	16,438	32,175	48,613
Expenditure on:							
Charitable activities							
Resident empowerment	5	-	71,952	71,952	-	56,165	56,165
Community hubs	5	5,940	-	5,940	4,970	-	-
Other		-	-	-	-	-	4,970
Total expenditure		5,940	71,952	77,891	4,970	56,165	61,135
Net income/(expenditure) for the year	6	10,992	(27,750)	(16,758)	11,468	(23,990)	(12,522)
Net movement in funds		10,992	(27,750)	(16,758)	11,468	(23,990)	(12,522)
Reconciliation of funds:							
Total funds brought forward		249,811	(40,838)	208,973	238,343	(16,848)	221,495
Total funds carried forward		260,803	(68,588)	192,215	249,811	(40,838)	208,973

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

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

Balance sheet

as at 31 March 2022

Company no. 04000022

	Note	£	2022 £	£	2021 £
Current assets:					
Debtors	9	372		5,093	
Cash at bank and in hand		229,363		251,914	
			229,735		257,007
Liabilities:					
Creditors: amounts falling due within one year	10	37,520		48,034	
Net current assets			192,215		208,973
Total assets less current liabilities			192,215		208,973
Total net assets			192,215		208,973
The funds of the Charity:					
	13				
Unrestricted income funds:					
General funds		142,215		158,973	
Designated funds		50,000		50,000	
Total unrestricted funds			192,215		208,973
Total Charity funds			192,215		208,973

Approved by the Trustees on 13 July 2022 and signed on their behalf by



Lloyd Gale-Ward, Chair



Nicola Bastin, Director

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

Statement of cash flows

for the year ended 31 March 2022

	Note	2022	2021
		£	£
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	14	(22,588)	17,196
Cash flows from investing activities:			
Interest received		37	11
Net cash from investing activities		37	11
Change in cash and cash equivalents in the year		(22,551)	17,207
Cash at the beginning of the year		251,914	234,707
Cash and cash equivalents at the end of the year	15	229,363	251,914

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

1. Accounting policies

a) Basis of preparation

Newlon Fusion, limited by guarantee is a company incorporated in England & Wales under the Companies Act 2006. The registered office address is Newlon House, 4 Daneland Walk, Hale Village, London, N17 9FE.

The financial statements have been 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 (FRS102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)

“In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The transition date was 1 April 2014, and this is the first set of financial statements prepared under FRS102.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for short-term compensated absence arising from employee entitlement to paid annual leave. The initial liability recognised at the date of transition was for the holiday entitlement carried forward and for the entitlement arising in the year which was due but not taken. The initial liability in 2015 was for £2838. No other restatements were required.”

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.
- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

- Community hubs 100%

Support and governance costs are reallocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

- Community hubs 100%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

m) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, key judgements have been made in respect of the following:

Income is generated from a range of sources, in particular, from grants and within the Newlon Group. Judgement is applied as to income recognition and recoverability on a source by source and/or contract by contract basis.

n) Disclosure exemptions

Disclosures in respect of the charity's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Newlon Group as a whole in the consolidated accounts of the Newlon Group.

2. Income from donations and legacies

	Unrestricted	Restricted	2022 Total	2021 Total
	£	£	£	£
Donations	2,000	-	2,000	2,000
	2,000	-	2,000	2,000

3. Income from charitable activities

	Unrestricted	Restricted	2022 Total	2021 Total
	£	£	£	£
The National Lottery	-	-	-	10,000
Hill Partnerships	-	10,000	10,000	-
Smarter Services	-	2,500	2,500	2,500
Mount Anvil	-	5,000	5,000	-
Oracle	-	1,000	1,000	-
Countryside Properties Plc	-	10,000	10,000	5,000
Media People	-	1,000	1,000	-
Etec	-	2,500	2,500	-
London Housing Consortium	-	3,802	3,802	2,483
Anglian	-	2,500	2,500	-
Wates	-	5,000	5,000	5,000
City Security Services	-	-	-	2,000
Amber Construction	-	-	-	2,500
PH Jones	-	-	-	2,000
Other Donors	-	900	900	693
Sub-total for resident empowerment	-	44,202	44,202	32,175
Community hall hire income	14,894	-	14,894	14,427
Total income from charitable services	14,894	44,202	59,096	46,602

4. Income from investments

	Unrestricted	Restricted	2022 Total	2021 Total
	£	£	£	£
Interest	37	-	37	11
	37	-	37	11

5. Analysis of expenditure

	Resident empowerment	Support costs	2022 Total	2021 Total
	£	£	£	£
Materials	71,952	-	71,952	56,165
Professional services	-	4,096	4,096	4,910
Other costs	-	150	150	220
Provision for bad debt	-	1,694	1,694	(160)
	71,952	5,940	77,891	61,135
Support costs	5,940	(5,940)	-	-
Total expenditure	77,891	-	77,891	61,135

Of the total expenditure, £5,940 was unrestricted (2021: £4,970) and £71,952 was restricted (2021: £56,165).

6. Net incoming resources for the year

This is stated after charging:

	2022	2021
	£	£
Donated Services	2,000	2,000
Auditors' remuneration (excluding VAT):		
Audit	2,850	2,600

7. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

There were no employees during the year.

Trustees consider those staff with material delegations of authority available to them to conduct operational activities as key management personnel. The total employee benefits including pension contributions of the key management personnel, comprising the Chief Executive and the executive team, were Nil (2021: Nil). Within employee benefits, employers pension contributions of Nil were paid on behalf of key management personnel (2021: Nil) into defined contribution schemes including the 'auto enrolment' scheme.

The total employee benefits including pension contributions of the key management personnel were Nil (2021: Nil).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: Nil). No charity Trustee received payment for professional or other services supplied to the charity (2021: Nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling Nil (2021: Nil) incurred by O (2021: 0) members relating to attendance at meetings of the Trustees.

8. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9. Debtors

	2022 £	2021 £
Trade debtors	5,393	8,234
Provision for bad debts	(4,928)	(3,234)
Amount owed by Group undertakings	(93)	93
	372	5,093

10. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	1,199	1,449
Accruals	3,421	2,633
Deferred income	32,900	43,952
Other creditors	-	-
	37,520	48,034

11. Deferred income

Deferred income includes grants received in advance of project delivery.

	2022 £	2021 £
Balance at the beginning of the year	43,952	12,083
Amount released to income in the year	(43,952)	(12,083)
Amount deferred in the year	32,900	43,952
Balance at the end of the year	32,900	43,952

12. Analysis of net assets between funds

	General unrestricted £	Restricted £	Total funds £
Net current assets	192,216	-	192,216
Net assets at the end of the year	192,216	-	192,216

13. Movements in funds

	At the start of the year	Incoming resources & gains	Outgoing resources & losses	Transfers	At the end of the year
	£	£	£	£	£
General funds	158,974	16,932	(5,940)	(27,750)	142,216
Designated funds	50,000	-	-	-	50,000
Total unrestricted funds	208,974	16,932	(5,940)	(27,750)	192,216
Restricted funds	-	44,202	(71,952)	27,750	-
Total funds	208,974	61,133	(77,891)	-	192,216

14. Reconciliation of net income to net cash flow from operating activities

	2022	2021
	£	£
Net income for the reporting period (as per the statement of financial activities)	(16,758)	(12,522)
Dividends, interest and rent from investments	(37)	(11)
Decrease in debtors	4,721	(2,487)
Decrease in creditors	(10,515)	32,216
Net cash flow from operating activities	(22,589)	17,196

15. Analysis of cash and cash equivalents

	At 1 April 2021	Cash flows	Other changes	At 31 March 2022
	£	£	£	£
Cash at bank and in hand	251,914	(22,551)	-	229,363
Total cash and cash equivalents	251,914	(22,551)	-	229,363

16. Related party transactions

	2022	2021
	£	£
Donations from Newlon Housing Trust	2,000	2,000

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties. Newlon Housing Trust is a parent company of Newlon Fusion and Access Homes.

17. Legal status of the Charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

18. Parent entity

The Immediate parent undertaking is Newlon Housing Trust.

The ultimate parent undertaking and controlling party is Newlon Housing Trust, a registered provider of social housing in England and Wales. Newlon Housing Trust is the parent undertaking of the smallest and largest group to consolidate these financial statements. Consolidated financial statements for Newlon Housing Trust are available from its registered office at 4 Daneland Walk, Hale Village, London, N17 9FE. Control is exercised by virtue of a 51% golden voting share available as part of reciprocal representation on the Boards of the two entities. Newlon Housing Trust authorises the proposed appointment and removal of Trustees from the board of Newlon Fusion.

NEWLON FUSION

England & Wales - Charity number 1119673

Accounts

Financial Statements

for the year ended 31 March 2021

Newlon Fusion

Company number: 04000022

Charity number: 1119673

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The Board and professional advisors

Company number: 04000022

Charity number: 1119673

Registered office and operational address

Newlon House
4 Daneland Walk
Hale Village
London
N17 9FE

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Lloyd Gale-Ward	Chair
Sarah Ebanja	Director (Resigned 17 December 2020)
Matt Champion	Director
Nicola Bastin	Director (Appointed 24 March 2021)

Person with significant control

Newlon Housing Trust

Company Secretary

Glenn Dhurowa

Key personnel

Bill Henderson

Bankers

Barclays Bank PLC
Business Service Team
Level 28
1 Churchill Place
London
E14 5HP

Solicitors

Devonshires
30 Finsbury Circus
London
EC2M 7DT

Auditors

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 OPA

The Trustees present their report and the audited financial statements for the year ended 31 March 2021.

Reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities. SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The Charity's objectives in the context of urban regeneration and socio economic deprivation are:

- To relieve poverty, reduce unemployment, advance education, skills development, work experience.
- To provide advice, assistance or consultancy in order to provide support to existing and new businesses.
- To provide appropriate community buildings.
- To protect or conserve the environment including 'green' initiatives.
- To promote public safety.

The Trustees review the aims, objectives and activities of the Charity each year. This report looks at what the Charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the Charity has brought to those groups of people that it is set up to help. The review also helps the Trustees to ensure the Charity's aims, objectives and activities remain focused on its stated purposes.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities in particular. The Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Newlon Fusion operates in a strategic landscape shaped by an increasingly prominent employability and skills agenda, concerns for rising poverty and the wider impact of Welfare Reform. Our vision to address individual hardship and nurture communities translates into two clear objectives which provided focus and direction for activities undertaken in 2020-21:

- To grow the impact of our work, reaching more people, helping them out of hardship, out of debt and into employment.
- To strengthen the London communities in which Newlon works, in particular through effective and financially viable community hubs and activities that reduces poverty, isolation and digital exclusion.

The following strategies were adopted over the course of the year to drive activity and help us achieve these primary objectives:

1. Supporting residents in hardship

Secure and deliver the resident hardship fund, achieving longer term impact and benefit, including reduced rent arrears, incidence of possession proceedings and tenancy sustainment.

2. Community facilities

The goals are to enhance and expand service delivery in Tower Hamlets in response to changing local need through a range of wellbeing, welfare and inclusion initiatives, and improve longer-term sustainability of Newlon Fusion community venues through cost-effective partnership delivery and external income generation.

Achievements

Newlon residents receive support to help sustain their tenancies and to help them avoid the risk of becoming over-indebted through furnishing their homes.

The funding supports residents in need, whether they are moving into Newlon properties, or facing emergency situations, including extreme poverty and debt.

The goal of the Hardship Fund is to distribute funding (up to £600 per household) to Newlon residents in hardship.

The need for support has increased nearly fivefold as a result of the pandemic. This past year we distributed over £12,000 in Tenant Emergency Fund 'small grants' to over 160 households and over £60,000 in Hardship Fund support to another 160 households.

Our community venue in Tower Hamlets (Lascar Wharf) continued to promote social inclusion, bringing local people together through activities that provide opportunity for personal and social development.

Beneficiaries of our services

Newlon Fusion works with residents of Newlon Housing Trust and community members across our target boroughs of Hackney, Tower Hamlets, Haringey, Islington, Camden, Enfield, Waltham Forest and Redbridge. Recipients of Newlon Fusion services include young people and adults who require support with finances, health and well-being, training, employment and other community engagement opportunities.

Our work helps hundreds of Newlon residents and community members to improve their skills and their lives and to create vibrant communities.

Financial review

A balanced budget was set for 2020-21, due to the challenges of securing external funding and the use of reserves in supporting Newlon Fusion's objectives. The net movement in funds was a deficit of £12,522. (2019-20: £1,275 Surplus) on income of £46,613 (2019-20: £42,149). All target objectives for the financial year were successfully achieved, however the new financial year will see service delivery and funding distribution levels increase, with additional reserves funding accessed and match funding approved, alongside new external funding secured.

Reserves policy

The Trustees acknowledge their ability to designate all or some of the unrestricted accumulated surpluses. Should sufficient accumulated surpluses arise in the future, designations will be considered for contingent risk areas and/or key development areas. In particular the Trustees' policy is to consider six months expenditure to be a prudent amount to hold in reserves. Based on current levels of spend, this would target reserves to be in the range of £30,000. With the unrestricted general reserve standing at £158,973 at the Balance Sheet date, this target has been met.

Principal risks and uncertainties

Newlon Fusion's income for charitable activities has traditionally derived from various sources, primarily grants from Trusts, Foundations, and Lottery and local/central government. Initiatives for public benefit comprise hardship and community activities and facilities with a focus on Newlon Housing Trust residents, delivering resident support services in order to meet the Trust's corporate and Group objectives. We work in partnership with beneficiaries, funders, local agencies and community groups to create supportive local networks and neighbourhoods where people can thrive.

The major risks to which the Charity is exposed are subject to regular review by the Trustees and systems are in place to ensure that identified risks are managed and mitigated appropriately.

Plans for the future

Newlon Fusion projects are expected to continue, with renewed focus on the needs of Trust residents and communities. Future business planning and activity will continue to reflect our core charitable objectives through tackling individual hardship and need and nurturing local communities in Newlon's operational area.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 18 May 2000 and registered as a charity.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the Charity are set out in the accounts.

The Charity is a company limited by guarantee and is a subsidiary of Newlon Housing Trust, part of the Newlon Group.

Intra-Group transactions and activity are governed by a formal agreement with Newlon Housing Trust. The Charity operates under a memorandum and articles of association drafted widely to give the Charity flexibility in delivering its principal objective of supporting and regenerating communities in areas of deprivation.

During the year the Board agreed that staff from Newlon Housing Trust would not deliver services and activities on behalf of Newlon Fusion and no management fee would be paid to the Group. Financial services (if provided) are provided by the Group finance function.

Appointment of Trustees

We seek to ensure that Trustees, as far as possible, represent the diversity of the communities we serve and collectively provide the range of experience, technical and professional skills required by Newlon Fusion.

Trustees are appointed by the parent Board and they do not receive remuneration.

Policy for employment of disabled persons

Newlon Fusion is committed to a positive policy of equal opportunities and diversity. We uphold our belief in a society in which every person has a fair and equal place, by seeking to ensure that there is total equality in all of the functions of the organisation and in the delivery of its services, integrating equality of opportunity into all of our activities and actively opposing discrimination and prejudice in all forms. We work to ensure that all members of the community have access to and equal treatment in the provision of our services.

Statement of responsibilities of the Trustees

The Trustees (who are also directors of Newlon Fusion for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The financial statements are prepared on the basis that Newlon Fusion will continue for the forthcoming 12 months from the date of signing of these financial statements. The annual budget for 2021-22 and the business plans have also been issued and approved by the Trustees.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information;
- 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; and
- members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guarantees at 2020-21 was 4 (2019-20 was 4). The Trustees are members of the Charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the Charity.

Going concern

The financial statements are prepared on the basis that Newlon Fusion will continue for the forthcoming 12 months from the date of signing of these financial statements. The annual budget for 2021-22 issued and approved by the Trustees. The Budget was done under the Covid-19 conditions and subjected to various adverse scenarios. This work, along with the consideration of the mitigation plans and good level of liquidity, provides evidence in support of the going concern. For this reason Newlon Fusion continues to adopt the going concern basis in preparation of the financial statements.

Auditors

BDO LLP were reappointed as the Charitable Company's auditors during the year and have expressed their willingness to continue in that capacity.

Advantage has been taken of the small company's exemption.

The Trustees' annual report has been approved by the Trustees on 14 July 2021 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'Lloyd Gale-Ward', with a stylized, cursive script.

Lloyd Gale-Ward, Chair

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Newlon Fusion ("the Charitable Company") for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 **The Financial Reporting Standard applicable in the UK and Republic of Ireland** (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 1a to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: The Trustees' annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit.

We are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Trustees' annual report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which is included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of

irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charitable Company and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 and the Charities SORP (FRS 102), and we considered the extent to which non-compliance might have a material effect on the Financial Statements or their continued operation. We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with the Companies Act 2006 and relevant tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

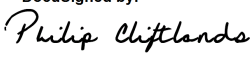
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence if any.

The audit procedures to address the risks identified included:

- Challenging assumptions made by management in their significant accounting estimates and judgements in relation to income recognition and debtor recoverability.
- Identifying and testing journal entries, in particular any journal entries posted from staff members with privilege access rights, journals posted by key management, journals posted and journals posted after the year end.
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

DocuSigned by:

D1FB52C82A114D7...

Philip Cliftlands, Senior Statutory Auditor

For and on behalf of BDO LLP, Statutory Auditor

Gatwick

United Kingdom

Date: **20 August 2021**

BDO LLP is a limited liability partnership registered in England and Wales
(with registered number OC305127)

Statement of financial activities (incorporating an income and expenditure account)
for the year ended 31 March 2021

				2021			2020
	Note	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:							
Donations and legacies	2	2,000	-	2,000	2,000	-	2,000
Charitable activities							
Resident empowerment	3	-	32,175	32,175	-	21,348	21,348
Community hubs	3	14,427	-	14,427	18,134	-	18,134
Group employability	3	-	-	-	-	-	-
Core services	3	-	-	-	-	-	-
Investments	4	11	-	11	667	-	667
Total income		16,438	32,175	48,613	20,801	21,348	42,149
Expenditure on:							
Charitable activities	5	-	-	-	-	-	-
Resident empowerment	5	-	56,165	56,165	-	38,196	38,196
Community hubs		-	-	-	2,678	-	2,678
Other		4,970	-	4,970	-	-	-
Total expenditure		4,970	56,165	61,135	2,678	38,196	40,874
Net income/(expenditure) for the year	6	11,468	(23,990)	(12,522)	18,123	(16,848)	1,275
Net movement in funds		11,468	(23,990)	(12,522)	18,123	(16,848)	1,275
Reconciliation of funds:							
Total funds brought forward		238,343	(16,848)	221,495	220,220	-	220,220
Total funds carried forward		249,811	(40,838)	208,973	238,343	(16,848)	221,495

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 13 to the financial statements.

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

Balance sheet

as at 31 March 2021

Company no. 04000022

	Note	£	2021 £	£	2020 £
Current assets:					
Debtors	9	5,093		2,606	
Cash at bank and in hand		251,914		234,707	
		257,007		237,313	
Liabilities:					
Creditors: amounts falling due within one year	10	48,034		15,818	
Net current assets			208,973		221,495
Total assets less current liabilities			208,973		221,495
Total net assets			208,973		221,495
The funds of the Charity:					
	13				
Unrestricted income funds:					
General funds		158,973		171,495	
Designated funds		50,000		50,000	
Total unrestricted funds			208,973		221,495
Total Charity funds			208,973		221,495

Approved by the Trustees on 14 July 2021 and signed on their behalf by



Lloyd Gale-Ward, Chair



Nicola Bastin, Director

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

Statement of cash flows

for the year ended 31 March 2021

	Note	2021	2020
		£	£
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	14	17,196	9,717
Cash flows from investing activities:			
Interest received		11	667
Net cash from investing activities		11	667
Change in cash and cash equivalents in the year		17,207	10,384
Cash at the beginning of the year		234,707	224,323
Cash and cash equivalents at the end of the year	15	251,914	234,707

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

1. Accounting policies

a) Basis of preparation

Newlon Fusion, limited by guarantee is a company incorporated in England & Wales under the Companies Act 2006. The registered office address is Newlon House, 4 Daneland Walk, Hale Village, London, N17 9FE.

The financial statements have been 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 (FRS102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The transition date was 1 April 2014, and this is the first set of financial statements prepared under FRS102.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for short-term compensated absence arising from employee entitlement to paid annual leave. The initial liability recognised at the date of transition was for the holiday entitlement carried forward and for the entitlement arising in the year which was due but not taken. The initial liability in 2015 was for £2,838. No other restatements were required.”

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The Trustees consider that there are no material uncertainties about the Charitable Company's ability to continue as a going concern.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity: this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the Charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.
- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the Charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the Charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

- Community hubs 100%

Support and governance costs are reallocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

- Community hubs 100%

Governance costs are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

l) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

m) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, key judgements have been made in respect of the following:

Income is generated from a range of sources, in particular, from grants and within the Newlon Group. Judgement is applied as to income recognition and recoverability on a source by source and/or contract by contract basis.

n) Disclosure exemptions

Disclosures in respect of the Charity's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Newlon Group as a whole in the consolidated accounts of the Newlon Group.

2. Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Donations	2,000	-	2,000	2,000
	2,000	-	2,000	2,000

3. Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Friends of St Pancras Hospice	-	-	-	30,000
Other donors		32,175	32,175	-
Sub-total for resident empowerment	-	32,175	32,175	30,000
Groundwork	-	-	-	6,500
Other funders	14,427	-	14,427	17,584
Sub-total for community hubs	14,427	-	14,427	54,084
Sub-total for Group employability	-	-	-	-
Total income from charitable activities	14,427	32,175	46,602	54,084

4. Income from investments

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Interest	11	-	11	667
	11	-	11	667

5. Analysis of expenditure

	Cost of raising funds	Charitable activities						2021 Total	2020 Total
		Resident empowerment	Community hubs	Growth and efficiency	Group employability	Governance costs	Support costs		
		£	£	£	£	£	£		
Materials	-	56,165	-	-	-	-	-	56,165	38,196
Professional services	-	-	-	-	-	-	4,910	4,910	2,569
Other costs	-	-	-	-	-	-	220	220	150
Provision for bad debt	-	-	-	-	-	-	(160)	(160)	(41)
	-	56,165	-	-	-	-	4,970	61,135	40,874
Support costs	-	4,970	-	-	-	-	(4,970)	-	-
Total expenditure	-	61,135	-	-	-	-	-	61,135	40,874

Of the total expenditure, £4,970 was unrestricted (2020: £2,678) and £56,165 was restricted (2020: £38,196).

6. Net incoming resources for the year

This is stated after charging:

	2021 £	2020 £
Donated Services	2,000	2,000
Auditors' remuneration (excluding VAT):		
Audit	2,600	2,520

7. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

There were no employees during the year.

Trustees consider those staff with material delegations of authority available to them to conduct operational activities as key management personnel. The total employee benefits including pension contributions of the key management personnel, comprising the Chief Executive and the executive team, were Nil (2020: Nil). Within employee benefits, employers pension contributions of Nil was paid on behalf of key management personnel (2020: Nil) into defined contribution schemes including the 'auto enrolment' scheme.

The total employee benefits including pension contributions of the key management personnel were nil (2020: Nil).

The Charity Trustees were not paid or received any other benefits from employment with the Charity in the year (2020: £Nil). No Charity Trustee received payment for professional or other services supplied to the Charity (2020: £Nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling Nil (2020: Nil) incurred by 0 (2020: 0) members relating to attendance at meetings of the Trustees.

8. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9. Debtors

	2021 £	2020 £
Trade debtors	8,234	5,945
Provision for bad debts	(3,234)	(3,339)
Amount owed by Group undertakings	93	-
	5,093	2,606

10. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,449	1,160
Accruals	2,633	2,520
Deferred income	43,952	12,083
Other creditors	-	55
	48,034	15,818

11. Deferred income

Deferred income includes grants received in advance of project delivery.

	2021 £	2020 £
Balance at the beginning of the year	-	-
Amount released to income in the year	-	-
Amount deferred in the year	43,952	12,083
Balance at the end of the year	43,952	12,083

12. Analysis of net assets between funds

	General unrestricted £	Restricted £	Total funds £
Net current assets	208,973	-	208,973
Net assets at the end of the year	208,973	-	208,973

13. Movements in funds

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
General funds	171,495	16,438	(4,970)	(23,990)	158,973
Designated funds	50,000	-	-	-	50,000
Total unrestricted funds	221,495	16,438	(4,970)	(23,990)	208,973
Restricted funds	-	32,175	(56,165)	23,990	-
Total funds	221,495	48,613	(61,135)	-	208,973

14. Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period (as per the statement of financial activities)	(12,522)	1,275
Dividends, interest and rent from investments	(11)	(667)
Decrease in debtors	(2,487)	(2,169)
Decrease in creditors	32,216	11,278
Net cash flow from operating activities	17,196	9,717

15. Analysis of cash and cash equivalents

	At 1 April 2020	Cash flows	Other changes	At 31 March 2021
	£	£	£	£
Cash at bank and in hand	234,707	17,207	-	251,914
Total cash and cash equivalents	234,707	17,207	-	251,914

16. Related party transactions

	2021 £	2020 £
Donations from Newlon Housing Trust	2,000	2,000
Donations from Access Homes	-	-
	2,000	2,000

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties. Newton Housing Trust is a parent company of Newlon Fusion and Access Homes.

17. Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

18. Parent entity

The Immediate parent undertaking is Newlon Housing Trust.

The ultimate parent undertaking and controlling party is Newlon Housing Trust, a registered provider of social housing in England and Wales. Newlon Housing Trust is the parent undertaking of the smallest and largest group to consolidate these financial statements. Consolidated financial statements for Newlon Housing Trust are available from its registered office at 4 Daneland Walk, Hale Village, London, N17 9FE. Control is exercised by virtue of a 51% golden voting share available as part of reciprocal representation on the Boards of the two entities. Newlon Housing Trust authorises the proposed appointment and removal of Trustees from the Board of Newlon Fusion.