

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

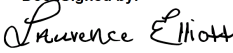
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.