

FUSION HOUSING KIRKLEES LIMITED
(a company limited by guarantee)

FINANCIAL STATEMENTS

31 MARCH 2023

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Company registration number: 08158320
Registered charity number: 1151483

FUSION HOUSING KIRKLEES LIMITED

CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 MARCH 2023

Charity name: Fusion Housing Kirklees Limited

Charity number: 1151483

Company number: 08158320

Trustees:

E Cannell	
D Hullock	(Resigned 5 October 2022)
S Kaye	
K Knott	(Resigned 24 October 2022)
C Ledwon	(Resigned 1 August 2022)
M A Leith	(Resigned 23 August 2022)
C Lorenzelli	
D P Moriarty	(Resigned 7 September 2022)
C A Pattison	
S Smith	(Resigned 29 November 2022)
N J Tarren	
M Vangrove	

Principal and registered office: Pearl House, John William Street, Huddersfield, HD1 1BA

Auditors: Wheawill & Sudworth Limited, Chartered Accountants, 35 Westgate, Huddersfield, HD1 1PA

Principal bankers: National Westminster Bank, 8 Market Place, Huddersfield, HD1 2AN

FUSION HOUSING KIRKLEES LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report and the audited financial statement of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities as updated by Bulletin 1 in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

The Directors of the charitable company (the charity) are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees.

As part of the Statement of Recommended Practice (SORP) regulations a Trustees Annual Report is required together with the financial audit and it is therefore logical and efficient to embed its business, finance, strategic plans and reviews into this Report.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the Charity are the prevention or relief of poverty for public benefit particularly but not exclusively in West Yorkshire, particularly of people who are homeless, about to become homeless or who are in housing need by providing advice, advocacy, support and training in relation to health, housing, learning and employment.

Significant activities

Fusion Housing Kirklees provides housing support, advice and guidance in housing related matters to the citizens of Kirklees.

Public benefit and eligibility criteria

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the organisation's aims and objectives and in planning future activities.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

In year achievements/performance:

Fusion Housing is a long-established organisation focused on the prevention of homelessness and poverty through the provision of housing support, advice, supported accommodation, employment support and a Food Bank.

The organisation has supported the most vulnerable people in the Kirklees, Calderdale and Wakefield communities by providing valuable services for the betterment of those individuals and families.

Our Mission is to 'empower people to make informed life choices and to actively take part in shaping a positive future for themselves and their communities'.

Our aim is to ensure that individuals and families have access to suitable, affordable accommodation along with skills needed to successfully manage and keep that accommodation; helping them to overcome the barriers that can prevent them from achieving their potential, and preventing homelessness.

FUSION HOUSING KIRKLEES LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

Housing Advice

The advice service provides, for public benefit, a confidential and not for profit advice service for individuals age 16 and over in the Kirklees and Wakefield areas. We provide specialist legal advice on housing and related matters including:

- Rent and Mortgage arrears – financial problems relating to housing, help with court applications to prevent eviction and claims for benefit to help pay housing costs.
- Notices to leave the home and threats of eviction
- Harassment and illegal eviction
- Court hearings for home repossession including representation via a Housing Possession Court Duty Scheme at Huddersfield and Wakefield County Courts
- Homelessness – prevention, applying for help and Challenging Local Authority decision
- Housing Benefit claims, decisions and overpayments
- Finding a place to live – advice about options in Kirklees

Initial Contact Service/Food and More Service

Our Initial Contact Service acts as the first point of contact to access other Fusion Services and provides initial advice and support on housing and related issues across Kirklees.

The Food and More service runs our Food Bank provision in Dewsbury. The service also assisted with Furniture and Home Starter Packs via the Household Fund.

B.O.S. Housing Support

Our Housing Related Support Service forms part of the Social Impact Bond Funded scheme KBOP, commissioned by Kirklees Council and delivered alongside seven other local organisations. Whilst having the overall aim of addressing homelessness and housing insecurity, we also support participants into work and education, enable access to other services including those addressing mental health and substance misuse, and support people into education, training and employment.

In addition to support to find or maintain accommodation, assistance is also given in improving their financial resilience in the form of budgeting support, income maximisation and support with benefits, or access to our Money Management learning provision. Our Housing Support Service also supported participants to access support or training and directly supported a number of individuals into employment. As part of this contract we also provide a Tenancy Deposit and Landlord Liaison Service which began in May 2021. This service is seeing an increasing number of people needed to access accommodation in the private sector as a result of the lack of social housing.

HOMES

Our HOMES service provides accommodation for single people and single parent families who are homeless and require additional low level support to enable them to manage independently. Accommodation is available in the Kirklees, Wakefield and Calderdale areas and consists of both self-contained and shared living options. Tenants can stay for up to 2 years whilst they explore longer term options and receive the help they need to address issues they may have which put them at risk of homelessness.

FUSION HOUSING KIRKLEES LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

Learning and Employment

We continue to provide adult learning through our KBOP contract and have maintained our status as an accredited learning centre.

Our Works Better Service provides support into work and volunteering, including help with job search, CV's, childcare support engaging with employers and continued support when in employment.

Fundraising activities

Fusion Housing Kirklees funds are sought through grants and contracts with grant and contract making bodies.

FINANCIAL REVIEW

The results for the year and financial position of the company are shown in the financial statements.

Year End Position

Our annual accounts result to the year ending 31st March 2023 reflect the challenges and difficulties Fusion Housing has faced over the past financial year. We managed to weather the COVID pandemic and continued to deliver our vital services despite financial headwinds. Following on with this, as with similar Organisations across England, we started to see a rapid increase in the number of our clients moving on from our temporary accommodation as Social and Private Landlords opened up lettings again; this led to increasing costs and decreasing income as more accommodation than anticipated became vacant and had to be returned to let.

In addition, similar to other Organisations, we were facing significant repairs and maintenance back log as conditions allowed for the safe return of contractors to our properties; long lock-down periods had limited the level of work undertaken on properties resulting, in some cases, in deterioration and normal maintenance schedules being postponed.

As well as this, the 'Cost of Living Crisis' resulted in increased costs impacting on both the running of the organisation and our client group. This led to an increased demand for our services as our clients faced more challenges in their day-to-day lives.

Additional changes relating to the administration of income for our supported accommodation service had a further negative impact contributing largely to the year-end negative balance.

Strategic Business Plan

So, what are we doing to reduce the financial impact and strengthen our business in the following financial year from April 2023?

- We are focused on improving our financial position through cost management, liability management and income management with a commitment to bring the business back to a better financial standing.
- We have assessed all our supported accommodation units and put in place a robust strategy to reduce the number of vacant units, which will increase the level of income needed for the financial year ahead.
- We are restructuring services to meet the changing needs of our business, client group in line with our external funding.
- We have embarked on an active fund-raising programme.
- We have secured new contracts that will enable the business to broaden the use of our housing stock via much needed Emergency Accommodation in the area.

Embedded in our strategy is the passion and expertise of our Staff and Board members to enable us to fulfil our vision, with the aim of benefiting the communities we serve.

FUSION HOUSING KIRKLEES LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

Summary

Like many Charitable Organisations nationally, for Fusion Housing the year after overcoming the impact of the COVID-19 pandemic has been challenging. All our services felt the impact of the repeated periods of lockdown and a reliance on remote working. However, our hardworking staff group have continued to provide high-quality support, advice and assistance to everyone who has accessed our services.

Financially it has been an unprecedented year as a result of pressure from external factors such as the impact of COVID, the 'Cost of Living Crisis' and other externally driven changes to some of our funding streams.

These factors, arriving together within a relatively short space of time, has resulted in a high level of liabilities at end of the financial year for the first time in our long history.

Reserves Policy

Fusion Housing Kirklees will seek to ensure a minimum level of reserves of at least 5% of annual operating costs and will have flexibility at each accounting year for a reduction or increase of funds.

Going concern

The trustees have considered the impact of the previous year Covid 19 pandemic, 'Cost of Living Crisis' and other changes have had on the charity during this year and are likely to have in the future. Whilst acknowledging that operations could still be affected in the short-term at least, the Trustees believe they have put suitable measures in place to ensure that the Charity will be able to continue with its activities going forward. The Trustees therefore believe that the preparation of the financial statements on the going concern basis is appropriate.

Future Plans

Fusion Housing Kirklees will seek to diversify and attract funds into the core business activities in order to secure the provision of quality, person centred, housing support and advice to those that need them. We will continue to develop and monitor our provision so that it consistently meets the standards required by the Accreditations we hold such as Matrix and the Specialist Quality Mark

Key areas for future development identified are:

- To continue on our journey to become a provider of social housing registered under the Housing & Regeneration Act 2008.
- To develop our Food and More Service in North Kirklees and provide community/place based food and furniture support.
- To explore further funding options for our Learning and Employment Support activities
- To further expand our Housing Advice service to meet local demand.

Our bi-annual Staff Conference structure will continue to play a role in these developments and to identify other areas.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Company is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

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. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

Recruitment of Trustees is done through advertisement in local press or through local agency bulletins and by nomination through existing members when a position becomes available.

New Trustees are appointed by Election where individuals are nominated (following their application) and are then elected onto the Board of Trustees by the organisation's members at an Annual General Meeting (AGM).

FUSION HOUSING KIRKLEES LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023 (Continued)

Organisational structure

The Trustees of the organisation hold responsibility to the organisation for decision making and delegate core functions to the organisations Director and Management Team.

Induction and training of new trustees

New trustees to the Fusion Housing Kirklees Board will go through an induction process and skills audit to ascertain any training needs. All trustees will have access to the organisations training programme in relation to the services provided.

Related parties

There are no related parties, and no transactions with trustees as determined by the Memorandum and Articles of Association.

Directors

The Directors during the year were:

E Cannell
D Hullock
S Kaye
K Knott
C Ledwon
M A Leith
C Lorenzelli
D P Moriarty
C A Pattison
S Smith
N J Tarren
M Vangrove

Auditors

Wheawill & Sudworth Limited were appointed as auditor for the year and they will be proposed for re-appointment at the Annual General Meeting.

FUSION HOUSING KIRKLEES LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)

Trustees' Responsibilities Statement

The Trustees (who are also the directors of Fusion Housing Kirklees Limited 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards 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 charitable company will continue in operation.

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: and
- 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 charity 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.

ON BEHALF OF THE BOARD

Approved by the board on 8 December 2023
and signed on its behalf by



M Vangrove
Chair

FUSION HOUSING KIRKLEES LIMITED

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

Independent Auditor's Report to the trustees of Fusion Housing Kirklees Limited

We have audited the financial statements of Fusion Housing Kirklees Limited (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 the 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).

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, including its income and expenditure, 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.

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 are 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating 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.

We draw attention to note 1 (k) in the financial statements, which indicates that the charity incurred a net deficit of £423,664 during the year ended 31 March 2023 and, as of that date, the company's liabilities exceeded its assets by £189,278. As stated in note 1 (k), these events, along with other matters as set forth in note 1 (k), indicate that the charity is reliant on continued financial support from various stakeholders to be able to continue to operate. Accordingly, a material uncertainty exists that may cast significant doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

FUSION HOUSING KIRKLEES LIMITED

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within 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 course of the audit 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of 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.

FUSION HOUSING KIRKLEES LIMITED

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

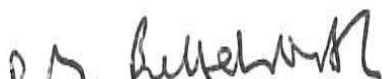
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

FUSION HOUSING KIRKLEES LIMITED

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



35 Westgate
Huddersfield
HD1 1PA
8 December 2023

David Butterworth, Senior Statutory Auditor

Wheawill & Sudworth Limited, Statutory Auditor

Wheawill & Sudworth Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

FUSION HOUSING KIRKLEES LIMITED

STATEMENT OF FINANCIAL ACTIVITY (Including Income and Expenditure Account)

for the year ended

31 MARCH 2023

Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Incoming resources				
2 Donations and legacies:	2,026	-	2,026	12,322
5 Charitable activities				
Housing advice and support	547,196	1,088,963	1,636,159	1,595,330
Learning	-	237,314	237,314	164,671
Recycling	-	247,150	247,150	375,962
	547,196	1,573,427	2,120,623	2,135,963
3 Other trading activities	2,750,677	-	2,750,677	3,162,782
4 Investment income	7	-	7	7
Total income and endowments	3,299,906	1,573,427	4,873,333	5,311,074
Resources expended				
6 Expenditure on raising funds	1,760,905	-	1,760,905	1,788,363
7 Charitable activities				
Housing advice and support	1,326,633	1,088,963	2,415,596	2,306,939
Learning	287,816	237,314	525,130	381,681
Recycling	312,989	247,150	560,139	781,207
Other	35,227	-	35,227	36,825
	1,962,665	1,573,427	3,536,092	3,506,652
Total resources expended	3,723,570	1,573,427	5,296,997	5,295,015
10 Net income/(expenditure)	(423,664)	-	(423,664)	16,059

The notes on pages 16 to 27 form part of these financial statements

FUSION HOUSING KIRKLEES LIMITED

STATEMENT OF FINANCIAL ACTIVITY (continued)

for the year ended

31 MARCH 2023

Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Net income/(expenditure)	(423,664)	-	(423,664)	16,059
20 Transfers between funds	-	-	-	-
Net movement in funds	(423,664)	-	(423,664)	16,059
Total funds brought forward	232,448	1,938	234,386	218,327
Total funds carried forward	<u>(191,216)</u>	<u>1,938</u>	<u>(189,278)</u>	<u>234,386</u>

Continuing operations

None of the charitable company's activities were acquired or discontinued during the current year.

Total recognised gains and losses

The charitable company has no recognised gains or losses other than the surplus/(deficit) for the current and previous periods.

The notes on pages 16 to 27 form part of these financial statements.

FUSION HOUSING KIRKLEES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

Notes	Unrestricted Funds £	Restricted Funds £	2023 Total funds £	2022 Total funds £
Fixed assets				
14 Tangible assets	100,431	-	100,431	103,189
Current assets				
15 Debtors	556,498	-	556,498	598,261
Cash at bank and in hand	(1,552)	1,938	386	81,748
	554,946	1,938	556,884	680,009
16 Creditors: amounts falling due within one year	(842,110)	-	(842,110)	(507,778)
Net current (liabilities)/assets	(287,164)	1,938	(285,226)	172,231
Total assets less current liabilities	(186,733)	1,938	(184,795)	275,420
17 Creditors: amounts falling due after more than one year	(4,483)	-	(4,483)	(41,034)
Net (liabilities)/assets	(191,216)	1,938	(189,278)	234,386
20 Funds				
Unrestricted funds			(191,216)	232,448
Restricted funds:				
Jean Conway Trust			1,258	1,258
Howitt Homeless Trust			230	230
Community Legal Services				
Development Fund			450	450
Total funds			(189,278)	234,386

The accounts on pages 12 to 27 were approved and authorised for issue by the board on 8 December 2023 and signed on their behalf

M VANGROVE
Trustee



C A PATTISON
Trustee



Company registration number : 081583201

The notes on pages 16 to 29 form part of these financial statements.

FUSION HOUSING KIRKLEES LIMITED

STATEMENT OF CASH FLOWS

for the year ended

31 MARCH 2023

Note	2023 £	2022 £
Cash flow from operating activities		
Cash generated/(absorbed) by operations	21,080	24,080
Interest paid	(9,666)	(14,661)
Net cash flow provided by (used in) from operating activities	<u>11,414</u>	<u>9,419</u>
Cash flow from investing activities		
Payment to acquire tangible fixed assets	(47,629)	(30,487)
Interest received	7	7
Net cash flow provided by (used in) investing activities	<u>(47,622)</u>	<u>(30,480)</u>
Cash flows from financing activities:		
Loan repayments in year	(45,154)	(48,081)
Net cash provided by (used in) financing activities	<u>(45,154)</u>	<u>(48,081)</u>
Change in cash and cash equivalents in the reporting period	(81,362)	(69,142)
Cash and cash equivalents consists at the beginning of the reporting period	81,748	150,890
Cash and cash equivalents consists at the end of the reporting period	<u>386</u>	<u>81,748</u>

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

	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(423,664)	16,059
Adjustments for:		
Depreciation charges	50,386	50,994
Interest received	(7)	(7)
Interest paid	9,666	14,661
(Increase)/decrease in debtors	41,764	(16,559)
Increase/(decrease) in creditors	342,935	(41,068)
Cash flow from operating activities	<u>21,080</u>	<u>24,080</u>

FUSION HOUSING KIRKLEES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2023

1 Summary of significant accounting policies

(a) Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity as defined by FRS 102, 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 (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015. The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Income

All income is recognised in the Statement of Financial Activities (SoFA) once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

(c) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

(d) Raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising, events and non-charitable trading.

(e) Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

(f) Allocation and apportionment of costs

Costs relating to a particular activity are allocated directly. Support costs that are not wholly attributable to a single activity are apportioned across the activities based upon calculations such as floor area or estimated usage.

FUSION HOUSING KIRKLEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 MARCH 2023

(g) Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- over the lease term
Tenancy property assets	- 33% on cost
Fixtures and fittings	- 20% on reducing balance
Computer equipment	- 33% on cost

(h) Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. The charity is consequently exempt from corporation tax on its charitable activities

(i) Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

(j) Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

(k) Going concern

The financial statements have been prepared on a going concern basis as the trustees consider that the charity can continue to operate for the 12 months following the date of their approval of these financial statements. The charity incurred a deficit of £423,664 during the year and had net liabilities of £189,278 at the end of the year. These results were caused by changes to key funding streams alongside the impact of COVID causing delay to repair and maintenance schedules of managed properties leading to a high level of vacant properties. It was not possible for the charity to immediately reduce its cost base in response to these challenges. Matters were exasperated by delays in the charity receiving funding from various sources.

The charity has been involved in active discussions with both funders and creditors who have generally been very supportive. New contracts have been secured, in particular an Emergency Accommodation programme, and a surplus and reduction in net liabilities are anticipated for the year to 31 March 2024 with further positive progress forecast for the following year. With careful management of cash flow and on-going support from stakeholders, the trustees are confident that the charity can continue to operate and provide its valuable services to individuals with housing challenges in the Kirklees, Calderdale and Wakefield communities.

FUSION HOUSING KIRKLEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 MARCH 2023

2 Donations and Legacies

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	2022 Total Funds £
Donations	2,026	-	2,026	12,322
	<u>2,026</u>	<u>-</u>	<u>2,026</u>	<u>12,322</u>

3 Other Trading Activities

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	2022 Total Funds £
Rents and housing benefit	2,750,677	-	2,750,677	3,162,783
	<u>2,750,677</u>	<u>-</u>	<u>2,750,677</u>	<u>3,162,783</u>

4 Investment Income

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	2022 Total Funds £
Deposit account interest	7	-	7	7
	<u>7</u>	<u>-</u>	<u>7</u>	<u>7</u>

5 Income from Charitable Activities

		2023 £	2022 £
Legal help and court duty	Activity		
Grants	Housing advice and support	245,534	192,486
Course delivery fees	Housing advice and support	1,390,625	1,402,844
Grants	Learning	-	7,526
Grants	Learning	237,314	157,145
Grants	Recycling	247,150	375,962
		<u>2,120,623</u>	<u>2,135,963</u>

FUSION HOUSING KIRKLEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 MARCH 2023

6 Expenditure on Raising Funds

Other trading activities

	Unrestricted Funds £	Unrestricted Funds £	2023 Total Funds £	2022 Total Funds £
Tenancy costs	1,760,905	-	1,760,905	1,788,363

7 Charitable Activities Costs

	Direct Costs (see note 8) £	Support Costs (see note 9) £	Totals £
Housing advice and support	1,810,567	605,029	2,415,596
Learning	393,601	131,529	525,130
Recycling	419,842	140,297	560,139
Other	-	35,227	35,227
	2,624,010	912,082	3,536,092

8 Direct Costs of Charitable Activities

	2023 £	2022 £
Staff costs	2,397,745	2,349,801
Beneficiary costs	56,977	24,168
Beneficiary course costs	1,646	1,051
Travel and subsistence	23,694	17,646
Training	2,557	4,548
Interpreter fees	12,560	5,841
Legal Aid disbursements	52,480	32,468
LWP Food	45,198	36,966
LWP Furniture	31,153	105,071
	2,624,010	2,577,560

9 Support Costs

	Management £	Finance £	Governance Costs £	Totals £
Other resources expended	9,666	8,300	17,261	35,227
Housing advice and support	605,029	-	-	605,029
Learning	131,529	-	-	131,529
Recycling	140,297	-	-	140,297
	886,521	8,300	17,261	912,082

FUSION HOUSING KIRKLEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 MARCH 2023

9 Support Costs – continued

Support costs, included in the above are as follows:

	Other resources expended £	Housing advice and Support £	Learning £
Interest payable and similar charges	9,666	-	-
Sundries	1,787	-	-
Bank charges	6,513	-	-
Auditors' remuneration	7,000	-	-
Legal fees	10,261	-	-
Wages	-	214,169	46,559
Pensions	-	15,513	3,372
Rent, rates and water	-	140,181	30,474
Insurance	-	19,887	4,323
Light and heat	-	15,353	3,338
Postage, stationery and telephone	-	53,254	11,577
Other costs	-	111,906	24,328
Depreciation of tangible assets	-	34,766	7,558
	<u>35,227</u>	<u>605,029</u>	<u>131,529</u>

	Recycling £	2023 Total Activities £	2022 Total Activities £
Interest payable and similar charges	-	9,666	14,661
Sundries	-	1,787	448
Bank charges	-	6,513	5,184
Auditors remuneration	-	7,000	7,000
Legal fees	-	10,261	9,532
Wages	49,663	310,391	356,534
Pensions	3,597	22,482	20,624
Rent, rates and water	32,506	203,161	201,339
Insurance	4,611	28,821	28,051
Light and heat	3,560	22,251	11,744
Postage, stationery and telephone	12,349	77,180	98,756
Other costs	25,949	162,183	124,225
Depreciation of tangible assets	8,062	50,386	50,994
	<u>140,297</u>	<u>912,082</u>	<u>929,092</u>

10 Net Income/(Expenditure)

Net income/(expenditure) is stated after charging/
(crediting):

	2023 £	2022 £
Auditors' remuneration	7,000	7,000
Depreciation – owned assets	<u>50,387</u>	<u>50,994</u>

FUSION HOUSING KIRKLEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 MARCH 2023

11 Trustees' Remuneration and Benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

	2023	2022
	£	£
Trustees' expenses	-	-
	=	=

12 Staff Costs

	2023	2022
	£	£
Wages and salaries	2,598,827	2,595,618
Pension costs	131,341	131,341
	<u>2,730,168</u>	<u>2,726,959</u>

The average monthly number of employees during the year was as follows:

	2023	2022
Provision of service	80	84
Management and administration	9	10
	<u>89</u>	<u>94</u>
	=	=

No employees received emoluments in excess of £60,000 (2022: none)

FUSION HOUSING KIRKLEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 MARCH 2023

13 Comparatives for the Statement of Financial Activities

Note	Year ended 31 March 2022		
	Unrestricted Funds £	Restricted Funds £	Total Funds £
Income and endowments from			
2 Donations and legacies	12,322	-	12,322
5 Charitable activities			
Housing advice and support	583,902	1,011,428	1,595,330
Learning	-	164,671	164,671
Recycling	-	375,962	375,962
3 Other trading activities	3,162,782	-	3,162,782
4 Investment income	7	-	7
Total	<u>3,759,013</u>	<u>1,552,061</u>	<u>5,311,074</u>
Expenditure On			
6 Raising funds	1,788,363	-	1,788,363
7 Charitable activities			
Housing advice and support	1,295,511	1,011,428	2,306,939
Learning	217,010	164,671	381,681
Recycling	405,245	375,962	781,207
Other	36,825	-	36,825
Total	<u>1,954,591</u>	<u>1,552,061</u>	<u>3,506,652</u>
Net income/(expenditure)	16,059	-	16,059
20 Transfers between funds	-	-	-
Net movement in funds	<u>16,059</u>	<u>-</u>	<u>16,059</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>216,389</u>	<u>1,938</u>	<u>218,327</u>
Total funds carried forward	<u>232,448</u>	<u>1,938</u>	<u>234,386</u>

FUSION HOUSING KIRKLEES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
31 MARCH 2023

14 Tangible fixed assets					
	Improvements to property	Tenancy property assets	Fixtures and Fittings	Computer Equipment	Totals
Cost:	£	£	£	£	£
At 1 April 2022	136,278	134,461	33,059	65,693	369,491
Additions	-	46,693	-	936	47,629
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	136,278	181,154	33,059	66,629	417,120
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation:					
At 1 April 2022	76,416	107,881	22,261	59,744	266,302
Charge for the year	9,978	32,159	2,160	6,090	50,387
Eliminated on disposal	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	86,394	140,040	24,421	65,834	316,689
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value:					
At 31 March 2023	49,884	41,114	8,638	795	100,431
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	59,862	26,580	10,798	5,949	103,189
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
15 Debtors: amounts falling due within one year					
			2023	2022	
			£	£	
Debtors and accrued income			494,983	530,268	
Prepayments			61,515	67,993	
			<hr/>	<hr/>	
			556,498	598,261	
			<hr/>	<hr/>	
16 Creditors: Amounts falling due within one year					
			2023	2022	
			£	£	
Other loans (see note 18)			81,836	90,439	
Trade creditors			238,078	191,657	
PAYE/NI			353,823	49,912	
VAT			11,029	2,612	
Other creditors			49,202	15,927	
Deferred income			101,142	147,320	
Accrued expenses			7,000	9,911	
			<hr/>	<hr/>	
			842,110	507,778	
			<hr/>	<hr/>	
17 Creditors: Amounts falling due within one year					
			2023	2022	
			£	£	
Other loans (see note 18)			4,483	41,034	
			<hr/>	<hr/>	

FUSION HOUSING KIRKLEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 MARCH 2023

18 Loans

An analysis of the maturity of loans is given below:

	2023 £	2022 £
Amounts falling due within one year on demand:		
Other loans	81,836	90,439
Amounts falling between one and two years		
Other loans – 1-2 years	4,483	41,034
Amounts falling due between two and five		
Other loans – 2-5 years	-	-

These loans are secured by charges over the assets of the charity.

19 Leasing Agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023 £	2022 £
Within one year	18,927	20,633
Between one and five years	58,701	36,653
In more than five years	575,737	869,880
	653,365	927,166

20 Movement in Funds

	At 1.4.22 £	Net movement In funds £	Transfers Between funds £	At 31.3.23 £
Unrestricted funds				
General fund	232,448	(423,664)	-	(191,216)
	232,448	(423,664)	-	(191,216)
Restricted funds				
Jean Conway Trust	1,258	-	-	1,258
Howitt Homeless Trust	230	-	-	230
Community Legal Services	450	-	-	450
Development Fund				
	1,938	-	-	1,938
Total Funds	234,386	(423,664)	-	(189,278)

FUSION HOUSING KIRKLEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 MARCH 2023

20 Movement in Funds - Continued

Net movement in funds, included in the above are as follows:

	Incoming Resources £	Resources Expended £	Movement in Funds £
Unrestricted funds			
General fund	2,998,245	(3,421,909)	(423,664)
KMC Exchequer Services Grant	72,782	(72,782)	-
KMC Stronger Families	38,650	(38,650)	-
Advice Services Grant	159,069	(159,069)	-
Access to Justice Grant	14,672	(14,672)	-
MHCLG AFO Grant	16,488	(16,488)	-
	<hr/> 3,299,906	<hr/> (3,723,570)	<hr/> (423,664)
Restricted funds			
Local Welfare Provision – Food	214,830	(214,830)	-
Local Welfare Provision - Furniture	32,320	(32,320)	-
Kirklees Better Outcomes Project	1,088,963	(1,088,963)	-
Works Better – ESIF	237,314	(237,314)	-
	<hr/> 1,573,427	<hr/> (1,573,427)	<hr/> -
Total Funds	<hr/> <hr/> 4,873,333	<hr/> <hr/> (5,296,997)	<hr/> <hr/> (423,664)

FUSION HOUSING KIRKLEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 MARCH 2023

20 Movement in Funds - Continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement In funds £	Transfers Between funds £	At 31.3.22 £
Unrestricted funds				
General fund	216,389	16,059	-	232,448
	<u>216,389</u>	<u>16,059</u>	<u>-</u>	<u>232,448</u>
Restricted funds				
Jean Conway Trust	1,258	-		1,258
Howitt Homeless Trust	230	-	-	230
Community Legal Services Development Fund	450	-	-	450
	<u>1,938</u>	<u>-</u>	<u>-</u>	<u>1,938</u>
Total Funds	<u>218,327</u>	<u>16,059</u>	<u>-</u>	<u>234,386</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming Resources £	Resources Expended £	Movement in Funds £
Unrestricted funds			
General fund	3,367,867	(3,351,808)	16,059
KMC Exchequer Services Grant	72,782	(72,782)	-
KMC Stronger Families	19,360	(19,360)	-
Foundation Housing Wakefield Pathways	11,174	(11,174)	-
Advice Services Grant	159,069	(159,069)	-
Calderdale FHSF Grant	63,259	(63,259)	-
Community Justice	51,801	(51,801)	-
Job Retention Scheme	1,190	(1,190)	-
MHCLG AFO Grant	12,511	(12,511)	-
	<u>3,759,013</u>	<u>(3,742,954)</u>	<u>16,059</u>
Restricted funds			
Local Welfare Provision – Food	191,408	(191,408)	-
Local Welfare Provision - Furniture	184,554	(184,554)	-
Adult and Community Learning	7,256	(7,256)	-
Kirklees Better Outcomes Project	1,011,428	(1,011,428)	-
Works Better – ESIF	157,415	(157,415)	-
	<u>1,552,061</u>	<u>(1,552,061)</u>	<u>-</u>
Total Funds	<u>5,311,074</u>	<u>(5,295,015)</u>	<u>16,059</u>

FUSION HOUSING KIRKLEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

31 MARCH 2023

21 Contingent liabilities

The charity provides tenancy bond guarantees under its Bond Guarantee Scheme. Total payments made in the year in relation to bond claims was £6,340 (2022: £2,400) and the aggregate amount reserved for at 31 March 2023 was £17,630 (2022: £17,242). No further reserves are considered necessary.

22 Related Party Disclosures

There were no related party transactions for the year ended 31 March 2023 (2022 none).

FUSION HOUSING KIRKLEES LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 MARCH 2023

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	2022 Total Funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations	2,026	-	2,026	12,322
Other trading activities				
Rents and housing benefit	2,750,677	-	2,750,677	3,162,782
Investment income				
Deposit account interest	7	-	7	7
Charitable activities				
Course delivery fees	-	-	-	7,526
Legal help and court duty	245,534	-	245,534	192,486
Grants	301,662	1,573,427	1,875,089	1,935,951
	<u>547,196</u>	<u>1,573,427</u>	<u>2,120,623</u>	<u>2,135,963</u>
Total incoming resources	3,299,906	1,573,427	4,873,333	5,311,074
EXPENDITURE				
Other trading activities				
Tenancy costs	<u>1,760,905</u>	<u>-</u>	<u>1,760,905</u>	<u>1,788,363</u>
Charitable activities				
Wages	1,168,797	1,122,673	2,291,470	2,239,084
Pensions	54,207	52,068	106,275	110,717
Beneficiary costs	-	56,977	56,977	24,168
Beneficiary course costs	-	1,646	1,646	1,051
Travel and subsistence	-	23,694	23,694	17,646
Training	-	2,557	2,557	4,548
Interpreter fees	12,560	-	12,560	5,841
Legal Aid disbursements	-	52,480	52,480	32,468
LWP food	-	45,198	45,198	36,966
LWP Furniture	-	31,153	31,153	105,071
	<u>1,235,564</u>	<u>1,388,446</u>	<u>2,624,010</u>	<u>2,577,560</u>
Expenditure carried forward	2,996,469	1,388,446	4,384,915	4,365,923

FUSION HOUSING KIRKLEES LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 MARCH 2023

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	2022 Total Funds £
Expenditure brought forward	2,996,469	1,388,446	4,384,915	4,365,923
Support costs				
Management				
Wages	248,313	62,078	310,391	356,534
Pensions	17,986	4,496	22,482	20,624
Rent, rates and water	162,529	40,632	203,161	201,339
Insurance	23,057	5,764	28,821	28,051
Light and heat	17,801	4,450	22,251	11,744
Postage, stationery and telephone	61,744	15,436	77,180	98,756
Books and subscriptions	13,943	3,486	17,429	15,475
Repairs and maintenance	55,838	13,960	69,798	43,787
Computer expenses	29,213	7,303	36,516	39,581
Health and safety	8,095	2,024	10,119	9,946
Motor expenses	-	12,014	12,014	5,806
Depreciation of tangible and heritage assets	40,309	10,077	50,386	50,994
Recruitment	13,046	3,261	16,307	9,600
Committee expenses	-	-	-	30
Loan interest	9,666	-	9,666	14,661
	<u>701,540</u>	<u>184,981</u>	<u>886,521</u>	<u>906,928</u>
Finance				
Sundries	1,787	-	1,787	448
Bank charges	6,513	-	6,513	5,184
	<u>8,300</u>	<u>-</u>	<u>8,300</u>	<u>5,632</u>
Governance costs				
Auditors' remuneration	7,000	-	7,000	7,000
Legal fees	10,261	-	10,261	9,532
	<u>17,261</u>	<u>-</u>	<u>17,261</u>	<u>16,532</u>
Total resources expended	<u>3,723,570</u>	<u>1,573,427</u>	<u>5,296,997</u>	<u>5,295,015</u>
Net income/(expenditure)	<u>(423,664)</u>	<u>-</u>	<u>(423,664)</u>	<u>16,059</u>