

REGISTERED COMPANY NUMBER: 08623240 (England & Wales)
REGISTERED CHARITY NUMBER: 1174458

FUSE ART SPACE

REPORT OF THE TRUSTEES AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 JULY 2020

**FUSE ART SPACE
COMPANY INFORMATION
FOR THE YEAR ENDING 31 JULY 2020**

REGISTERED CHARITY NUMBER 1174458

REGISTERED COMPANY NUMBER 08623240 (England & Wales)

REGISTERED OFFICE 1 - 3 St Anns Place
Pellon Lane
Halifax
HX1 5RB

TRUSTEES Ms A Surtees (Director)
Mr D Parrott
Mr D Rogerson

The charity is managed by a board of trustees who are also the company directors. The following served as directors during the year:-

Mr J Birchall
Ms S Faraday
Ms A Surtees

INDEPENDENT EXAMINER Torevell Dent Limited
1 - 3 St Anns Place
Pellon Lane
Halifax
HX1 5RB

FUSE ART SPACE
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FOR THE YEAR ENDING 31 JULY 2020

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**FUSE ART SPACE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDING 31 JULY 2020**

The trustees who are also directors of the charity for the purpose of the Companies Act 2006, present their report with the financial statements of the charity for the year ending 31 July 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Effective 1 January 2015).

OBJECTIVE AND ACTIVITIES

Object and Aims

The objectives of the charity is to advance education for the public on the subject of the arts by the establishment and maintenance of an art gallery.

Fuse Art Space is an art gallery, performance venue and arts education project. It curates and hosts concerts, performances, exhibitions and workshops, and provides opportunities for people to enjoy, engage with, learn about and participate in art, music and performance activities.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The charity was able to provide more educational projects this year and all proved to be very successful. Each year the intake of students is growing steadily, reflecting the growth of the community the charity serves.

During the year the charity invested heavily in freehold property to provide venues for students and to ensure teaching arts are of the highest standard.

FINANCIAL REVIEW

Financial position

During the year the charities net income was £27,419(2019 £37,541), taking the charities total reserves to £ 58,828 (2019 - £31,409).

Investment policy and objectives

Under its Memorandum of Association the charity has the power to invest in any way the trustees wish.

The Trustees, having regard to the liquidity requirements of operating the charity have maintained a policy of keeping available funds in interest bearing deposit accounts.

Reserves Policy

The trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are needed to bridge the funding gaps between spending on activities and receiving resources through voluntary donations and grants. The trustees consider that the ideal level of reserves as at 31 July 2020 would be three months of the expenditure which equates to £38,858

The actual surplus at 31 July 2020 was £ 58,828. The trustees review the funds regularly to ensure that there are sufficient reserves to provide financial stability and flexibility.

**FUSE ART SPACE
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDING 31 JULY 2020**

FUTURE PLANS

Fuse Art Space will continue to expand and develop its activities to provide encouragement and opportunities for people to enjoy and participate in and perform activities.

STRUCTURE GOVERNANCE AND MANAGEMENT

Governing Document

Memorandum and Articles incorporated 22 July 2017 and amended by special resolution 25 August 2017 due to the change of its name.

Recruitment and appointment of new trustees

New trustees are appointed due to their interest in the work of the charity and their recognised experience in specific fields which will further support the work of Future Art Space. Trustees can retire when they wish as they do not serve under a fixed term of tenure.

No trustee had any beneficial interest in any contract with the charitable entity during the year.

Potential trustees are invited to informally attend trustee meetings prior to appointment and a comprehensive induction programme is available. Additionally individuals may undertake external training in a particular area of their role on the Governing Body.

Organisational Structure

The board of trustees administers the charity. The board meets twice quarterly. The board of trustees is assisted by the charity's directors.

Induction and training of new trustees

The charitable entity strives to ensure equal opportunities and diversity in the employment of staff and trustee appointments. Selection criteria and procedures are regularly reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities.

Wider Network

At present Fuse Art Space does not consider itself part of a wider network.

Risk Management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

PUBLIC BENEFIT REPORT

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit and 'The Advancement of religion for the Public Benefit' in particular, when reviewing the aims and objectives and in planning the charities future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives set.

Approved by order of the board of Trustees on April 2021

And signed on its behalf by:



Ms A Surtees - Trustee

26th April 2021.....

Date

**Independent Examiner's Report to the Trustees of Fuse Art Space
For the year ended 31 July 2020**

I report to the charity trustees on my examination of the accounts of Fuse Art Space for the year ended 31 July 2020.

Responsibilities and basis of report

As the charity's trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

- 1 accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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



S J Sutcliffe F.C.C.A.
Torevell Dent Ltd
1 - 3 St Anns Place
Pellon Lane
Halifax
West Yorkshire
HX1 5RB

Date: 26/4/21

FUSE ART SPACE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDING 31 JULY 2020

		2020		2019
	NOTE	UNRESTRICTED FUNDS	UNRESTRICTED FUNDS	TOTAL FUNDS
INCOME AND ENDOWMENTS FROM Charitable Activities				
Education and activities		-	182,853	182,853
Investment Income	3	-	1	1
TOTAL		-	182,854	182,854
EXPENDITURE ON Charitable Activities				
Education and Activities		-	155,435	155,435
		-	155,435	155,435
TOTAL INCOME/EXPENDITURE		-	27,419	27,419
RECONCILIATION OF FUNDS				
Total Funds Brought forward			31,409	31,409
Total FUNDS CARRIED FORWARD		-	58,828	58,828

**FUSE ART SPACE
BALANCE SHEET
FOR THE YEAR ENDING 31 JULY 2020**

	NOTE	UNRESTRICTED FUNDS	2020 UNRESTRICTED FUNDS	TOTAL FUNDS	2019 TOTAL FUNDS
FIXED ASSETS					
Tangible Fixed Assets	7		180,367	180,367	179,220
CURRENT ASSETS					
Debtors			6,667	6,667	-
Cash at Bank		-	51,402	51,402	10,311
CREDITORS					
Amounts falling due within one year	8	-	(110,562)	(110,562)	(80,691)
NET CURRENT ASSETS		-	(52,493)	(52,493)	(70,380)
TOTAL ASSETS LESS CURRENT LIABILITIES			127,874	127,874	108,840
CREDITORS					
Amounts falling due after more than one year			(69,046)	(69,046)	(77,431)
NET ASSETS		-	58,828	58,828	31,409
FUNDS					
Restricted Funds		-	-	-	-
Unrestricted Funds		-	58,828	58,828	31,409
TOTAL		-	58,828	58,828	31,409

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibility for:-

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees on and were signed on its behalf by :-



Ms A Surtees - Trustee

FUSE ART SPACE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 JULY 2020

1 ACCOUNTING POLICIES

Basis of Preparation

The financial statements of the charitable company, which is a public benefit entity under FRS102, have been prepared in accordance with Charities SORP (FRS102) 'Accounting and Reporting by Charities: Statements of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015)'. Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention

Going Concern

The trustees, in their consideration of going concern, have reviewed the charities future cashflow forecasts and income projections which they believe are based on market data and past experience of similar charities. The charity is subject to a number of significant risks and uncertainties, which could affect the charity's ability to meet these forecasts. The trustees believe that the charity is adequately placed to manage its business risks.

After making enquiries, and taking into account the above, the trustees have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future. For this reason, they have adopted the going concern basis in preparing the financial statements.

Exemption from preparing a cashflow statement

Exemption has been taken from preparing a cash flow statement on the grounds that the charitable company qualifies as a small charitable company.

Income

All income is recognised in the statement of Financial Activities once the charity has entitlement to the funds. It is probable that the income will be received and the amount can be measured reliably.

Gifts in kind and donated services

Gifts in kind and donated services are included at the lower of their value to the charity and their estimated market value.

Expenditure

Liabilities are recognised as expenses 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 cost related to the category. Where costs cannot be directly attributed to particular headings they have all been allocated to activities on a basis consistent with the use of resources.

Charitable Activities

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

FUSE ART SPACE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 JULY 2020

ACCOUNTING POLICIES (Continued)

Governance Costs

Governance costs comprise those costs associated with meeting the constitutional and strategic requirements of the charity and the accountancy fees and costs linked to the strategic management of the charity.

Tangible Fixed Assets

Tangible fixed assets are carried out at cost less accumulated depreciation and accumulated impairment loss. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant & Machinery	25% Reducing balance
Fixtures & Fittings	25% Reducing balance
Computer Equipment	25% Reducing balance
Freehold Property	No Depreciation

Taxation

The charity is exempt from corporation tax on its charitable activities.

Funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Cash at Bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

Creditor and Provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the moment the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payments where such discounting is material.

Loan & Borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

Service provided by Volunteers

For the purpose of these accounts, no monetary value has been placed on volunteer services as it cannot be qualified reliably.

FUSE ART SPACE
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDING 31 JULY 2020

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Preparation of the accounts requires the trustees and management to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include estimating the useful life of tangible fixed assets.

3 INVESTMENT INCOME

	2020	2019
	£	£
Deposit Account interest	<u>1</u>	<u>6</u>

4 NET INCOME /(EXPENDITURE)

	2020	2019
	£	£
Net income/(Expenditure) is stated after charging/(Crediting):-		
Depreciation - Owned assets	<u>1,955</u>	<u>1,572</u>

5 TRUSTEE REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ending 31 July 2020 (2019 - £Nil)

Trustee's Expenses

There were no trustee's expenses paid in the year ending 31 July 2020 (2019 - £NIL)

6 STAFF COSTS

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

2020	2019
<u>3</u>	<u>3</u>

FUSE ART SPACE
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDING 31 JULY 2020

7 TANGIBLE FIXED ASSETS

	FREEHOLD PROPERTY	PLANT & MACHINERY	FIXTURES & FITTINGS	COMPUTER EQUIPMENT	MOTOR VEHICLES	TOTAL
COST						
As at 01.08.2019	174,503	3,164	5,287	3,117	-	186,071
Additions				609	2,495	3,104
Disposals						-
As at 31.07.2020	<u>174,503</u>	<u>3,164</u>	<u>5,287</u>	<u>3,726</u>	<u>2,495</u>	<u>189,175</u>
DEPRECIATION						
As at 01.08.2019	-	2,601	2,969	1,282	-	6,852
Charge for year	-	141	580	611	624	1,956
Eliminated						-
As at 31.07.2020	<u>-</u>	<u>2,742</u>	<u>3,549</u>	<u>1,893</u>	<u>624</u>	<u>8,808</u>
NET BOOK VALUE						
2020	<u>174,503</u>	<u>422</u>	<u>1,738</u>	<u>1,833</u>	<u>1,871</u>	<u>180,367</u>
2019	<u>174,503</u>	<u>563</u>	<u>2,318</u>	<u>1,835</u>	<u>-</u>	<u>179,220</u>

8 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank Loans and overdrafts		1,186
Other Loans (see note 10)	34,210	33,353
Social security and other taxes	357	357
Other Creditors	51,853	20,752
Accrued Expenses	24,142	25,043
	<u>110,562</u>	<u>80,691</u>

9 CREDITORS: AMOUNT FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Other Loans (see note 10)	69,046	77,431
	<u>69,046</u>	<u>77,431</u>

FUSE ART SPACE
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDING 31 JULY 2020

10 LOANS

An analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year on demand:-		
Bank overdraft		1,186
Other loans	34,210	33,353
	<u>34,210</u>	<u>34,539</u>
Amounts falling due between one and two years		
Other loans	<u>35,764</u>	<u>35,764</u>
Amounts falling due between two and five years		
Other loans	<u>33,282</u>	<u>41,667</u>

11 MOVEMENT IN FUNDS

	As at 01-Aug-19	Net Movement	As at 31-Jul-20	As at 01-Aug-18	Net Movement	As at 31-Jul-19
Restricted Funds	-	-	-	-	-	-
Unrestricted Funds						
General Funds	31,409	27,419	58,828	(6,132)	37,541	31,409
TOTAL FUNDS	<u>31,409</u>	<u>27,419</u>	<u>58,828</u>	<u>(6,132)</u>	<u>37,541</u>	<u>31,409</u>
	2020 Incoming Resource	2020 Resources Expended	2020 Movement in Funds	2019 Incoming Resource	2019 Resources Expended	2019 Movement in Funds
Restricted Funds	-	-	-	-	-	-
Unrestricted Funds						
General Funds	182,854	(155,435)	27,419	182,617	(145,076)	37,541
TOTAL FUNDS	<u>182,854</u>	<u>(155,435)</u>	<u>27,419</u>	<u>182,617</u>	<u>(145,076)</u>	<u>37,541</u>

Unrestricted funds represent funds available to the trustees for the general purposes of the charity.

12 RELATED PARTY DISCLOSURES

There were no related party transactions for the year ending 31 July 2020 or the year ending 31 July 2019.