

REGISTERED COMPANY NUMBER: 06778249 (England and Wales)
REGISTERED CHARITY NUMBER: 1128586

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
FUSION PLUS**

FUSION PLUS

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**REPORT OF THE TRUSTEES
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 with the financial statements of the charity for the year ended 31 March 2023. 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 (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Mission Statement

Music Fusion aims to access and engage children / young people through music. Our activities encompass our key objectives:

Key Objectives

-
-
-
1. To advance in life and help children and young people by organising programmes of music and related activities so as to develop their skills, capacities, and capabilities to enable them to participate in society as independent, mature and responsible individuals.
2. To advance the arts, in particular the art of music for public benefit.
3. To advance the education of the public, in particular children and young people and those who assist young people in music and related arts.

Public Benefit

The trustees confirm that they have referred to the guidance contained in the charity commission's general guidance on public benefit when reviewing the charity's aims and objectives and planning future activities. The trustees refer to public benefit throughout this report.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

ACHIEVEMENT AND PERFORMANCE

Public Value

Since setting up as an independent charity in 2009, Music Fusion have continued to develop appropriate systems of governance and delivery. We have successfully raised the required funding to deliver a complete and appropriate programme of activity. We have continued to develop our highly successful progression routes to encourage engagement, progression and excellence.

Provision

Skills on offer included MCing, freestyling, singing, music tech and instrumental skills (bass, guitar, drums, keyboards, vocals). These sessions are ideal places for agencies to refer young people who are regarded as at risk. We worked with our local authorities, youth offending teams, children and adult services, special education units and wider young people's charities.

Progression opportunities

Our programme continued to offer progression opportunities for our young people. This included free rehearsal / recording at our own East Street Studio. We offered live performance opportunities. We promoted our young artists via our extensive social media presence. Our workshops provided excellent diversionary activity for young people. It taught them transferable skills such as teamwork, communication, negotiation, professionalism, critical thinking and empathy as well as boosting their confidence, self-esteem and resilience. .

Music Lab - supporting young artist development.

Music Lab provided regular sustained music making opportunities that enabled young people to progress their skills through taster sessions, 1-2-1 mentoring, rehearsing, recording and performing as well as artist development. The programme specialised in contemporary genres / new music.

Mavericks - offering young people facing tough times a safe place to co-create, explore and make music.

Mavericks is an ongoing project that bridges feuding communities through music. Mavericks shows the path to a bigger picture, a better perspective. Going to prison for a postcode or a rift on social media is the biggest waste of a life. The project brings everyone together to celebrate their individual talents and show how people from different areas can put aside their differences, make peace and collaborate to make great things happen.

New Music Leader Programme - opportunities for continuing professional development.

Music Fusion and Hampshire Music Hub piloted a programme where we took young people who had excelled at Music Fusion and trained them up to become paid Music Leaders. The pilot was successful and all three young people continue to work for us. Music Fusion see the value of employing our young participants as Music Leaders:

- o They have lived experience of the same challenges our young people face.
- o They have attended Music Fusion as a young person and understand how our programme works firsthand.

In 2022-2023 Music Fusion brokered funding from the Blagrove Trust to develop this pilot into an effective and sustainable programme.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

FINANCIAL REVIEW

Music Fusion raised £172,680 in funding during 2022-23. This came from a range of sources / partners including Hampshire County Council, The Blagrove Trust, MoneyBarn and Youth Music. A proportion of our income came from organisations who raised their own funds to buy in our services. Music Fusion also raised a proportion of our income through donations and corporate social responsibility.

Reserve Policy

Our strategic plan outlines that we should build our reserves to 6 months' worth of trading). Our strategic plan also outlines a PLAN B, which would be instigated if our core Youth Music funding were reduced or dropped entirely.

Plans for the future

Our aims and objectives continue to inspire our existing programme as well as consultation with our partners / young people which is helping to develop new programmes for 2023-25. We have instigated a new membership level to our governance structure, which aims to bring in expertise from across our sector / region.

Through our Blagrove Trust funding we are continuing to invest time in training up the next generation of Music Leaders, ensuring we remain inclusive, relevant, and authentic in our offer.

We have recently retrofitted our live room to become a second recording studio, increasing our capacity to deliver our much needed 1-2-1 sessions. We are in discussions with The Guildhall in Portsmouth, regarding the development of a third studio in the city centre. This would greatly reduced barriers to access for young people from Portsmouth.

Music Fusion are very much aware that our current economic environment is a strong threat to our sector. Our strategic plan has been revisited to maximise our security, income diversity, resilience, and sustainability during this period. We have built on a set of key mitigations to address potential threats including loss of income, venue, partners, and young people. Through this ongoing strategy we have continued to reduce our overheads and increase engagement / outputs. We are now delivering at record capacity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of trustees

Trustees are given an induction including guidelines for the responsibilities of trustee directors, last years independently examined accounts, the minutes from at least three previous meetings, our strategic plan and the Memorandum and Articles of Association.

Organisation

The board of trustee directors administers the Charitable Company. The board meets four times a year. It decides over all policy for the organisation based on its objectives and delegates the day-to-day management to the chief executive officer, who is not a member of the board and is a paid employee of the charitable company.

Umbrella / related parties

Youth Music has provided essential funding to the Charitable Company from 2009. Programmes in Portsmouth, Havant, Gosport and Fareham were hence referred to as the 'Youth Music Action Zone'. In April 2012 Youth Music restructured the way they distributed their funds. Youth Music Action Zones were disbanded. Youth Music are no longer an umbrella / related party.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06778249 (England and Wales)

Registered Charity number

1128586

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

Registered office

The Spring Arts & Heritage Centre
56 East Street
Havant
Hampshire
PO9 1BS

Trustees

Dr S Pitt Resigned 19 December 2022

I Piper

D Barton

Miss E West-Thomas

M Buchan

A Tait

R Collett

Appointed 3 July 2023

K Loader

Appointed 17 June 2023

Chief Executive

J Prowse

Company Secretary

J Prowse

Independent Examiner

Stuart Mackie

Morris Crocker

Chartered Accountants

Station House

North Street

Havant

Hampshire

PO9 1QU

Bankers

National Westminster Bank Plc

23 West Street

Havant

Hampshire

PO9 1EU

The charity operates under the name Music Fusion.

Approved by order of the board of trustees on 9 December 2023 and signed on its behalf by:

M Buchan - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF FUSION PLUS

Independent examiner's report to the trustees of Fusion Plus ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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

Stuart Mackie

Morris Crocker
Chartered Accountants
Station House
North Street
Havant
Hampshire
PO9 1QU

Date:

FUSION PLUS

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	16,751	-	16,751	3,277
Charitable activities	3				
Music delivery sessions and music studio		81,575	74,353	155,928	146,959
Total		<u>98,326</u>	<u>74,353</u>	<u>172,679</u>	<u>150,236</u>
EXPENDITURE ON					
Charitable activities	4				
Music delivery sessions and music studio		<u>76,312</u>	<u>64,752</u>	<u>141,064</u>	<u>168,901</u>
NET INCOME/(EXPENDITURE)		22,014	9,601	31,615	(18,665)
Transfers between funds	15	<u>113,941</u>	<u>(113,941)</u>	-	-
Net movement in funds		<u>135,955</u>	<u>(104,340)</u>	<u>31,615</u>	<u>(18,665)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		(21,640)	104,340	82,700	101,365
TOTAL FUNDS CARRIED FORWARD		<u>114,315</u>	<u>-</u>	<u>114,315</u>	<u>82,700</u>

The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	11	556	6,060
CURRENT ASSETS			
Debtors	12	2,227	13,649
Cash at bank and in hand		113,275	71,102
		<u>115,502</u>	<u>84,751</u>
CREDITORS			
Amounts falling due within one year	13	(1,743)	(8,111)
NET CURRENT ASSETS		<u>113,759</u>	<u>76,640</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		114,315	82,700
NET ASSETS		<u>114,315</u>	<u>82,700</u>
FUNDS	15		
Unrestricted funds		114,315	(21,640)
Restricted funds		-	104,340
TOTAL FUNDS		<u>114,315</u>	<u>82,700</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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 Sections 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.

**BALANCE SHEET - continued
31 MARCH 2023**

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 and authorised for issue on 9 December 2023 and were signed on its behalf by:

M Buchan - Trustee

FUSION PLUS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', 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.

The trustees consider that there are no material uncertainties regarding the charity's ability to continue as a going concern.

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.

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 cost 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.

Tangible fixed assets

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

Fixtures and fittings	- 10% on cost
Computer equipment	- 33% on cost

Individual fixed assets costing £100 or more are capitalised at cost.

Taxation

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

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.

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

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.

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NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES - continued

Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and investments in stocks and shares. The measurement basis used for these instruments is detailed below.

Debtors and cash at bank

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. Cash at bank and in hand included cash held on deposit or in a current account.

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.

2. DONATIONS AND LEGACIES

	2023 £	2022 £
Donations	<u>16,751</u>	<u>3,277</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023 £	2022 £
Grants	Music delivery sessions and music studio	99,353	123,171
Other income	Music delivery sessions and music studio	415	920
Invoiced income	Music delivery sessions and music studio	<u>56,160</u>	<u>22,868</u>
		<u>155,928</u>	<u>146,959</u>

Grants received, included in the above, are as follows:

	2023 £	2022 £
Youth Music	74,353	97,321
National Lottery	-	9,600
Blagrave Trust	15,000	15,000
West Sussex Council	-	1,250
Garfield Weston	<u>10,000</u>	<u>-</u>
	<u>99,353</u>	<u>123,171</u>

FUSION PLUS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5) £	Support costs (see note 6) £	Totals £
Music delivery sessions and music studio	<u>84,808</u>	<u>56,256</u>	<u>141,064</u>

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023 £	2022 £
Staff costs	35,918	27,088
Music leader fees	48,610	64,818
Equipment purchased	280	2,478
	<u>84,808</u>	<u>94,384</u>

6. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Music delivery sessions and music studio	<u>55,326</u>	<u>930</u>	<u>56,256</u>

Support costs, included in the above, are as follows:

Management

	2023 Music delivery sessions and music studio £	2022 Total activities £
Wages	28,432	45,474
Social security	2,365	2,299
Pensions	573	1,170
Rent	12,082	12,289
Insurance	1,433	1,456
Telephone	624	645
Postage and stationery	249	1,704
Sundries	507	330
Travel expenses	3,160	1,373
Bookkeeping and payroll costs	72	72
Subscriptions	75	702
Training	250	600
Depreciation of fixed assets	5,504	5,575
	<u>55,326</u>	<u>73,689</u>

FUSION PLUS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

6. SUPPORT COSTS - continued Governance costs

	2023 Music delivery sessions and music studio £	2022 Total activities £
Independent examiner's fees	<u>930</u>	<u>828</u>

7. NET INCOME/(EXPENDITURE)

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

	2023 £	2022 £
Depreciation - owned assets	5,504	5,575
Other operating leases	<u>12,082</u>	<u>12,289</u>

8. 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

During the year no trustees (2022: none) were reimbursed out of pocket expenses (2022: £Nil).

9. STAFF COSTS

	2023 £	2022 £
Wages and salaries	64,350	72,562
Social security costs	2,365	2,299
Other pension costs	<u>573</u>	<u>1,170</u>
	<u>67,288</u>	<u>76,031</u>

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

	2023	2022
Direct charitable	<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

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

FUSION PLUS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3,277	-	3,277
Charitable activities			
Music delivery sessions and music studio	49,638	97,321	146,959
Total	<u>52,915</u>	<u>97,321</u>	<u>150,236</u>
EXPENDITURE ON			
Charitable activities			
Music delivery sessions and music studio	92,815	76,086	168,901
NET INCOME/(EXPENDITURE)	(39,900)	21,235	(18,665)
RECONCILIATION OF FUNDS			
Total funds brought forward	18,260	83,105	101,365
TOTAL FUNDS CARRIED FORWARD	<u>(21,640)</u>	<u>104,340</u>	<u>82,700</u>

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2022 and 31 March 2023	<u>25,524</u>	<u>20,466</u>	<u>45,990</u>
DEPRECIATION			
At 1 April 2022	24,932	14,998	39,930
Charge for year	238	5,266	5,504
At 31 March 2023	<u>25,170</u>	<u>20,264</u>	<u>45,434</u>
NET BOOK VALUE			
At 31 March 2023	354	202	556
At 31 March 2022	<u>592</u>	<u>5,468</u>	<u>6,060</u>

FUSION PLUS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	360	11,568
Other debtors	-	648
Prepayments	1,867	1,433
	<u>2,227</u>	<u>13,649</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	-	5,204
Other creditors	867	2,091
Accrued expenses	876	816
	<u>1,743</u>	<u>8,111</u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2023 Total funds	2022 Total funds
	£	£	£	£
Fixed assets	556	-	556	6,060
Current assets	115,502	-	115,502	84,751
Current liabilities	(1,743)	-	(1,743)	(8,111)
	<u>114,315</u>	<u>-</u>	<u>114,315</u>	<u>82,700</u>

15. MOVEMENT IN FUNDS

	At 1.4.22	Net movement in funds	Transfers between funds	At 31.3.23
	£	£	£	£
Unrestricted funds				
General Funds	(21,640)	22,014	113,941	114,315
Restricted funds				
Youth Music	104,340	9,601	(113,941)	-
TOTAL FUNDS	<u>82,700</u>	<u>31,615</u>	<u>-</u>	<u>114,315</u>

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NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

15. 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 Funds	98,326	(76,312)	22,014
Restricted funds			
Youth Music	74,353	(64,752)	9,601
TOTAL FUNDS	<u>172,679</u>	<u>(141,064)</u>	<u>31,615</u>

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General Funds	18,260	(39,900)	(21,640)
Restricted funds			
Studio Fund	73	(73)	-
Youth Music	<u>83,032</u>	<u>21,308</u>	<u>104,340</u>
	<u>83,105</u>	<u>21,235</u>	<u>104,340</u>
TOTAL FUNDS	<u>101,365</u>	<u>(18,665)</u>	<u>82,700</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Funds	52,915	(92,815)	(39,900)
Restricted funds			
Studio Fund	-	(73)	(73)
Youth Music	<u>97,321</u>	<u>(76,013)</u>	<u>21,308</u>
	<u>97,321</u>	<u>(76,086)</u>	<u>21,235</u>
TOTAL FUNDS	<u>150,236</u>	<u>(168,901)</u>	<u>(18,665)</u>

General Fund

This consists of the general, unrestricted activities of the charity, which includes the Early Years project, the Beam Team band, the Radio Show, as well as other activities and core costs.

Studio Funds

This is a project to build and run a recording studio on the charities premises, which was funded by the Big Lottery Fund.

FUSION PLUS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

15. MOVEMENT IN FUNDS - continued

Youth Music

This is a project to fund music activities for young people.

Transfers between funds

The transfer between restricted and unrestricted funds relates to core costs that have been historically allocated to unrestricted funds and during the year it was agreed with the funder to reallocate.

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

17. ULTIMATE CONTROLLING PARTY

The charitable company is not under the control of another entity or any one individual.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.