

North Lanarkshire Council Report

Enterprise and Fair Work Committee

Does this report require to be approved? Yes No

Ref Date 02/05/25

Fusion Assets' Performance & Financial Monitoring Report

From Pamela Humphries, Chief Officer (Place)

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Executive Summary

This report provides details of the operational performance of Fusion Assets Ltd. (Fusion Assets) during the last six months of 2024/25 (up to 31 March 2025), outlines a range of economic outputs and outcomes being delivered through this Arms Length Organisation (ALEO) and details key highlights achieved during 2024/25.

The report also details the financial performance of Fusion Assets for 2023/24, their overall current financial standing (as at 31 December 2024) and future financial projections.

In addition, the report provides an update on the outcome of the ALEO Review reported to Policy & Strategy Committee in March 2025, and seeks approval for the allocation of funding from the new Glasgow City Region Enabling Commercial Space Programme which will be delivered through Fusion Assets Ltd.

Recommendations

It is recommended that the Enterprise and Fair Work Committee:

- (1) Acknowledges the content of this report and the operational targets set for Fusion Assets during 2024/25 and performance against these (as outlined in Appendix 1).
- (2) Acknowledges the financial performance of Fusion Assets (2023/24), their overall current financial standing and future financial projections as detailed in 2.1.4 onwards.
- (3) Endorses the key highlights achieved during 2024/25.
- (4) Acknowledges the outcome of the ALEO review reported to Policy & Strategy Committee in March 2025 including the development of an Action Plan which will be reported to a future committee.
- (5) Agrees to the allocation of funding through the Glasgow City Region Enabling Commercial Space Programme supporting projects at Ravenscraig and Westfield Point, Cumbernauld, subject to shortlist approval and the subsequent submission of Full Business Cases.

The Plan for North Lanarkshire

Priority	Improve economic opportunities and outcomes
Ambition statement	(3) Maximise the use of our marketable land and assets through improved development in business and industrial infrastructure
Programme of Work	Transforming Places

1. Background

- 1.1 Fusion Assets is a wholly owned subsidiary of the council. It focuses on delivering physical economic regeneration projects across North Lanarkshire and in particular industrial development – a market where there is currently limited speculative development. Unlike more traditional council owned property companies, Fusion Assets is more similar to an urban regeneration company whose role is focused on the redevelopment of vacant and derelict land and brownfield sites rather than commercial property management.
 - 1.2 It should be noted that Fusion Assets does not receive an on-going or recurring management fee from the council for the delivery of services but rather uses grant funding from the council's annual Vacant & Derelict Land Fund (VDLF) allocation from the Scottish Government as enabling investment for the acquisition and redevelopment of vacant and derelict land sites. In taking this forward, Fusion Assets has developed a unique and innovative development model where the value of acquired/remediated land sites, together with other loan funding and Fusion's reserves, is used as equity to set up joint venture partnerships with the private sector that will fund and manage the commercial redevelopment of sites for industrial use. Once industrial units are complete and let/partially let, unless restricted by the terms and conditions of any grant funding, this asset is sold to a private sector investor with returns used to pay off loan funding and re-invested in future regeneration projects.
 - 1.3. Fusion Assets' operational and financial performance was previously considered by the former ALEOs and External Bodies Monitoring Sub Committee. Following changes to the council's Scheme of Administration, responsibility for oversight of service delivery by arm's length bodies now rests with the relevant service committee. The functions delivered by Fusion Assets on behalf of the council fall within the Terms of Reference of the Enterprise and Fair Work Committee.
 - 1.4. In addition to performance monitoring by service committees, the Audit and Scrutiny Panel holds responsibility for ensuring the effectiveness of the administrative and financial governance of all of the council's ALEOs (including Fusion Assets) whilst the Policy and Strategy Committee retains responsibility for considering the outputs from reviews by the council into its arm's length delivery arrangements, including recommendations in relation to Best Value and potential future delivery options.
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2. Report

2.1 Financial Update

Public Accountability Obligations – Financial year 2024/25

- 2.1.1 To satisfy the Council's duty to ensure the organisation delivering economic regeneration projects on its behalf is financially sound, the Council's Section 95 Officer maintains appropriate and proportionate processes and procedures for scrutinising Fusion Assets Limited's financial performance.
- 2.1.2 The Council's Legal Agreements with Fusion Assets Limited specify the financial information which must be submitted to the Council including an annual business plan, monthly management accounts, audited financial statements etc., to enable Finance to assess and report any financial risk likely to arise as a result of the Council using Fusion Assets Limited to deliver these services.
- 2.1.3 The Council expends VDLF resources annually with Fusion Assets Limited to deliver services which assist the Council in achieving its priority outcomes. The Council has a duty to continue to ensure this money is being properly used to deliver both the Council's and Fusion Assets Limited's key objectives.

Financial Performance 1 April 2023 to 31 March 2024

- 2.1.4 The company's audited annual accounts to 31 March 2024, as approved by the Fusion Board on 9/9/24, reports a net profit of £0.709m. This is in comparison to a net loss in 2022/23 of £0.012m. In respect of the underlying operational performance, this was a net surplus of £0.681m, which is a favourable variance of £0.910m on a net operating expenditure deficit budget of £0.229m. This was mainly due to final profit share income of £0.804m in relation to a prior year sale at Newhouse Plot A2 coupled with favourable movements in relation to development / management fees and the impact of updated land valuations. A summary is provided at Appendix 2 along with previous year comparator outturn position.

Overall Financial Standing as of 31 December 2024

- 2.1.5 Appendix 3 gives an update on the overall financial standing of the company, as of 31 December 2024, together with further information and previous year's comparator figures. The company has cumulative net current assets of £1.590m predominately as a result of investments, work in progress and cash balances, offset by deferred income and members should be assured that the company has sufficient resources to meet its commitments.

Financial Performance 1 April 2024 to 31 December 2024

- 2.1.6 The company approved a 2024/25 operating budget with a projected net operating cost of £0.180m. This results in a decrease on the utilisation of reserves of £0.049m from 2023/24 and is mainly the result of the removal of the project management budget as well as projected increased rental income. For 2024-25 the company has been successful in securing VDLF funding of £1.230m and a further £1.125m in capital funding via the Council.
- 2.1.7 Based on their financial statements to 31st December 2024, Fusion Assets Limited is currently projecting a net deficit of £0.053m, which is predominately due to increased bank interest. A summary is provided at Appendix 4 along with previous year comparator outturn position.

2.1.8 Reflecting the regeneration and project-based nature of Fusion Assets Limited, the company's project (capital) development expenditure is monitored cumulatively with spend on all projects fully tracked back to each project's inception. The summary financial position of the projects as at 31st December 2024 is outlined in table 1 below.

Table 1 – Capital development expenditure

	Budget	Actual	Projection	Variance (Budget v Projection)
	£	£	£	£
Expenditure (<i>VDLF & Non VDLF</i>)	25,202,541	24,033,005	25,432,277	(229,736)
Income (<i>VDLF & Non VDLF</i>)	(28,339,709)	(24,580,850)	(28,983,388)	643,679
Net Cost/Surplus	(3,137,168)	(547,845)	(3,551,111)	413,943

2.1.9 As outlined above, cumulative budgeted expenditure of £25.203m has been approved by Fusion Asset's board, which will be met from budgeted income of £28.340m, a combination of VDLF grant, Regeneration Capital Grant funding, anticipated capital receipts and Fusion Assets own resources.

2.1.10 An overall surplus of £3.551m is currently projected, which is in line with what was previously reported in November 2024. These are estimates reflecting current valuations of land transfers and receipts from onward sales, which may fluctuate, impacting the surplus projected.

2.1.11 As of 31st December 2024, net income of £0.548m is reported, with a projected £1.399m of expenditure still to be incurred on pre-development and building works. Further receipts of £4.403m are still anticipated, mainly from the onward sale of developments and VDLF funding.

2.1.12 Members are reminded the total development investment of the current portfolio is in the order of £54m, which predominantly rests with the joint venture companies and excludes some £17.5m of predevelopment works funded through VDLF grants. Fusion Assets' share of total development costs will be in the order of £8 -10.5m and will consist of a mixture of land, cash contributions and recycled receipts.

Cash Flow Forecast to December 2026

2.1.13 Fusion Assets Limited requires effective cash management to support its development programme therefore the cash position is closely monitored, with the cash balance as at 31st December 2024 totalling £3.891m. The cash flow forecast to December 2026 is shown in Appendix 5. Based on estimated expenditure and receipts the forecast demonstrates there is sufficient funding available to carry out the proposed development programme. The lowest cash balance is forecast at £2.632m in October 2025, with the cash balance forecast to be £3.084m by the end of December 2026.

2.2 NLC Capital funding

2.2.1 As part of the Council's Strategic Capital Investment Programme 2024/25 to 2028/28, an allocation of £1.125m was made to support business and industrial infrastructure to be delivered by Fusion Assets Limited. This funding will support development at Link Park, Newhouse along with funding secured through the Vacant and Derelict Land Fund.

2.3 ALEO Review

2.3.1 During 2024/25 North Lanarkshire Council undertook a review of its Arm's Length Organisations (ALEOs). During the review, Fusion Assets joint venture partners at Gartcosh and Eurocentral paused their activities. Following the outcome of the ALEO Review findings being reported to the Policy and Strategy Committee in March 2025, discussions have resumed and both parties are now engaged in taking forward the development of the sites.

2.3.2 Council officers are working with Fusion Assets to progress the following key recommendations arising from the ALEO review, including development of an Action Plan by June 2025 which will be reported to a future Committee:

- continue to review the opportunities for strengthening alignment of Fusion Assets Ltd to the council's objectives, exploring innovative funding mechanisms and external funding opportunities to support the continued delivery and scalability of Fusion Assets Ltd.
- explore opportunities to expand its focus beyond the industrial sector, including potentially delivery of mid-market housing

2.4 Glasgow City Region City Deal Enabling Commercial Space Programme

2.4.1 On 5 November 2024, the Glasgow City Region Cabinet agreed that an allocation of £64.57m from the City Deal Infrastructure Fund should be allocated towards a new, regional project to enable development of commercial space across the city region to help meet the unmet need for new/ refurbished commercial space and support economic growth.

2.4.2 The main investment objectives of the overall Enabling Commercial Space Programme are:

- To address market failure in areas of Glasgow City Region where there are particular barriers in the development of new or refurbished commercial and industrial floorspace;
- To create flexible business space capable of meeting business requirements for a broad range of sectors;
- To create serviced industrial land and capable of immediate development;
- To create opportunities for employment
- Bringing sites on the Vacant & Derelict Land Register back into use;
- To attract private sector investment; and
- To create sustainable, high quality business locations to support SMEs, supply chain businesses, start-ups.

2.4.3 The 8 GCR Member Authorities were invited to submit potential projects that focussed upon the direct or indirect delivery of commercial/industrial floorspace, and within the timescales of the wider City Deal Infrastructure Fund. These projects have gone on to become the longlist of projects. The 3 long-list projects submitted by Fusion Assets Ltd to the Programme on behalf of North Lanarkshire Council are outlined in the table

below. The projects, which are all new build construction projects, were submitted on the basis that they all have planning approval in place and the sites benefit from already being platformed and services, so were considered low risk.

Project	Value	Description
Ravenscraig	£9,655,802	New Build Construction - The development consists of four buildings (with one subdivided into 5 units) totalling 62,000 sqft of industrial floorspace and would be constructed in two phases
Lanarkshire Enterprise Park, Chapelhall	£6,995,924	New Build Construction - three buildings totalling 41,000 sqft that can be subdivided into 15 smaller units.
Westfield Point, Cumbernauld	£3,641,427	New Build Construction - the development of four buildings totalling 43,000 sqft which can be subdivided into 18 smaller units.
TOTAL	£20,293,153	

- 2.4.4 Of the £64,572,500 available, each Member Authority received an allocation of grant funding. North Lanarkshire was allocated £11,287,602. As the value of the projects submitted exceeds the funding available across both at a North Lanarkshire and wider City Region level, a process to move from a longlist to a shortlist of projects has been developed and agreed by GCR using a more detailed set of project criteria, assessment of risks in relation to deliverability, and the economic benefits delivered by the individual projects.
- 2.4.5 The Board of Fusion Assets Ltd reviewed options at its meeting on 18 March 2025 and agreed that it would prioritise the delivery of the Ravenscraig project with the remaining funding being utilised to fund a reduced 21,000 sqft development at Westfield Point in Cumbernauld.
- 2.4.6 Subject to approval by Committee, the Ravenscraig and Westfield Point projects will be assessed utilising the Project Assessment Framework and put forward as North Lanarkshire's preferred shortlisted projects. Once they have been approved by GCR, a Full Business Case will be required for each shortlisted project.
- 2.4.7 As North Lanarkshire Council will receive the funding from GCR, a grant agreement will require to be put in place with Fusion Assets Ltd for the funding.
- 2.4.8 In relation to timescales, projects delivered through the Programme must be completed by 31 December 2030. In addition, projects must be operational and be able to evidence the delivery of quantifiable economic benefits before the end of 2035.

3 Measures of Success

- 3.1 Fusion Assets Limited's measures of success are reflected in the level of physical regeneration works which they deliver together with economic outcomes achieved from investment made. Appendix 1 provides the Operational Performance Measures, Targets and Outcomes for 2022/25 and the cumulative outcomes since 2011. A review of how to improve the measurement of economic impact from these investments will be carried out and performance measures updated for the next reporting cycle.

3.2 For 2024/25 the main targets and outcomes were achieved:

- Securing planning approval for Plot 1 (2.37 ha) at Ravenscraig which consists of four units totalling 61,000 sqft and letting a contract for the second phase of enabling works to prepare the site for development.
- Successfully letting the second (15,500 sqft) unit at Link Park, Newhouse and bringing 72 new jobs to North Lanarkshire and securing funding for the development of a third building on the remaining undeveloped plot (0.9 ha) with a construction contract now in place.
- Securing VDLF funding and letting a contract for enabling works on Plot 4 (0.6 ha) at Gartcosh Industrial Park.

3.3 In terms of 2025/26 Fusion Asset's targets and outcomes are as follows:

- Secure funding and bring forward plans to build a second phase of development (three units totalling 68,000 sqft) at Gartcosh Industrial Park through its joint venture company – Gartcosh Estates LLP.
- Establish a new joint venture company for Condor Park, Eurocentral, secure funding for the development of a multi-let scheme totalling 40,600 sqft and begin construction works.
- Secure City Deal funding to take forward the development of Plot 1 at Ravenscraig and begin construction of the first phase consisting of two industrial units of circa 30,000 sqft.
- Submit a detailed planning application for Phase 4 at Gartcosh Industrial Park which consists of a stand-alone 40,000 sqft manufacturing and distribution unit.
- Completing the construction of Building 3 (19,300 sqft) at Link Park, Newhouse and letting the unit.
- Complete Action Plan in response to recommendations in the ALEO review reported to Policy & Strategy Committee in March 2025.

4. Supporting documentation

4.1 The following appendices support this report:

Appendix 1	Performance Indicators & Outcomes
Appendix 2	Fusion Assets Ltd - Financial Performance at 31 st March 2024
Appendix 3	Fusion Assets Ltd - Overall Financial Standing at 31 st December 2024
Appendix 4	Fusion Assets Ltd - Financial Performance at 31 st December 2024
Appendix 5	Fusion Assets Ltd - Cashflow Forecast at 31 st December 2024



Pamela Humphries
Chief Officer (Place)

5. Impacts

<p>5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> <p>If Yes, has an assessment been carried out and published on the council's website? Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> <p>The financial performance of Fusion Assets Limited is closely monitored by the council's Section 95 Officer and the financial performance as detailed above, along with other key financial information presented in the report.</p> <p>Fusion Assets does not receive an on-going or recurring management fee from the council for the delivery of services but rather uses grant funding from the council's Vacant & Derelict Land Fund (VDLF) allocation as enabling investment for the acquisition and redevelopment of vacant and derelict land sites.</p> <p>As part of the Council's Strategic Capital Investment Programme 2024/25 to 2028/28, an allocation of £1.125m was also secured to support business and industrial infrastructure to be delivered by Fusion Assets Limited.</p> <p>An allocation of £11,287,602 has also been secured from the Glasgow City Region City Deal Programme for the Enabling Commercial Space Programme, subject to Full Business case approval.</p>
<p>5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>

A grant agreement will require to be put in place between North Lanarkshire Council and Fusion Assets Ltd for the GCR Enabling Commercial Space Programme.

5.5 Data protection impact

Does the report / project / practice contain or involve the processing of personal data?

Yes No

If Yes, is the processing of this personal data likely to result in a high risk to the data subject?

Yes No

If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk

Yes No

5.6 Technology / Digital impact

Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?

Yes No

If Yes, please provide a brief summary of the impact?

Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?

Yes No

5.7 Environmental / Carbon impact

Does the report / project / practice contain information that has an impact on any environmental or carbon matters?

Yes No

If Yes, please provide a brief summary of the impact?

5.8 Communications impact

Does the report contain any information that has an impact on the council's communications activities?

Yes No

If Yes, please provide a brief summary of the impact?

5.9 Risk impact

Is there a risk impact?

Yes No

If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?

Individual Project Risk Registers will require to be submitted to GCR as part of the Full Business Case for the Enabling Commercial Space Programme.

5.10 Armed Forces Covenant Duty

Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?

Yes No

If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.

5.11 Children's rights and wellbeing impact

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes No

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes No

Fusion Assets Ltd - 2024/25 Operational Performance Measures, Targets and Outcomes

Area of Activity	Performance Indicator	2024/25 Target Outcome	Outcome Achieved	Comments	Cumulative Total (Since 2011)
Improve economic opportunities and outcomes					
Support development of strategic investment sites, Enterprise Areas and Industrial arks	Number of infrastructure works to support strategic industrial sites	3	3	<ul style="list-style-type: none"> Works contract let for Phase 2 enabling works at Ravenscraig in January 2025 Construction contract including external works for Building 3 at Link Park, Newhouse Industrial Estate let in March 2025. Enabling works contract for Plot 4, Gartcosh Industrial estate let in February 2025. 	16

Area of Activity	Performance Indicator	2024/25 Businesses Accommodated by site as at 31st March 2025				Comments	Cumulative Total (Since 2011)		
Support businesses in expansion and development	Number of new gross businesses re-located	T A R G E T	Dundyvan Enterprise Park	N/A	A C T U A L	Dundyvan Enterprise Park	N/A	Dundyvan was sold in 2018 and Western Campus in October 2019. Businesses accommodated at these sites have not been counted from after the date of sale.	13
			Western Campus	N/A		Western Campus	N/A		12
			Drumpellier	N/A		Drumpellier	N/A	4	
			Link Park	1		Link Park	1	The 47,500sqft building for Co-Op on Plot A2 is now sublet. Building 1 on Plot A1 is fully let. Building 2 on Plot A1 is now let.	5
			Gartcosh (Phase 1)	N/A		Gartcosh (Phase 1)	N/A		Gartcosh – all three units in Phase 1 are now let and the investment sold in April 2024.

Total Number of businesses accommodated when properties under ownership of Fusion Assets/Fusion Assets JV.					37			
Area of Activity	Performance Indicator	2024/25 Number of Gross Jobs Created by Site as at 31 st March 2025			Comments	Cumulative Total (Since 2011)		
Enhance the number of direct, indirect and induced jobs	Number of new direct gross jobs created (FTE)	TARGETS		ACTUAL		Dundyvan sold in 2018 and Western Campus in 2019. Jobs created since date of sale have not been included. Drumpellier fully let prior to 1 st April 2023, no change since then. Co-Op still to take occupation of A2 building and now sublet unit to Scottish Power. Building 2 on Plot A1 let and occupied. Phase 1 now sold by Gartcosh Estates LLP.	119	
		Dundyvan Enterprise Park	N/A	Dundyvan Enterprise Park	N/A			166
		Western Campus	N/A	Western Campus	N/A			53
		Drumpellier	N/A	Drumpellier	N/A			185
		Link Park (A2)	50	Link Park	50			85
		Building 2 (A1)	20		72			
Gartcosh (phase 1)	N/A	Gartcosh (phase 1)	N/A					
Total Number of gross jobs created when properties under ownership of Fusion Assets / Joint Ventures and Plot A2 at Link Park which was built out through forward funding and development agreement.					608			

Area of Activity	Performance Indicator	2024/25 Target Outcome (ha)	Actual Outcomes as at 30 th March 2025	Comments	Cumulative Total - ha (Since 2011)
Improve the health and wellbeing of our communities					
Improve brownfield and vacant & derelict land	Total of vacant and derelict land improved (ha)	1.6	0	V&DL land improved to date is a cumulation of works at sites including Plot A1 Ravenscraig, Link Park, Newhouse Plot 3 and Gartcosh Plot 4. The 2024/25 target of 1.6 Ha relates to Condor Park, Eurocentral and is not noted as achieved as the further enabling works completed are on an area of the site already recorded as improved.	18.35

Vacant & derelict land sites removed from register	Total of vacant and derelict land taken off register (ha)	0.74	0.74	Previous land removed to date includes from Dundyvan Enterprise Park, Western Campus, Link Park (part), Drumpellier Business Park (part) and Gartcosh Phase 1 (part). The 0.74 Ha achieved in 2024/25 relates to Building 2, Link Park, Newhouse completed in Feb 2024 and removed from register.	9.88
V&DL acquired for commercial development	V&DL acquired (ha)	N/A	N/A	Ravenscraig Plot 1 acquired in 2023/24. Feasibility Studies ongoing but no further site acquisitions planned for 2024/25.	18.09

Area of Activity	External Funding Leverage by Fusion Assets (Completed Projects)					Comments	Cumulative Total (Since 2011)
Improve North Lanarkshire's Resource Base							
Leverage on Council Investment	Project	Dundyvan	Western Campus	Gartcosh Phase 1	Drumpellier	Link Park – has been excluded until full development completed / financed Gartcosh Phase 1: Excludes VDLF investment made in Phase 2, 3 and 4 as this not currently financed.	Total
	Total Project Spend	£2,985,993	£4,209,915	£5,541,621	£1,646,596		£14,384,125
	VDLF	£162,917	£748,564	£976,000	£300,000		£2,187,481
	NLC	N/A	£99,351	N/A	N/A		£99,351
	RCGF	N/A	N/A	N/A	£1,116,591		£1,116,591
	Private Sector	£387,750	£631,000	£857,000	£115,000		£1,990,750
	Fusion	£530,326	£631,000	£524,000	£115,000		£1,800,326
	Loan Finance	£1,905,000	£2,100,000	£3,184,621	N/A		£7,189,621
	Ratio of Leverage achieved from NLC investment (inc. VDLF Funding)	18:1	5:1	6:1	5:1		6:1

Fusion Assets Limited

Financial Performance as at 31st March 2024

Income & expenditure	2023/24			2022/23 Final Outturn £	Commentary
	Budget £	Final Outturn £	Variance £		
Rental Income	150,865	159,347	8,482	116,420	Over-recovery in income at Newhouse Building due to lease agreements (rent free periods)
Bank Interest	1,000	19,084	18,084	7,807	Increase in interest due to market impacts
Investments	0	0	0	0	
Misc	0	803,991	803,991	1,565	Final Profit share in relation to a prior year sale
Total Income	151,865	982,421	830,557	125,792	
Expenditure:					
Staff costs	(188,950)	(197,452)	(8,502)	(183,419)	
Board Costs	(15,000)	(15,041)	(41)	(15,000)	
Premise Costs	(9,420)	(10,046)	(626)	(8,474)	
Operating Costs	(153,500)	(72,363)	81,137	(68,436)	Decreased expenditure in development and land management fees
Running Costs	(14,000)	(6,874)	7,126	(6,334)	Decrease expenditure in Insurance (due to increase in letting) and in Expenses
Total Expenditure	(380,870)	(301,776)	79,094	(281,664)	
Net Surplus/Deficit	(229,005)	680,645	909,651	(155,871)	
Accounting adjustments:					
Release of deferred grant income	0	2,185,902	2,185,902	1,638,735	
Unrealised gain/(loss) on investment property	0	206,735	206,735	193,175	
Impairment	0	(2,185,902)	(2,185,902)	(1,638,735)	
Tax provision	0	(178,023)	(178,023)	(49,575)	
Increase / (Utilisation) of Reserves	(229,005)	709,357	938,362	(12,271)	

Fusion Assets

Overall Financial Standing - Balance Sheet as at 31 December 2024

Balances/ Indicator	as at 31 December 2024 £'000	as at 31 March 2024 £'000	Movement £'000	Commentary
Fixed Assets:				
Investments	1,040	1,040	0	Gartcosh Estates LLP
Investment Property	4,320	4,320	0	Newhouse
	5,360	5,360	0	
Current Assets:				
Stocks	3,969	3,685	283	Work in progress
Trade Debtors	369	621	(252)	Debtors, VAT recoverable, deferred taxation, accrued income, prepayments
Bank	1,902	2,236	(334)	
Short-Term Investments	0	0	0	
	6,240	6,543	(302)	
Current Liabilities:				
Other Creditors inc. VAT & other taxes	(4,650)	(4,670)	20	Deferred income (VDLF), accruals, tax
	(4,650)	(4,670)	20	
Net current Assets/(liabilities)	1,590	1,873	(283)	
Creditors: Amounts falling due over 1 year	(2,314)	(2,314)	0	Deferred income (Boots)
Net Asset / (Liabilities)	4,636	4,918	(283)	

Fusion Assets Limited

Financial Performance as at 31st December 2024

Income & expenditure	2024/25			2023/24 <i>Final Outturn</i> £	Commentary
	Annual Budget £	Projected Outturn £	Variance £		
Rental Income	177,759	177,759	0	159,347	
Bank Interest	3,000	100,000	97,000	19,084	Increase in interest due to investment choice
Investments	0	0	0	0	
Misc	0	0	0	803,991	
Total Income	180,759	277,759	97,000	982,421	
Expenditure:					
Staff costs	(200,850)	(200,850)	0	(197,452)	
Board Costs	(15,000)	(15,000)	0	(15,041)	
Premises Costs	(9,688)	(9,688)	0	(10,046)	
Operating Costs	(120,500)	(88,500)	32,000	(72,363)	Reduced professional & development fees due to investment choice
Running Costs	(14,300)	(17,010)	(2,710)	(6,874)	
	0	0	0	0	
Total Expenditure	(360,338)	(331,048)	29,290	(301,776)	
Net Surplus/Deficit	(179,579)	(53,288)	126,290	680,645	
Accounting adjustments:					
Release of deferred grant income	0	0	0	2,185,902	
Unrealised gain/(loss) on investment property	0	0	0	206,735	
Impairment	0	0	0	(2,185,902)	
Tax provision	0	0	0	(178,023)	
Increase / (Utilisation) of Reserves	(179,579)	(53,288)	126,290	709,357	

Forecast Cash Balances to 31st December 2026

