

Fusion Assets Limited

Directors' Report and Financial Statements

Year Ended

31 March 2017

Company Number SC299690

Fusion Assets Limited
(A company limited by guarantee)

Company Information

Directors	Elaine Kemp Allan Graham Michael Coyle Scott Duguid Walter Dunlop Calum Currie (appointed 30 July 2017) Des Murray (appointed 27 June 2016) Ronald Smith (appointed 3 October 2016)
Company secretary	Burness Paull LLP
Registered number	SC299690
Registered office	Civic Centre Windmillhill Street Motherwell North Lanarkshire ML1 1AB
Independent auditor	BDO LLP 4 Atlantic Quay 70 York Street Glasgow G2 8JX
Bankers	Bank of Scotland 300 Lawnmarket Edinburgh EH1 2PH Clydesdale Bank 43 Hamilton Road Motherwell ML1 3DD
Solicitors	Burness Paull LLP 120 Bothwell Street Glasgow G2 7JL

Fusion Assets Limited
(A company limited by guarantee)

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Fusion Assets Limited
(A company limited by guarantee)

Directors' Report
For the Year Ended 31 March 2017

The directors present their report and the financial statements for the year ended 31 March 2017.

Principal activity

The principal activity of the company is to capitalise upon urban regeneration and economic development opportunities within North Lanarkshire. In particular, the company undertakes commercial development projects and land reclamation initiatives that tackle areas of market failure, working in partnership with the private sector through joint ventures. The current focus of activity is on industrial development but the company operates across all sectors including office, residential, retail and mixed use development.

Directors

The directors who served during the year were:

Elaine Kemp
Iain Carmichael (resigned 27 June 2016)
Allan Graham
Thomas Lunny (resigned 31 March 2017)
Michael Coyle
Scott Duguid
Walter Dunlop
Des Murray (appointed 27 June 2016)
Ronald Smith (appointed 3 October 2016)

Limited by guarantee

The company does not have share capital and is limited by guarantee. The liability of the members in the event of winding up is limited to £1 each.

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on *10th October 2017* and signed on its behalf.



Elaine Kemp
Director

Fusion Assets Limited
(A company limited by guarantee)

Directors' Responsibilities Statement
For the Year Ended 31 March 2017

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors 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 company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Fusion Assets Limited

(A company limited by guarantee)

Independent Auditor's Report to the Members of Fusion Assets Limited

We have audited the financial statements of Fusion Assets Limited for the year ended 31 March 2017 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Fusion Assets Limited
(A company limited by guarantee)

Independent Auditor's Report to the Members of Fusion Assets Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained during the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

Mark McCluskey (Senior statutory auditor)
for and on behalf of BDO LLP, Statutory auditor
Glasgow
United Kingdom

13 October 2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Fusion Assets Limited
(A company limited by guarantee)

Statement of Comprehensive Income
For the Year Ended 31 March 2017

	Note	2017 £	2016 £
Grant income	3	1,575,069	5,765,577
Administrative expenses		(190,112)	(126,078)
Impairment	5	(1,363,987)	(5,332,168)
Operating profit		20,970	307,331
Interest receivable and similar income	8	5,450	8,948
Interest payable and expenses	9	(3,554)	-
Profit before tax		22,866	316,279
Tax on profit	10	(13,983)	7,757
Profit for the financial year		8,883	324,036

There was no other comprehensive income for 2017 (2016:£ NIL).

The notes on pages 8 to 19 form part of these financial statements.

Fusion Assets Limited
(A company limited by guarantee)
Registered number: SC299690

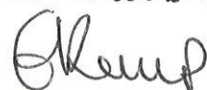
Balance Sheet
As at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	11	1,143,749	1,128,749
Investment property	12	1,422,249	-
		<u>2,565,998</u>	<u>1,128,749</u>
Current assets			
Stocks	13	2,944,872	3,212,473
Debtors: amounts falling due within one year	14	1,385,945	871,964
Cash at bank and in hand	15	937,832	1,792,884
		<u>5,268,649</u>	<u>5,877,321</u>
Creditors: amounts falling due within one year	16	<u>(3,490,272)</u>	<u>(2,666,403)</u>
Net current assets		<u>1,778,377</u>	<u>3,210,918</u>
Total assets less current liabilities		<u>4,344,375</u>	<u>4,339,667</u>
Creditors: amounts falling due after more than one year	17	<u>(2,314,336)</u>	<u>(2,318,511)</u>
Net assets		<u><u>2,030,039</u></u>	<u><u>2,021,156</u></u>
Capital and reserves			
Other reserves	19	1,094,091	1,095,409
Profit And Loss Account	19	935,948	925,747
		<u>2,030,039</u>	<u>2,021,156</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

10th October 2017



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Elaine Kemp

Director

The notes on pages 8 to 19 form part of these financial statements.

Fusion Assets Limited
(A company limited by guarantee)

Statement of Changes in Equity
For the Year Ended 31 March 2017

	Other reserves £	Profit and loss account £	Total equity £
At 1 April 2015	1,212,000	485,120	1,697,120
Comprehensive income for the year			
Profit for the year	-	324,036	324,036
Total comprehensive income for the year	<u>-</u>	<u>324,036</u>	<u>324,036</u>
Transfer to/from profit and loss account	(116,591)	116,591	-
Total transactions with owners	<u>(116,591)</u>	<u>116,591</u>	<u>-</u>
At 1 April 2016	<u>1,095,409</u>	<u>925,747</u>	<u>2,021,156</u>
Comprehensive income for the year			
Profit for the year	-	8,883	8,883
Total comprehensive income for the year	<u>-</u>	<u>8,883</u>	<u>8,883</u>
Transfer to/from profit and loss account	(1,318)	1,318	-
Total transactions with owners	<u>(1,318)</u>	<u>1,318</u>	<u>-</u>
At 31 March 2017	<u><u>1,094,091</u></u>	<u><u>935,948</u></u>	<u><u>2,030,039</u></u>

Fusion Assets Limited

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Notes to the Financial Statements For the Year Ended 31 March 2017

1. General information

Fusion Assets Limited is a private company limited by guarantee and incorporated in Scotland. The address of the registered office is given on the company information page and the nature of the company's principal activities is set out in the directors' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 4).

Information on the first time adoption of FRS 102 Section 1A is given in Note 27. The date of transition is 1 April 2015.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of North Lanarkshire Council as at 31 March 2017 and these financial statements may be obtained from the address on the company information page.

2.3 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

2.4 Turnover

Turnover comprises grant income released to the profit and loss account in the period in respect of the ongoing development projects.

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Notes to the Financial Statements For the Year Ended 31 March 2017

2. Accounting policies (continued)

2.5 Investment property

Investment property is carried at fair value determined annually by valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any differences in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the statement of comprehensive income.

2.6 Valuation of investments

Investments held as fixed assets are shown at cost less provision for impairment.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Costs include all direct costs.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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Notes to the Financial Statements For the Year Ended 31 March 2017

2. Accounting policies (continued)

2.11 Grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the statement of comprehensive income in the same period as the related expenditure.

Grants awarded for specific development projects are credited to deferred income to be released to income when the specific development projects are sold or impaired. Other grants are credited to statement of comprehensive income in the period to which they relate.

2.12 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Fusion Assets Limited

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Notes to the Financial Statements For the Year Ended 31 March 2017

2. Accounting policies (continued)

2.14 Deferred income

Deferred income also consists of amounts contributed to the company to fund specific development projects, to be recognised in the income statement upon sale or impairment of the specific development projects.

3. Grant Income

The total turnover of the company for the period arises from the release of deferred income against operating costs in the period. This relates wholly to activities undertaken in the United Kingdom.

The grant income recorded in the year is as follows:

	2017 £	2016 £
Release of deferred grant in respect of the grovewood project transfer	-	848,552
Release of deferred income held less than one year in respect of the grovewood project transfer	-	369,204
Impairment over land held for development	1,363,987	4,547,821
Release of deferred income held less than one year in respect of the newhouse land transferred from project to investment property under construction	206,907	-
Release of deferred income held greater than one year in respect of the newhouse land transferred from project to investment property under construction	4,175	-
	1,575,069	5,765,577
	1,575,069	5,765,577

4. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

Determine whether there are indicators of impairment of the company's fixed asset investments and stock. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Fusion Assets Limited
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Notes to the Financial Statements
For the Year Ended 31 March 2017

5. Operating profit

The operating profit is stated after charging:

	2017	2016
	£	£
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	7,700	4,615
Fees payable to the Company's auditor and its associates for the provision of non-audit services	1,300	1,135
Defined contribution pension cost	11,764	10,684
Impairment of land under construction on disposal - Grovewood	-	784,347
Provision for impairment of land under construction	1,363,987	4,547,821
	<u>1,363,987</u>	<u>4,547,821</u>

6. Employees

Payroll services are provided by the parent company NLC, and employee costs are recharged to the company.

The average monthly number of employees, including directors, during the year was 0 (2016 - 0).

7. Directors' remuneration

	2017	2016
	£	£
Directors' emoluments	13,685	15,041
	<u>13,685</u>	<u>15,041</u>

8. Interest receivable

	2017	2016
	£	£
Other interest receivable	5,450	8,948
	<u>5,450</u>	<u>8,948</u>

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Notes to the Financial Statements
For the Year Ended 31 March 2017

9. Interest (receivable) / payable and similar charges

	2017 £	2016 £
Other interest payable	3,554	-
	3,554	-
	3,554	-

10. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	1,048	-
Adjustments in respect of previous periods	-	(121)
	1,048	(121)
	1,048	(121)
Total current tax	1,048	(121)
Deferred tax		
Origination and reversal of timing differences	12,935	(7,636)
	12,935	(7,636)
Total deferred tax	12,935	(7,636)
Taxation on profit/(loss) on ordinary activities	13,983	(7,757)

Fusion Assets Limited
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Notes to the Financial Statements
For the Year Ended 31 March 2017

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016 - lower than) the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

	2017	2016
	£	£
Profit on ordinary activities before tax	22,866	316,279
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	4,573	63,256
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	5,668	376
Short term timing difference leading to an increase (decrease) in taxation	3,742	2,452
Income not taxable for tax purposes	-	(73,841)
Total tax charge for the year	13,983	(7,757)

11. Fixed asset investments

	Investment in participating interests £
Cost or valuation	
At 1 April 2016	1,128,749
Additions	15,000
At 31 March 2017	<u>1,143,749</u>
Net book value	
At 31 March 2017	<u>1,143,749</u>
At 31 March 2016	<u>1,128,749</u>

During the year the company invested a further £15,000 of equity in Central Assets (Scotland) LLP.

Fusion Assets Limited
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Notes to the Financial Statements
For the Year Ended 31 March 2017

11. Fixed asset investments (continued)

Participating interests

Joint ventures

Name	Country of incorporation	Class of shares	Holding
Drumpellier Business Park LLP	Scotland	Ordinary	50 %
Dundyvan LLP	Scotland	Ordinary	50 %
Central Assets (Scotland) LLP	Scotland	Ordinary	50 %

The principal activity of each company noted above is the same, the construction of property and the rental of property.

12. Investment property

	Property under construction £
Valuation	
Additions at cost	1,422,249
At 31 March 2017	<u>1,422,249</u>

The property included above remains under construction and will continue to be recorded at cost until construction is finalised and the asset is brought in to use at which point it will be recorded at market value.

13. Stocks

	2017 £	2016 £
Work in progress	2,944,872	3,212,473
	<u>2,944,872</u>	<u>3,212,473</u>

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Notes to the Financial Statements
For the Year Ended 31 March 2017

14. Debtors

	2017 £	2016 £
Amounts owed by group undertakings	666,710	397,727
Amounts owed by joint ventures and associated undertakings	385,350	425,350
VAT recoverable	297,933	-
Deferred taxation	35,952	48,887
	<u>1,385,945</u>	<u>871,964</u>

15. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	937,832	1,792,884
	<u>937,832</u>	<u>1,792,884</u>

16. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	-	261,922
Corporation tax	1,048	-
Other taxation and social security	-	7,142
Other creditors	1,382	1,382
Accruals	246,394	5,750
Deferred income	3,241,448	2,390,207
	<u>3,490,272</u>	<u>2,666,403</u>

Deferred income includes grant monies receivable from North Lanarkshire Council in respect of projects included in work in progress.

In addition, £1,570,894 (2016 - £4,547,821) of deferred VDLF grant income was released in respect of provision for impairment for land under construction recorded in the year and on transfer of land under construction to investment properties.

During the year £nil (2016 - £848,552) of deferred VDLF grant income was released to the statement of comprehensive income in respect of transfer of the Grovewood project to Central Assets (Scotland) LLP.

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Notes to the Financial Statements
For the Year Ended 31 March 2017

17. Creditors: Amounts falling due after more than one year

	2017	2016
	£	£
Deferred income	2,314,336	2,318,511
	<u>2,314,336</u>	<u>2,318,511</u>
	<u>2,314,336</u>	<u>2,318,511</u>

Deferred income due after more than one year consists of monies received from Boots plc. The deferred income will be released to the statement of comprehensive income as relevant expenditure is incurred by the company.

During this year, £4,173 (2016 - £nil) of deferred Boots grant income was released in respect of provision for impairment for land under construction recorded in the year and on transfer of land under construction to investment properties.

During the year £nil (2016 - £369,204) of deferred Boots grant income was released to the statement of comprehensive income in respect of transfer of the Grovewood project to Central Assets (Scotland) LLP.

18. Deferred taxation

	2017
	£
At beginning of year	48,887
Movement in the year	(12,935)
At end of year	<u>35,952</u>

The deferred tax asset is made up as follows:

	2017
	£
Tax losses carried forward	35,952
	<u>35,952</u>
	<u>35,952</u>

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Notes to the Financial Statements For the Year Ended 31 March 2017

19. Reserves

Other reserves

The other reserve balance represents the Scottish Enterprise contribution on incorporation of the company after any release of funds to the reserves account for those projects funded out of this contribution but transferred out of the company.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of impairment and other adjustments.

20. Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation. At 31 March 2017 there was 1 member: North Lanarkshire Council.

21. Contingent liabilities

The company has secured grant funding from North Lanarkshire Council amounting to £9,004,146 (2016 - £7,385,987). There are no repayment terms in respect of this funding other than by default of the grant conditions. It is the Directors' opinion that the likelihood of grant funding being repayable at the balance sheet date and up to the date of signing is remote.

22. Pension commitments

The company operates a defined contribution pension scheme, the assets of which are held separately from those of the company in independently administered funds.

The pension cost charge represents contributions payable by the company to the scheme during the period and amounted to £11,764 (2016 - £10,684). Contributions totalling £nil (2016 - £nil) were payable to the scheme at the balance sheet date.

23. Related party transactions

The company's ultimate parent and 100% controlling party is North Lanarkshire Council. The financial statements of Fusion Assets Limited form part of the consolidated accounts for North Lanarkshire Council and on this basis have taken advantage of the exemption under FRS 102, Section 33 'Related Party Transactions', in relation to transactions with its controlling entity.

At the year end a balance of £385,350 (2016 - £315,350) was due from Drumpellier Business Park LLP, an entity in which Fusion Assets Limited is a member. During the year an amount of £70,000 (2016 - £30,000) was advanced to this LLP.

At the year end a balance of £nil (2016 - £110,000) was due from Central Assets (Scotland) LLP, an entity in which Fusion Assets Limited is a member. During the prior-year, an asset of £110,000 arose upon the transfer of land to Central Assets (Scotland) LLP on which VAT was applicable and per agreement payable by Central Assets (Scotland) LLP.

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Notes to the Financial Statements
For the Year Ended 31 March 2017

24. Controlling party

The parent undertaking of Fusion Assets Limited is North Lanarkshire Council, which is also the ultimate controlling party. The consolidated accounts are available to the public and may be obtained from its registered office.

25. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.