

Our ref: RMcL/L.RIDDELL/A1225/761690

Your ref:

Date: 4 October 2018

Please reply to: Lyndsay Riddell (lyndsay.riddell@wyliebisset.com)



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PRIVATE & CONFIDENTIAL

Jennifer Elliot
Action Party Ltd
53 Brustane Road
Edinburgh
EH15 2QS

Dear Jennifer

Action Party Ltd- Accounts for the period ended 30 March 2018

Thank you for returning the signed accounts. I enclose the principal signed copy together with a copy of the letter of representation.

I confirm that I have forwarded copies of the accounts to the Registrar of Companies.

Kind regards

Yours sincerely

Ross McLauchlan
For and on behalf of Wylie & Bisset LLP

Enc

CHARITY NO: SC047358

COMPANY NO: SC542465

**ACTION PARTY
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018**

ACTION PORTY

REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2018

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ACTION PARTY

REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2018

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees	Justin Kenrick (Chair) Alastair Cameron– resigned 18 January 2018 Ian Cooke (Company Secretary) Kyrsta MacDonald Scott (Vice-Chair) Jennifer Elliot (Treasurer) Mary Campbell Shauna MacDonald Morag Donaldson Ben McLeish – co-opted 28 September 2017 Tim Warren – resigned 18 January 2018 Alan Simpson – appointed 18 January 2018 Alasdair Reid – appointed 18 January 2018
Development Manager	Emma Griffiths
Registered Office	53 Brunstane Road Edinburgh Midlothian EH15 2QS
Operational address	Bellfield 14a Bellfield Street Edinburgh EH15 2BP
Charity Number:	SC047358
Company Number:	SC542465
Independent Examiners	Wylie & Bisset LLP Chartered Accountants 168 Bath Street Glasgow G2 4TP
Bankers	TSB Bank plc 134c Portobello High Street Edinburgh EH15 1AJ

ACTION PARTY

REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2018

The Trustees present their annual report and financial statements of the charity for the period ended 31 March 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's memorandum and articles of association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and 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 published on 16 July 2014.

The charity changed their year end from August to March during the year resulting in these accounts being prepared for the 7 months ended 31 March 2018 and the comparative period being for the 12 ½ months ended 31 August 2017. In the 12 ½ months to 31 August 2017, the charity has not trading and was in the process of securing funding to purchase a property. In the 7 months to 31 March 2018, the charity started trading and costs such as the purchase of property, staffing and operating costs were incurred.

The legal and administrative information on page one forms part of this report.

Structure, Governance and Management

Governing document

The company was established on 11th August, 2016 and was the successor organisation to Friends of Bellfield, an unincorporated community organisation formed to explore the acquisition of the former Portobello Old Parish Church on behalf of the community. The company was established as a community body capable of owning an asset(s) and in a manner which was compliant with the Scottish Government's Community Right to Buy (CRTB) legislation. As such, Action Party is governed by a board of directors elected by the membership of the organisation. In the run up to submitting an application for CRTB registration, Action Party recruited 340 members in 4 days. Action Party subsequently applied for charitable status, and this was awarded in March, 2017, at which point the directors became trustees of the charity.

Action Party held its first Annual General Meeting on 18 January, 2018 in Bellfield. In addition to the usual AGM business, a motion to extend the geographical boundary of the organisation was proposed and passed by all those present. This effectively extends the boundary southwards from Kings Road, up Baileyfield Road, and Duddingston Park (to the junction with Milton Road) and eastwards along the Milton Road (to the junction with Eastfield). This amendment to the Articles of Action Party was subsequently recorded with Companies House. Following this change, list of company members has been tidied up to reflect the new boundary.

Appointment of Directors / Trustees

The initial directors were the 5 signatories to Action Party's Articles of Association. At a Special General Meeting held on 18 December 2016 a further 5 directors were appointed by the existing directors. All 5 of these new directors were committee members of Friends of Bellfield and had been actively involved in the Save Bellfield campaign from the outset.

On 28 September 2017, Ben McLeish, an accountant and businessman who lives just outside the Action Party boundary, was co-opted on to the Board of Directors.

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REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2018

At the Annual General Meeting held on 18 January 2018, 2 directors resigned which, together with the previous resignation ensured that one third of the board effectively 'stood down' at the AGM, in accordance with the Articles of Action Porty. The remaining trustees were re-elected on to the board and further 2 trustees – Alan Simpson and Alasdair Reid - were also elected to the Board. The co-option of Ben McLeish on to the Board of Action Porty was also extended for a further year.

At the first board meeting following the AGM, the following office bearers were elected / re-elected:

Chair: Justin Kenrick
Vice-chair : Kyrsta Macdonald-Scott
Secretary: Ian Cooke
Treasurer: Jennifer Elliot

Trustee induction and training

Despite being a new organisation, an induction pack (include a copy of the articles of association, information on the roles and responsibilities of being a trustee, and background information on Action Porty) was made available to recently appointed trustees, together with a meeting with the company secretary or other office bearer.

Organisational Governance

The Board of Trustees of Action Porty continues to meet on a monthly basis, and during the development phase of the Bellfield project, this is supplemented by regular Board Away Days at which specific issues relating to the Bellfield project are considered. In addition, 8 sub-committee / working groups have been established which meet as required to progress specific aspects of the project or other organisational responsibilities. The membership of these sub-groups is composed of a combination of trustees, staff and volunteers. The Treasurer presents a financial report at each Board meeting, and the trustees of Action Porty are collectively responsible for the finances of the organisation. The Development Manager, who has delegated powers to make day-to-day decisions regarding the operation of the organisation, also presents a report to the Board of Trustees at each meeting.

Risk management

As the Bellfield project involves re-opening the facility to the public, and ongoing repair and development work, risk identification and management has been a constant agenda item at Board meetings. Action Porty has taken, and acted on, advice from a range of technical advisers including the Fire Safety Officer, Environmental Health, Local Authority Licensing officials and Historic Environment Scotland. Actions identified by these advisers has been prioritised within the ongoing work programme. In the lead up to the official opening of Bellfield (June 2018), various policies and procedures are being put in place to ensure compliance with the relevant legislative framework and to ensure the safety of staff, volunteers and the public. When time permits a risk management strategy will be developed and reviewed by the Board of Director on an ongoing basis.

ACTION PORTY

REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2018

Objectives, Activities and Achievements

Within the articles of association, Action Porty has adopted relatively broad objectives (see articles) which allow for the future development of Action Porty beyond the immediate Bellfield project. OSCR confirmed that these objectives are charitable in nature as part of their consideration of Action Porty's charitable status application. This enabled Action Porty to respond positively to local efforts to challenge a proposed housing development on what is currently recreational land, and facilitate a community-led planning event (funded by the Scottish Government) which attracted over 400 people! This was managed through the establishment of a Board sub-group, specifically formed for that purpose.

However, in terms of activities the securing of Bellfield as a facility for the community, and the subsequent preparation for the re-opening of Bellfield remains the central focus of the organisation. Action Porty was the first urban community in Scotland to successfully exercise the CRtB, and utilising this mechanism completed the purchase of Bellfield (the former Portobello Old Parish Church) on 6 September, 2017. The purchase was financed by a substantial capital grant from the Scottish Land Fund and a combined grant and loan from Resilient Scotland's Start and Grow fund.

The Save Bellfield campaign has involved significant community engagement and community consultation, which in addition to building support for the activities of Action Porty, have informed the development of the project and the business plan. These community engagement activities have included a well-supported petition and successful, independently organised ballot, as part of the CRtB process.

In addition to a capital grant, the Scottish Land Fund also provided early stage revenue grant funding, and this, supplemented by a Programme Development Grant from the Architectural Heritage Fund, enabled Action Porty to appoint a part-time Development Manager (initially on a job-share basis) in August, 2017. In addition to accessing grant funding, Action Porty has also successfully fund raised locally, including a successful crowdfunding initiative which ran over August / September 2017 and (including gift aid) reached its target figure of £20,000. The vast bulk of this money has went towards the cost of the essential repair / improvement work and the loan repayments which have been significantly greater that suggested within the feasibility phase of the project.

Preparing for the re-opening of Bellfield has been both intensive and demanding. The balancing of different community needs and activities, the evolution of the business plan, the planning and overseeing of the capital works, the ongoing engagement with stakeholders, becoming an employer all contribute to what was always going to be a complex project. However the commitment, enthusiasm and ability of the board and Development Manager has ensured that good progress continues to be made, and the partial re-opening of Bellfield (initially the opening of both existing halls) will be achieved within the target date of June, 2018.

A priority for Action Porty currently has been the development of allocation and pricing policies, with the priority being given to potential regular users, several of whom were former users of Portobello Old Parish Church (now Bellfield). This work stream will evolve to include provision for irregular and occasional users. Even before systematic marketing activity commences, interest in using the facility on a regular or occasional basis would appear to be encouragingly high.

ACTION PARTY

REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2018

Following the official opening of Bellfield on 23 June, the project is likely to enter a 2 year 'development phase' which will consolidate and reflect on initial interest and uses of Bellfield, refining policies and operational practices. Funding permitted, a design team will be appointed in 2019 to help firm up the longer term plans for developing Bellfield and growing the (social) business.

Action Party has endeavoured to keep members, supporters and the wider community regularly informed and updated, and local support for the Bellfield project remains high. Despite being held on a cold January night, the Action Party AGM was well attended.

Encouragingly, membership of Action Party continues to grow and volunteers and new trustees continue to come forward. However a key challenge for the organisation over the coming months will be developing an appropriate business model which effectively combines staffing and volunteers to operate Bellfield once it is open for public use.

Financial Review

Overview

Through a combination of grant funding and local fundraising, Action Party has been able to cover the full costs of bringing the Bellfield property up to the required standard prior to the June, 2018 opening. This has been helped by the understanding and flexibility shown by the Scottish Land Fund. A fundraising group has been established by Action Party, and a key task going forward will be to secure funding for a potential capital project of up to £3 million.

A key challenge in a project of this nature is that the revenue budget evolves incrementally with the developing project. However core costs (staffing, utilities, insurances, loan repayments, etc) are gradually becoming clearer. The City of Edinburgh Council has granted Action Party 100% business rates relief and ongoing communication is taking place to establish an appropriate level of water rates. In February, Action Party set up a pension arrangement in advance of their official 'posting date'.

The gradual clarification of these costs has enabled Action Party to establish a draft budget which estimates monthly costs for 2018/19 at approximately £4,000 per month. It is projected that income for the same period will come from a combination of grant funding (already secured) and rental income (commencing post June, 2018). During the course of 2018/19 the operational business model will be further developed, reflecting the actual levels of rental and other income being generated by Bellfield. The regular updating of the business plan, further market testing and ongoing financial projections will all be key activities going forward.

Principle funding sources

Action Party has utilised a combination of grant funding and local fundraising to finance the project to date, and going forward grant funding will continue to play a crucial part of the funding package required to successfully re-develop and implement our ambitious vision for Bellfield as a flexible, fully accessible community hub. Since the acquisition of Bellfield, Action Party have been awarded a further £25,000 from the Architectural Heritage Fund towards the development costs of the project and the organisation continues to benefit from the revenue element of the Scottish Land Fund Stage 2 grant. An application has recently been submitted to the Voluntary Action Fund and work is underway on a round 1 application to the Heritage Lottery Fund. Local fundraising (including money raised through the crowdfunding initiative) has generated in excess of £50,000.

ACTION PORTY

REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2018

Future Financial Projection

A combination of some ongoing grant revenue funding, letting income from June, 2108 onwards, and further local fundraising should ensure that Action Porty will be able to continue to balance the books until March, 2019. Beyond that time, the rental income generated from the project will be an increasingly important element of revenue income. As such, the key financial challenge for Action Porty will be from April, 2019 at which point Action Porty will need to be generating income at a level commensurate with running costs.

Any further revenue grant funding is likely to be targeted at specific activities which meet identified community need(s).

The further improvement and development of the Bellfield facility will be dependent on how successful and how quickly the necessary grant funding can be raised for the various planned phases of the building re-development project. In addition to potential grant funding the possibility of Action Porty undertaking a community share issue to part finance the capital project is also under active consideration.

Following the opening of Bellfield a key challenge will be to raise the necessary capital funding for the next stage of the project. Action Porty also anticipate accessing some further revenue grant funding, but this is likely to be for specific activities / services, rather than general running costs. In the longer term, Bellfield will have to generate sufficient trading income (from lets, fees, etc) to enable Action Porty to cover the running costs of the project on an ongoing basis.

Accounting Reporting Date

These accounts are prepared for the period from 1 September, 2017 to 31 March, 2018. This shortened accounting period will bring future Action Porty accounting periods in line with the financial year.

Investment and reserves policy

Within the provision of the articles of association, Action Porty has the power to invest any money that the charity does not immediately require in any investments, securities or properties. However, Action Porty is unlikely to be in this position for a number of years. The immediate priority for the organisation is to break even, and then begin to build up a level of financial reserves equivalent to 3 months running costs (as per recommended guidance).

ACTION PARTY

REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2018

Trustees responsibilities

The charity trustees (who are also the directors of the Action Party for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.


The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees and signed on their behalf:

Name: Jennifer Elliot

Date: 13 September 2018


20/9/18.

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF ACTION PARTY FOR THE PERIOD ENDED 31 MARCH 2018

I report on the accounts of the charity for the period ended 31 March 2018, which are set out on pages 9 to 18.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respects the requirements:
 - to keep accounting records in accordance with Section 44 (1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Ross McLauchlan BAcc CA
Wylie & Bisset LLP
Chartered Accountants
168 Bath Street
Glasgow
G2 4TP

Date: 13 September 2018

**ACTION PORTY
STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDING 31 MARCH 2018**

(Including an Income and Expenditure account)

	Note	Unrestricted Funds 2018	Restricted Funds 2018	Total Funds 7 months to 31 March 2018	Unrestricted Funds 2017	Restricted Funds 2017	Total Funds 12 ½ months to 31 August 2017
		£	£	£	£	£	£
Income and endowments from:							
Donations and legacies	4	22,273	67,500	89,773	2,335	590,000	592,335
Other trading activities	5	1,277	-	1,277	859	-	859
Total Income		23,550	67,500	91,050	3,194	590,000	593,194
Expenditure on:							
Charitable activities	7	11,010	24,687	35,697	1,750	10,000	11,750
Total Expenditure		11,010	24,687	35,697	1,750	10,000	11,750
Net income		12,540	42,813	55,353	1,444	580,000	581,444
Transfers between funds		23,674	(23,674)	-	-	-	-
Net movement in funds		36,214	19,139	55,353	1,444	580,000	581,444
Funds reconciliation		1,444	580,000	581,444	-	-	-
Funds Brought Forward							
Total Funds carried forward	15	37,658	599,139	636,797	1,444	580,000	581,444

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

ACTION PORTY

BALANCE SHEET AS AT 31 MARCH 2018

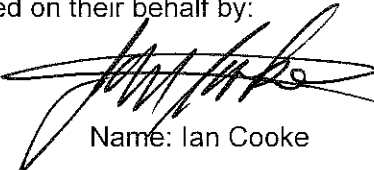
		£	£
Fixed assets:			
Tangible assets	11	638,887	-
Total Fixed Assets		<u>638,887</u>	<u>-</u>
Current assets:			
Debtors	12	-	30,000
Cash at bank and in hand		49,259	578,989
Total Current Assets		<u>49,259</u>	<u>608,989</u>
Liabilities:			
Creditors falling due within one year	13	33,965	7,545
Net Current assets		<u>15,294</u>	<u>601,444</u>
Total Assets less current Liabilities		654,181	601,444
Creditors: Amounts falling due after more than one year	14	17,384	20,000
Net assets		<u>636,797</u>	<u>581,444</u>
The funds of the charity:			
Restricted income funds	15	599,139	580,000
Unrestricted funds	15	37,658	1,444
Total charity funds		<u>636,797</u>	<u>581,444</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company. For the period ended 31 March 2018 the company was entitled to exemption under section 477 of the Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

Approved by the trustees and signed on their behalf by:


Name: Jennifer Elliot


Name: Ian Cooke

Date: 13 September 2018

20/9/18.

ACTION PORTY

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2018

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity constitutes a public benefit entity as defined by FRS 102.

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

(b) Funds structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal.

Further details of each fund are disclosed in note 15.

(c) Income recognition

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations, are recognised when the Trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

ACTION PORTY

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2018

1. Accounting Policies (continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

(d) Expenditure recognition

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 settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (e) below.

- Expenditure on charitable activities includes costs associated to further the purposes of the charity.

(e) Allocation of governance costs

Governance costs have been allocated directly to the costs of charitable activities.

(f) Tangible fixed assets and depreciation

All assets are capitalised and valued at historical cost. Depreciation is charged as follows:

	Basis
Freehold buildings	Refurbishment work not yet completed therefore no depreciation charged
Plant and equipment	10% - 25% straight line

(g) Debtors

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.

(h) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(i) 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.

ACTION PARTY

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2018

(j) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(k) Taxation

The company is a charitable company within the meaning of Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

2. Legal status of the Charity

The Charity is a registered Scottish charity and is company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

3. Related party transactions and trustees' expenses and remuneration

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind. No expenses were reimbursed or waived by trustees during the period (2017: Nil).

During the year no trustee had any personal interest in any contract or transaction entered into by the charity (2017: Nil).

4. Income from donations and legacies

	7 months to 31 March 2018 £	12 ½ months to 31 August 2017 £
Donations	21,273	2,335
Grants	68,500	590,000
	<u>89,773</u>	<u>592,335</u>

5. Income from other trading activities

	7 months to 31 March 2018 £	12 ½ months to 31 August 2017 £
Fundraising	1,277	859
	<u>1,277</u>	<u>859</u>

ACTION PORTY

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2018

6. Allocation of governance costs

Governance costs:	7 months to 31 March 2018 £	12 ½ months to 31 August 2017 £
Auditor's remuneration	-	2,700
Independent examiner's remuneration	645	-
	<u>645</u>	<u>2,700</u>

Allocation of governance and other support costs:	7 months to 31 March 2018 £	12 ½ months to 31 August 2017 £
Charitable activities	645	2,700
Total allocated	<u>645</u>	<u>2,700</u>

7. Analysis of expenditure on charitable activities

	7 months to 31 March Total 2018 £	12 ½ months to 31 August Total 2017 £
Salaries	15,064	-
Events	8,397	-
Loan interest	521	-
Insurance	4,083	-
Utilities	1,682	-
Depreciation	1,794	-
Professional fees	-	9,040
Other costs	3,511	10
Governance costs (note 6)	645	2,700
	<u>35,697</u>	<u>11,750</u>

ACTION PARTY

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2018

8. Analysis of staff costs and remuneration of key management personnel

	7 months to 31 March 2018 £	12 ½ months to 31 August 2017 £
Salaries and wages	15,064	-
Social security costs	-	-
Total staff costs and employee benefits	15,064	-
Key Management Personnel remuneration	15,064	-

No employees had employee benefits in excess of £60,000 (2017: Nil).

	7 months to 31 March 2018 No.	2017 No.
The average weekly number of persons, by headcount, employed by the charity during the year was:	2	-

9. Net income/(expenditure) for the year

	7 months to 31 March 2018 £	12 ½ months to 31 August 2017 £
This is stated after charging:		
Auditors Remuneration	-	2,700
Independent Examiners Remuneration	645	-
Depreciation	1,794	-
Loan interest	521	-

10. Government Grants

Income from government grants comprises £67,500 (2017: £580,000) received from Scottish Land Fund for revenue costs (2017: £570,000 for the purchase of property and £10,000 for revenue costs).

ACTION PORTY

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2018

11. Tangible Fixed Assets

	Freehold Land & Buildings £	Plant & Equipment £	Total £
Cost or valuation			
Additions	624,400	16,281	640,681
Disposals	-	-	-
At 31 March 2018	624,400	16,281	640,681
Depreciation			
Charge for the year	-	1,794	1,794
Eliminated on disposals	-	-	-
At 31 March 2018	-	1,794	1,794
Net book value			
At 31 March 2018	624,400	14,487	638,887

12. Debtors

	31 March 2018 £	31 August 2017 £
Grant due	-	10,000
Loan due	-	20,000
	-	30,000

13. Creditors: amounts falling due within one year

	31 March 2018 £	31 August 2017 £
Other creditors and accruals	31,350	7,545
Loan payable within one year	2,615	-
	33,965	7,545

14. Creditors: amounts falling due after more than one year

	31 March 2018 £	31 March 2017 £
Unsecured loan (falling due in less than 5 years)	17,384	20,000
	17,384	20,000

ACTION PARTY

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2018

15. Analysis of charitable funds

Analysis of Fund movements 2017	Income £	Expenditure £	Transfers £	Fund c/fwd £
12 ½ months to 31 August 2017				
Unrestricted funds				
General funds	3,194	1,750	-	1,444
Total unrestricted funds	3,194	1,750	-	1,444
Restricted fund				
Scottish Land Fund – capital	570,000	-	-	570,000
Scottish Land Fund - revenue	10,000	10,000	-	-
Resilient	10,000	-	-	10,000
Total restricted funds	590,000	10,000	-	580,000
TOTAL FUNDS	593,194	11,750	-	581,444

Analysis of Fund movements 2018	Fund b/fwd £	Income £	Expenditure £	Transfers £	Fund c/fwd £
7 months to 31 March 2018					
Unrestricted funds					
General funds	1,444	23,550	11,010	23,674	37,658
Total unrestricted funds	1,444	23,550	11,010	23,674	37,658
Restricted fund					
Scottish Land Fund – capital	570,000	-	-	-	570,000
Scottish Land Fund - revenue	-	67,500	24,687	(13,674)	29,139
Resilient	10,000	-	-	(10,000)	-
Total restricted funds	580,000	67,500	24,687	(23,674)	599,139
TOTAL FUNDS	581,444	91,050	35,697	-	636,797

a) The unrestricted funds are available to be spent for any of the purposes of the charity.

b) Restricted funds comprise:

Scottish Land Fund – capital – funding received for the purchase of property

Scottish Land Fund – revenue – funding received for start-up costs

Resilient – funding received for the purchase of property

16. Capital Commitments

	2018 £	2017 £
Approved by the board and not yet contracted	-	600,000
	-	600,000

ACTION PARTY

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2018

17. Net assets over funds

	Unrestricted Funds	Restricted Funds	Total 31 March 2018
	£	£	£
Fixed assets	68,887	570,000	638,887
Current assets	20,120	29,139	49,259
Current liabilities	(33,965)	-	(33,965)
Long term liabilities	(17,384)	-	(17,384)
	<u>37,658</u>	<u>599,139</u>	<u>636,797</u>

	Unrestricted Funds	Restricted Funds	Total 31 August 2017
	£	£	£
Current assets	28,989	580,000	608,989
Current liabilities	(7,545)	-	(7,545)
Long term liabilities	(20,000)	-	(20,000)
	<u>1,444</u>	<u>580,000</u>	<u>581,444</u>

ACTION PARTY

53 Brunstane Road
Edinburgh
Midlothian
EH15 2QS

Wylie & Bisset LLP
Chartered Accountants
168 Bath Street
Glasgow
G2 4TP

Dear Sirs

LETTER OF REPRESENTATION


We confirm to the best of our knowledge and belief, and having made appropriate enquiries of other trustees and officials of the charity, the following representations given to you in connection with your independent examination of the charity's accounts for the period ended 31 March 2018.

1. We acknowledge as trustees our responsibility for making accurate representations to you and for the accounts which you have prepared for the charity. All the accounting records have been made available to you for the purpose of your independent examination, to the best of our knowledge and all the transactions undertaken by the charity have been reflected and recorded in the accounting records. All other records and related information, including minutes of all meetings, have been made available to you.
2. The financial statements are free of material misstatements including omissions.
3. We acknowledge our responsibility for the design and implementation of internal control systems to prevent and detect fraud. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud. There have been no irregularities (or allegations of irregularities) involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
4. The charity has no liabilities or contingent liabilities other than those disclosed in the accounts.
5. All claims in connection with litigation that have been, or are expected to be, received have been properly accrued for in the financial statements.
6. There have been no events since the balance sheet date that require disclosure or which would materially affect the amounts in the accounts, other than those already disclosed or included in the accounts. Should further material events occur, which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, we will advise you accordingly.
7. To the best of our knowledge and belief, the charity has had at no time during the year any arrangement, transaction or agreement to provide credit facilities (including loans, quasi-loans or credit transactions) for trustees nor to guarantee or provide security for such matters.
8. We confirm that we have disclosed to you all related party transactions relevant to the charity and that we are not aware of any further related party matters that require disclosure in order to comply with the requirements of charities legislation, the Statement of Recommended Practice for charity accounts or accounting standards.
9. The charity has not contracted for any capital expenditure other than as disclosed in the accounts.
10. The charity has satisfactory title to all assets and there are no liens or encumbrances on the charity's assets, except for those that are disclosed in the financial statements.

11. We are not aware of any irregularities, including fraud, involving management or employees of the charity. No allegations of such irregularities, including fraud, have come to our attention.
12. We confirm that we have told you of all laws or regulations that are central to the charity's ability to conduct its business and confirm that there have been no material breaches.
13. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

We confirm that the above representations are made on the basis of enquiries of staff with relevant knowledge and experience (and, where appropriate, of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Yours faithfully

..... Trustee

..... Trustee

Date: 20/9/18.