

**CHARITY NO: SC047358**

**COMPANY NO: SC542465**

**ACTION PORTY  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**DRAFT**

**ACTION PORTY**

**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

	<b>PAGE</b>
Reference and Administrative information	1
Report of the Trustees	2 – 8
Independent Examiner's Report	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12 - 20

## **ACTION PARTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **REFERENCE AND ADMINISTRATIVE INFORMATION**

**Trustees**

Justin Kenrick (Chair)  
Kyrsta MacDonald Scott (Vice-Chair)  
Ian Cooke (Company Secretary)  
John Muir (Treasurer) (Appointed 18.08.2022)  
Jennifer Elliot  
Catherine Maclean  
Morag Donaldson  
Alan Simpson  
Alasdair Reid  
Nadira Tucker (Resigned 22.02.2023)

**Registered Office &  
Operational address**

Bellfield  
16a Bellfield Street  
Edinburgh  
EH15 2BP

**Charity Number:**

SC047358

**Company Number:**

SC542465

**Independent Examiners**

Wylie & Bisset LLP  
168 Bath Street  
Glasgow  
G2 4TP

**Bankers**

TSB Bank plc  
134c Portobello High Street  
Edinburgh  
EH15 1AJ

## **ACTION PORTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

The Trustees present their annual report and financial statements of the charity for the year ended 31 March 2023.

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 (FRS 102) (effective 1 January 2019).

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

#### **Structure, Governance and Management**

##### Governing document

The organisation was established as a company on 11 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. Action Porty 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 Porty is governed by a board which is elected by the membership of the organisation. Action Porty subsequently applied for charitable status, and this was awarded in March 2017, at which point the directors became trustees of the charity. Action Porty extended the geographical boundary of the organisation at its 2018 AGM and at the 2020 AGM the articles were further amended to change the quorum for Annual General Meetings.

On 1 February 2022, Action Porty held an Extraordinary AGM, to seek approval from its membership to convert the organisation from a Company Limited by Guarantee with charitable status to a Community Benefit Society with charitable status. The motion to convert was approved unanimously at the EGM, as was a new set of CBS rules. The charitable objectives of Action Porty remained unchanged, thus ensuring the ongoing charitable status of the organisation. After submitting an application, official Community Benefit Society status was granted by the Financial Conduct Authority on 19 April 2022. Action Porty is currently completing the transfer of the company members to the new community benefit society.

##### Appointment of Directors / Trustees

The initial directors of the company were the 5 signatories to Action Porty's Articles of Association, and these articles, and subsequently the Rules of the Community Benefit Society, allow up to 10 elected and 2 co-opted trustees. Following the AGM held on 22 June 2022, the Board was composed of 9 trustees, although due to work commitments, Nadira Tucker stepped down from the Board in February 2023.

At the board meeting held on 20 July 2022, the following office bearers were all re-elected:

Chair: Justin Kenrick  
Vice-chair: Kyrsta MacDonald-Scott  
Secretary: Ian Cooke

## **ACTION PARTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **Structure, Governance and Management (continued)**

Jennifer Elliot, while remaining on the Board, stepped down from her role as Treasurer at the 31 May 2022 AGM, and following a short recruitment period, John Muir was appointed to the Board and elected as Treasurer on 18 August 2022.

#### Trustee induction and training

An induction pack (include a copy of the BenCom rules, information on the roles and responsibilities of being a trustee, and background information on Action Party) is made available to newly appointed trustees, together with a meeting with the company secretary or other office bearer.

#### Organisational Governance

The Board of Trustees of Action Party continues to meet regularly on a monthly basis. These meetings are supplemented by Board Away Days (held approximately every 6 months) at which more strategic issues (including the further development of the building) are considered. In addition to board meetings there are 3 standing sub committees and occasional short life working groups which feed into board meetings. The Treasurer circulates written financial management reports in advance of each Board meeting, and these are considered at the Board meetings. The trustees of Action Party are collectively responsible for the finances of the organisation.

In response to Action Party taking on a wider role within the Portobello community, the organisation is being re-structured to include a 'Bellfield Board' which will operate as a sub-committee of Action Party, with delegated financial and operational responsibilities. The Bellfield Board will report regularly to the Action Party Board, the latter retaining full legal and charitable responsibility for the organisation. An overlapping membership will help ensure robust governance and clear lines of communication.

#### Risk management

The Bellfield project involved re-opening and running the former Portobello Old Parish Church as a Community Hub, and ongoing repair and development work have characterized the period since taking ownership of the asset. As such, risk identification and risk management have been consistently considered at both the Operations Sub Group meetings and the full Board meetings. In the lead up to the official opening of Bellfield (June 2018), various policies, procedures and guidance were put in place to ensure compliance with the relevant legislative framework and to ensure the safety of staff, volunteers, and the public, and these are reviewed and added to on an ongoing basis. Throughout this process Action Party 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, and continues to do so. Action Party adopted a new Health and Safety Policy during the year under review and Bellfield continues to have both an Annual Fire Risk Assessment and PAT testing of equipment carried out. In January Action Party commissioned First Aid training for volunteers and is currently in the process of securing a defibrillator for Bellfield.

Over the last couple of years, risk management has assumed a much higher priority, as Action Party responded to the Covid 19 pandemic from March 2020 onwards – monitoring and reacting to the ever-changing Scottish Government Covid guidance and operational restrictions.

## **ACTION PORTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **Structure, Governance and Management (continued)**

Additional work undertaken has included Action Porty conducting a Covid risk management assessment (as part of the process of re-opening Bellfield in June 2020 and again in April 2021), together with assessing the risk management policies of all regular user groups. Additional risk assessment checks – such as legionella test– have also being carried out during this period. The implementation of the Bellfield risk assessment resulted in the purchase of fogging equipment, cleaning materials and new signage, a ‘deep clean’ of the facility and the introduction of an enhanced, ongoing cleaning regime.

#### **Objectives, Activities and Achievements**

Within the original articles of association (and now the CBS rules) Action Porty has relatively broad objectives which allow for the development of Action Porty beyond the more focussed objective of developing Bellfield as a thriving community hub. However, while the success of the Bellfield project remains its primary and immediate objective, Action Porty is increasingly engaging in wider community activity.

Action Porty became the first urban community in Scotland to successfully utilise the Scottish Government Community Right to Buy, to complete the purchase of the former Portobello Old Parish Church (now Bellfield) in 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. In addition to the capital grant, the Scottish Land Fund also provided early-stage revenue grant funding, and this, supplemented by various grants from the Architectural Heritage Fund, supported the initial process to help establish Bellfield as a sustainable community enterprise. As a result of the considerable efforts of Action Porty (and our volunteers), Bellfield was reopened to the community on 23 June 2018, less than 10 months after acquisition.

From the outset, demand for space and general interest in Bellfield as a community hub and local venue has continued to exceed our initial expectations, and despite the challenging interruptions caused by the Covid pandemic, this remains to be the case. The re-opening of Bellfield as a community hub enabled Action Porty to provide affordable facilities and meeting / activity space for a wide range of community organisations and local groups. Our 38 regular users include youth organisations, sports clubs, and arts and fitness classes. Bellfield also hosts a wide range of educational, social, and cultural events and activities, as well as community and public meetings. In addition, Bellfield is proving an increasingly popular venue for children’s birthday parties, weddings, and other family / life celebrations.

Action Porty has 2 members of staff – a Bellfield Administrator (appointed in June 2021) and a Volunteer Co-ordinator (initial appointment in January 2022) – both of whom are part-time. The latter post, funded through the Scottish Government’s Volunteer Support Fund, helps recruit and support volunteers - who are crucial to the ability of Action Porty to run Bellfield and deliver events and other activities.

Over the last 12 months Action Porty has continued to carry our vital repairs to Bellfield, and where funding has allowed, we have also managed to make some further improvements to the facility. After considerable delay, our project to install bike racks, and erect some e-bike storage to the rear of the large hall, has finally received the necessary consents, and work on this will progress shortly.

## **ACTION PARTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **Objectives, Activities and Achievements (continued)**

Over the course of the year, Bellfield hosted a wide range of events and performances, including shows during both the Edinburgh Jazz and Blues Festival and the Edinburgh Fringe. As with previous years, Action Party organised an 'Absent Friends' event, collaborated with other local organisations to organise Bellfield Bike-Fest, and again co-ordinated the annual Christmas activities in Portobello (including 'Window Wanderland' and the switching on of the Christmas Tree Lights).

Towards the end of 2022, our Volunteer Co-ordinator opened a weekly community café, aimed primarily at local people who are socially isolated. The café, which is run by local volunteers, has proved a great success, and is now a Bellfield fixture. During the cold, winter months the Bellfield café contributed to Portobello's Warm Spaces programme, and also provided the basis for a successful 'Living Well' project, which was delivered in partnership with St Columba's Hospice.

Beyond Bellfield, Action Party has played an active role in the 'Sounding Board' which the City of Edinburgh Council has established to influence the development of Seafield – a major brownfield site on the edge of Portobello. This has led to the engagement of consultants to consult the community and key stakeholders and develop a masterplan for Seafield. Action Party has also engaged in a number of other community discussions and issues over the last 12 months, and it is hoped that by re-structuring the organisation, the level of this wider activity will increase.

Throughout all this activity, Action Party continues to endeavour to keep members, supporters and the wider community regularly informed and updated – through a range of communication mediums including a monthly members' update.

#### **Financial Review**

The charity generated income of £124,519 (2022: £81,929) and incurred expenditure of £117,725 (2022: £68,378), resulting in a surplus of £6,794 (2022: £13,551).

At the year end the charity held unrestricted funds of £130,938 (2022: £129,731), of which £93,953 (2022: £109,819) was tied up in fixed assets leaving free reserves of £36,985 (2022: £19,912).

#### Revenue

Since re-opening Bellfield, Action Party has been evolving an appropriate and sustainable business model for the Bellfield project which is not dependent on revenue income from grants. As the use of Bellfield has increased steadily over the last year, so has the rental income, and having successfully navigated the challenges of Covid, Bellfield is evolving as a sustainable community enterprise. An important element of this is our relationship with Edinburgh Youth Theatre, who continue to be a key anchor tenant within Bellfield. With 38 regular groups and classes, the Large Hall, Small Hall, and Celebration Foyer now have a very high level of occupancy, with the Celebration Hall offering the greatest potential for further expansion (see below).

Action Party does currently receive a Scottish Government grant via the Volunteer Support Fund, and this enables us to employ a part-time Volunteer Co-ordinator.

## **ACTION PORTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **Financial Review (continued)**

Volunteers are a crucial element of the Bellfield business model, and this post has made an important contribution in the recruitment and support of over 40 regular volunteers, who perform a number of roles within Bellfield. Sustaining the Volunteer Co-ordinator post beyond the current grant (which expires in March 2024) will be a key priority for Action Porty going forward.

Throughout the last year, the cost-of-living crisis, and particularly soaring energy bills have impacted on the finances of Bellfield, although having an array of solar panels on the roof of Bellfield gives Action Porty a better degree of financial resilience than many other similar sized, voluntary organisations. Action Porty also has regular monthly payments to service 2 loans, but the first of these (which was taken out to help Action Porty acquire Bellfield) will be paid up by March 2024.

Action Porty has been reviewing our business plan, with the aim of producing a new business plan, over the last few months, with the support of a business consultant which we accessed via the Just Enterprise programme. Due to illness, this process has taken a bit longer than we would have hoped, but this work is coming along well, and will be a crucial component of the capital project and community shares issue mentioned below.

#### Capital

Both before and since opening Bellfield, Action Porty has accessed various grant funding to finance a number of essential repairs and capital improvements. This was supplemented by a successful crowd-funding initiative in September 2017 which (including gift aid) raised £20,000. The annual budget which Action Porty sets contains a relatively small element of funding for essential repairs and small improvements to Bellfield, and where necessary this is supplemented by taking money from our reserves. However in general, Action Porty looks to secure funding from charitable trusts, occasionally supplemented by money from other sources such as social loans, to finance major repair and building improvement work. Identifying and accessing charitable grants is therefore an ongoing priority for the Funding Sub Group, which continues to meet monthly.

The Board of Action Porty has always been aware that a major refurbishment of Bellfield would be required to address access, energy conservation and operational issues. As mentioned above there is also the need to re-provision the Celebration Hall (former church) to generate more community use, provide further rental income and increase the financial sustainability of Bellfield over the long term.

With financial support from the Architectural Heritage Fund and DTAS' Green Shoots Fund, the Board has engaged an architect-led team of building consultants over the last 6 months, to help us produce and cost a finalised design plan, for what will be a major capital project. This work has taken the form of a Feasibility Study, which has led to the development of a preferred option. This forms the basis of an application for pre-planning advice, which is currently sitting within the City of Edinburgh Council.

Depending on the finalised scheme, it is likely that Action Porty will have to raise between 1 and 1.5 million pounds to pay for the capital project. While the bulk of this is likely to come from charitable grants and, if necessary, some loan funding, we plan to kick off our fundraising efforts with a community shares issue – hopefully sometime in the Autumn (of 2023).

## **ACTION PARTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **Financial Review (continued)**

The conversion of the organisation to a community benefit society, and the development of a new business plan, are key elements of the necessary preparation for a community share issue. All this work will inform a 'prospectus' which will clearly set out the community share offer.

#### Principal funding sources

Rental income from Bellfield effectively funds the community business of operating Bellfield, with Action Party utilising a combination of grant funding and local fundraising to finance capital repair and improvement works. A revenue grant from the Volunteer Support Fund currently funds our Volunteer Co-ordinator post. Action Party continues to explore available funding sources for grants which would enable the organisation to employ one or more additional staff to increase the organisational capacity of the organisation. A community share issue is planned to kick-start funding efforts for the big capital project, and it is hoped that a successful community shares issue will help lever in capital grant funding from appropriate charitable trusts and other sources.

#### Future Financial Projection

Since re-opening Bellfield following the challenges of Covid (which included 2 enforced shutdowns of Bellfield) Action Party has steadily rebuilt the rental stream over the last 12 months. Despite the cost of living and energy price challenges, Action Party finished the financial year in a reasonably robust financial position. The Board of Action Party is currently reviewing our pricing policy which has the potential to slightly increase income from hires, but we remain committed to keeping prices as affordable as possible.

It is difficult to see how Action Party can grow the business much more without the redevelopment of Bellfield which the capital project would deliver. Thus, progressing the capital project is the major priority. In the meantime, our key financial objective for 2023/24 is one of consolidation.

A key part of this will involve Action Party continuing to control expenditure reasonably tightly, making prudent financial decisions about evolving the organisation and the Bellfield project, while increasingly endeavouring to respond to identified and emerging community need.

#### Accounting Reporting Date

These accounts are prepared for the 12-month period from 1 April 2022 to 31 March 2023.

#### Investment and reserves policy

Within the provision of the rules of the community benefit society, Action Party has the power to invest any money that the charity does not immediately require in any investments, securities or properties. However, Action Party is unlikely to be in this position for a number of years. The immediate priority for the organisation is to consolidate the business so that it continues to generate small surpluses, which can then be used to rebuild the level of free reserves which the organisation holds. Despite the pressure on the free reserves during the challenges of the Covid pandemic, Action Party has maintained reserves at a sufficient level equivalent to 3 months running costs (as per recommended guidance). However, the Covid pandemic, coupled with the current cost of living crisis has underlined the need to build up the organisations free reserves to a level well above this target, to increase the resilience of the organisation.

## **ACTION PORTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **Trustees responsibilities**

The charity trustees (who are also the directors of Action Porty for the purposes of the Co-operative and Community Benefit Societies Act 2014) 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).

Co-operatives legislation 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 charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the Statement of Recommended Practice: applicable to charities preparing their accounts in accordance with the Financial Reporting Standard Applicable in the UK and republic of Ireland (FRS 102) (effective 1 January 2019) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the trustees and signed on their behalf:

Name: John Muir

Date:

## **INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF ACTION PARTY FOR THE YEAR ENDED 31 MARCH 2023**

I report on the accounts of the charity for the period ended 31 March 2023, which are set out on pages 10 to 20.

### **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.

Catherine Livingstone BA (Hons) CA  
**Wylie & Bisset LLP**  
168 Bath Street  
Glasgow  
G2 4TP

Date:

## ACTION PORTY

### STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

(Including an Income and Expenditure account)

Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
<b>Income and endowments from:</b>						
4	17,474	19,700	37,174	2,207	27,223	29,430
5	87,345	-	87,345	51,758	-	51,758
6	-	-	-	-	741	741
<b>Total Income</b>	<b>104,819</b>	<b>19,700</b>	<b>124,519</b>	<b>53,965</b>	<b>27,964</b>	<b>81,929</b>
<b>Expenditure on:</b>						
8	103,612	14,113	117,725	56,515	11,863	68,378
<b>Total Expenditure</b>	<b>103,612</b>	<b>14,113</b>	<b>117,725</b>	<b>56,515</b>	<b>11,863</b>	<b>68,378</b>
<b>Net income / (expenditure)</b>	<b>1,207</b>	<b>5,587</b>	<b>6,794</b>	<b>(2,550)</b>	<b>16,101</b>	<b>13,551</b>
Transfers between funds	-	-	-	10,170	(10,170)	-
<b>Net movement in funds</b>	<b>1,207</b>	<b>5,587</b>	<b>6,794</b>	<b>7,620</b>	<b>5,931</b>	<b>13,551</b>
<b>Funds reconciliation</b>						
16	136,619	552,383	689,002	128,999	546,452	675,451
18	(6,888)	6,888	-	(6,888)	6,888	-
16	129,731	559,271	689,002	122,111	553,340	675,451
<b>Total Funds carried forward</b>	<b>130,938</b>	<b>564,858</b>	<b>695,796</b>	<b>129,731</b>	<b>559,271</b>	<b>689,002</b>

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 2023**

	Note	Total Funds 2023 £	As Restated Total Funds 2022 £
<b>Fixed assets:</b>			
Tangible assets	12	629,753	645,619
<b>Total Fixed Assets</b>		<u>629,753</u>	<u>645,619</u>
<b>Current assets:</b>			
Debtors	13	8,189	9,798
Cash at bank and in hand		79,724	58,257
<b>Total Current Assets</b>		<u>87,913</u>	<u>68,055</u>
<b>Liabilities:</b>			
Creditors falling due within one year	14	<u>(15,620)</u>	<u>(11,239)</u>
<b>Net current assets</b>		<u>72,293</u>	<u>56,816</u>
<b>Total assets less current liabilities</b>		702,046	702,435
Creditors: Amounts falling due after more than one year	15	<u>(6,250)</u>	<u>(13,433)</u>
<b>Net assets</b>		<u>695,796</u>	<u>689,002</u>
<b>The funds of the charity:</b>			
Restricted income funds	16	564,858	559,271
Unrestricted funds	16	130,938	129,731
<b>Total charity funds</b>		<u>695,796</u>	<u>689,002</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 year ended 31 March 2023 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: John Muir

Date:

Company Number: SC542465

## **ACTION PORTY**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **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) (effective 1 January 2019), 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 financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

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 16.

##### **(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 YEAR ENDED 31 MARCH 2023

#### 1. Accounting Policies (continued)

##### (c) Income recognition (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 over £500 are capitalised and valued at historical cost. Depreciation is charged as follows:

	Basis
Plant and equipment	20% - 25% straight line
Property Improvements	20% straight line

Freehold land and buildings are not depreciated because it is the policy of Action Porty to maintain the property to a high standard and the costs of maintenance is charged in the year which it is incurred. The property is recorded at residual value and therefore no provision for depreciation has been made. In prior years depreciation was calculated at 2% straight line. If the property has been depreciated this year the depreciation charge would have been £12,892.

##### (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.

## ACTION PORTY

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

#### 1. Accounting Policies (continued)

##### (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.

##### (j) Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### (k) 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.

##### (l) 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.

##### (m) Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The trustees are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied as follows;

##### Estimate

Depreciation of fixed assets

##### Basis of estimation

Fixed assets are depreciated and amortised over the useful life of the asset. The useful lives of fixed assets are based on the knowledge of the operations team, with reference to assets expected life cycle.

## ACTION PORTY

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

#### 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. There were no expenses reimbursed to trustees (2022: £nil). No expenses were waived by trustees during the period (2022: £nil).

No trustee donations (2022: £nil) were made to the charity in the year.

Al Reid, a trustee of the charity, has a small financial stake in the Skylark, who Action Porty have a mutually beneficial arrangement with to provide bars at functions within Bellfield. During the year £nil (2022: £nil) was received from Skylark. At the year end there was no balance owed or due from Skylark (2021: £nil). Trustees do not take part in discussions or decisions when there is a potential financial conflict of interest.

#### 4. Income from donations and legacies

	2023 £	2022 £
Donations	2,202	1,344
Grants	34,972	28,086
	<u>37,174</u>	<u>29,430</u>

#### 5. Income from charitable activities

	2023 £	2022 £
Hall lets	87,290	51,758
Performance and Events Income	55	-
	<u>87,345</u>	<u>51,758</u>

#### 6. Other incoming resources

	2023 £	2022 £
CJRS	-	741
	<u>-</u>	<u>741</u>

#### 7. Allocation of governance costs

Governance costs:	2023 £	2022 £
Independent Examiners' Fees	1,794	1,320
	<u>1,794</u>	<u>1,320</u>

Governance costs are allocated to costs of charitable activities.

## ACTION PORTY

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

#### 8. Analysis of expenditure on charitable activities

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Salaries	34,247	19,070
Events	810	1,333
Loan interest	465	351
Insurance	4,808	6,070
Utilities	7,641	2,420
Telephone	1,536	879
Repairs & maintenance costs	17,871	9,027
Advertising & marketing	620	380
IT software and consumables	1,729	1,458
Consulting	9,876	1,058
Professional & legal fees	1,041	756
Bank fees	446	261
Other costs	12,740	2,487
Depreciation	15,866	17,372
Subscriptions	65	49
Project Costs	6,170	4,087
Governance costs (note 8)	1,794	1,320
	<u>117,725</u>	<u>68,378</u>

#### 9. Analysis of staff costs and remuneration of key management personnel

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Salaries and wages	32,642	18,303
Employer pension contributions	1,605	767
Total staff costs	<u>34,247</u>	<u>19,070</u>
Key Management Personnel remuneration	<u>34,247</u>	<u>19,070</u>

No employees had employee benefits in excess of £60,000 (2022: £nil).

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
The average weekly number of persons, by headcount, employed by the charity during the year was:	<u>2</u>	<u>2</u>

#### 10. Net income/(expenditure) for the year

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Independent Examiners Remuneration	1,794	1,320
Depreciation	<u>15,866</u>	<u>17,372</u>

## ACTION PORTY

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

#### 11. Government Grants

DTAS Communities Recovery Fund - £nil (2022: £nil) was received towards PPE, equipment and salary costs. £nil (2022: £168) was spent during the year, the balance of £6,824 is carried forward to 2023/24.

DTAS Battery Project - £nil (2022: £13,800) was received towards the purchase of storage batteries.

DTAS Green Cycling Project - £nil (2022: £1,500) was received towards geophysical survey costs. £nil (2022: £1,500) was spent during the year.

Scottish Government - £nil (2022: £936) was received towards the purchase carbon monoxide detectors. £nil (2022: £936) was spent during the year.

UK Government Coronavirus Job Retention Scheme - £nil (2022: £741) was received for funding towards staff costs due to the coronavirus pandemic. £nil (2022: £741) was spent during the year.

#### 12. Tangible Fixed Assets

	Freehold Land & Buildings £	Plant & Equipment £	Property Improvements £	Total £
<b>Cost or valuation</b>				
At 1 April 2022	644,606	17,877	69,746	732,229
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2023	644,606	17,877	69,746	732,229
<b>Depreciation</b>				
At 1 April 2022	38,676	15,163	32,771	86,610
Charge for the year	-	1,917	13,949	15,866
Eliminated on disposals	-	-	-	-
At 31 March 2023	38,676	17,080	46,720	102,476
<b>Net book value</b>				
At 31 March 2022	605,930	2,714	36,975	645,619
At 31 March 2023	605,930	797	23,026	629,753

## ACTION PORTY

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

#### 13. Debtors

	2023 £	2022 £
Trade debtors	7,690	6,556
Other debtors	499	306
Accrued income	-	2,936
	8,189	9,798

#### 14. Creditors: amounts falling due within one year

	2023 £	2022 £
Trader creditors and accruals	8,437	4,181
Loans payable within one year	7,183	7,058
	15,620	11,239

#### 15. Creditors: amounts falling due after more than one year

	2023 £	2022 £
Loans payable within 1 – 5 years	6,250	13,433
	6,250	13,433

#### 16. Analysis of charitable funds

2022 Analysis of Fund movements	As Restated Fund b/fwd £	Income £	Expenditure £	Transfers £	As Restated Fund c/fwd £
<b>Unrestricted funds</b>					
Fixed Assets	115,935	-	(17,372)	11,256	109,819
<b>Total designated funds</b>	115,935	-	(17,372)	11,256	109,819
General funds	6,176	53,965	(39,143)	(1,086)	19,912
<b>Total unrestricted funds</b>	122,111	53,965	(56,515)	10,170	129,731
<b>Restricted funds</b>					
Arnold Clark	-	2,000	-	-	2,000
DTAS Community Recovery	6,992	-	(168)	-	6,824
DTAS Battery Project	-	13,800	(4,140)	(9,660)	-
DTAS Green Cycling Project	-	1,500	(1,500)	-	-
EB Scotland	-	2,587	(2,587)	-	-
Edinburgh Council – Heart Talk Porty	-	2,400	(1,430)	-	970
Green Cycle Fund	10,420	-	-	-	10,420
Scottish Government	-	936	(936)	-	-
Scottish Land Fund - capital	535,800	-	-	-	535,800
UK Government	-	741	(741)	-	-
Volunteer Support Fund	-	4,000	(361)	(510)	3,129
Warburtons Grant	128	-	-	-	128
<b>Total restricted funds</b>	553,340	27,964	(11,863)	(10,170)	559,271
<b>TOTAL FUNDS</b>	675,451	81,929	(68,378)	-	689,002

## ACTION PORTY

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

#### 16. Analysis of charitable funds (continued)

2023 Analysis of Fund movements	As Restated Fund b/fwd £	Income £	Expenditure £	Transfers £	Fund c/fwd £
<b>Unrestricted funds</b>					
Fixed Assets	109,819	-	(15,866)	-	93,953
<b>Total designated funds</b>	109,819	-	(15,866)	-	93,953
General funds	19,912	104,819	(87,746)	-	36,985
<b>Total unrestricted funds</b>	129,731	104,819	(103,612)	-	130,938
<b>Restricted funds</b>					
Absent Friends Fund	-	300	(270)	-	30
Architectural Heritage Fund	-	6,000	(6,000)	-	-
Arnold Clark	2,000	-	(1,885)	-	115
DTAS Community Recovery	6,824	-	-	-	6,824
Edinburgh Council – Heart Talk Porty	970	-	(810)	-	160
Green Cycle Fund	10,420	-	(5,148)	-	5,272
Scottish Land Fund – capital	535,800	-	-	-	535,800
Volunteer Support Fund	3,129	13,000	-	-	16,129
Warburtons Grant	128	400	-	-	528
<b>Total restricted funds</b>	559,271	19,700	(14,113)	-	564,858
<b>TOTAL FUNDS</b>	689,002	124,519	(117,725)	-	695,796

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

Fixed assets are the amount of the charity's funds tied up in fixed assets.

- b) Restricted funds comprise:

Absent Friends Fund – grant to fund an event for groups of families and friends to grieve for a loved one.

Architectural Heritage Fund - funding to contract architect to progress feasibility study for Bellfield.

Arnold Clark - funding to establish a volunteer led community café.

DTAS Community Recovery Fund – funding towards PPE, equipment and salary costs.

DTAS Battery Project – funding towards storage batteries.

DTAS Green Cycling Project – funding towards the costs of a geophysical survey.

EB Scotland – funding for secondary glazing for office window.

Edinburgh Council – Heart Talk Porty - funding for community consultation / community engagement activities.

## ACTION PORTY

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

#### 16. Analysis of charitable funds (continued)

b) Restricted funds comprise:

Green Cycle Fund – Funding towards the cost of cycle shelter and scooter racks.

Scottish Government – Funding towards roof repairs.

Scottish Land Fund – Capital – Funding received for the purchase of a property. The funder will monitor and may inspect the property for a period of 5 years, therefore classified as a restricted asset during this period.

UK Government CJRS – Funding towards salary costs during the Coronavirus pandemic

Volunteer Support fund - funding for a part volunteer co-ordinator post.

Warburtons Grant - funding for maintenance and upgrading work to Bellfield garden.

c) Transfers in the prior year relate to the purchase of fixed assets during the year.

#### 17. Net assets over funds

	As Restated Unrestricted Funds £	As Restated Restricted Funds £	Total 2022 £
Fixed assets	109,819	535,800	645,619
Debtors	6,862	2,936	9,798
Cash	37,722	20,535	58,257
Creditors < 1 year	(11,239)	-	(11,239)
Creditors > 1 year	(13,433)	-	(13,433)
	<u>129,731</u>	<u>559,271</u>	<u>689,002</u>

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Fixed assets	93,953	535,800	629,753
Debtors	5,253	2,936	8,189
Cash	53,602	26,122	79,724
Creditors < 1 year	(15,620)	-	(15,620)
Creditors > 1 year	(6,250)	-	(6,250)
	<u>130,938</u>	<u>564,858</u>	<u>695,796</u>

#### 18. Prior year adjustment

During the preparation of the financial statements for the current year we uncovered in the 2020 accounts £6,888 of income was misallocated as unrestricted income. The impact of the adjustment was an increase in the restricted fund balance and a decrease in the unrestricted fund balance of £6,888. The overall total funds remained unchanged.