

**CHARITY NO: SC047358**

**COMPANY NO: SC542465**

**ACTION PORTY**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**ACTION PORTY**

**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

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**ACTION PORTY**

**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

**REFERENCE AND ADMINISTRATIVE INFORMATION**

**Trustees** Justin Kenrick (Chair)  
Kyrsta MacDonald Scott (Vice-Chair)  
Ian Cooke (Company Secretary)  
Jennifer Elliot (Resigned as treasurer 31.05.2022)  
Morag Donaldson  
Alan Simpson  
Alasdair Reid  
Catherine Maclean  
Nadira Tucker  
John Muir (Appointed 18.08.2022, Treasurer)

**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 2022**

The Trustees present their annual report and financial statements of the charity for the year ended 31 March 2022.

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 company was established 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 of directors who are 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.

Action Porty held an AGM on 31 May, 2021 (the meeting having been delayed for several months because of the Covid pandemic). 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 involved in ongoing work around transferring the members of the company 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 over time the board has expanded to as many as 11 directors / trustees. Following 3 resignations in 2020/21, Nadira Tucker was informally co-opted on to the Board on 25 February, 2021, and this appointment was formalised at the Annual General Meeting held on 31 May, 2021. Throughout the period of 2021 – 2022, Action Porty operated with a board of 9 directors.

## **ACTION PORTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

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

At the board meeting held on 24 June, 2021, the following office bearers were all re-elected:

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

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 in August, 2022.

#### Trustee induction and training

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) 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 Porty 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 Porty are collectively responsible for the finances of the organisation.

#### 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 updated on an ongoing basis. Throughout this process 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, and continues to do so.

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

## **ACTION PORTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

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

Additional risk assessment checks – such as legionella test and PAT testing of equipment – have also been 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 focused objective of developing Bellfield as a thriving community hub. However, while Action Porty does increasingly engage in wider community activity, the success of the Bellfield project remains its primary and immediate objective.

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.

The 2021/22 year has been characterised by the ongoing Covid pandemic. Action Porty reopened Bellfield (for the second time) in a phased and safe way during April and May of 2021, and thankfully, this time the Community Hub has remained opened. Action Porty appointed a new administrator in June, 2021, and this has contributed to the demand for Bellfield being greater than ever. Volunteers are crucial to the ability of Action Porty to run Bellfield and deliver other activities – particularly regular volunteers such as 'the Bellfield Hosts', who are an integral part of the business model. Towards the end of 2021, we managed to secure a grant from the Scottish Government, which enabled us to employ a part-time Volunteer Co-ordinator in February, 2022.

Over the last 12 months Action Porty has continued to carry out vital repairs to Bellfield, and where funding has allowed, we have also managed to make some further improvements to the facility. This includes the installation of a battery storage facility which will enable Action Porty to make better use of the energy it generates through our array of solar panels.

## **ACTION PORTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

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

Action Porty is currently seeking planning permission to install bike racks, and erect some e-bike storage to the rear of the large hall.

Re-opening Bellfield safely, particularly before the new administrator was in post, placed considerable strain on the board of trustees, and this, combined with general Covid restrictions, limited the number of events which Action Porty was able to run during 2021/22. However events which did take place included some successful Christmas activities (including 'Window Wanderland'), an 'Absent Friends' event and Bellfield Bike-fest, the latter in collaboration with other local organisations.

During 2021, Action Porty initiated a series of meetings with other local organisations to discuss the need for a development trust in Portobello, and this led to us co-ordinating Heart Talk Porty – a successful series of community conversations covering a range of issues and topics, and which have led to a range of developments being initiated within the community.

Throughout all this activity, Action Porty 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 £81,929 (2021: £84,321) and incurred expenditure of £68,378 (2021: £94,088), resulting in a surplus of £13,551 (2021: deficit of £9,767).

At the year end the charity held unrestricted funds of £136,619 (2021: £128,999), of which £109,819 (2021: £115,935) was tied up in fixed assets leaving free reserves of £26,800 (2021: £13,064).

#### Revenue

Since re-opening Bellfield, Action Porty has been evolving an appropriate and sustainable business model for the Bellfield project which increasingly relies on rental income. Action Porty continues to have Edinburgh Youth Theatre as a key anchor tenant and let out other internal / external spaces to appropriate local organisations. Before Covid, Bellfield had reached a point where it was just beginning to operate sustainably, without any revenue grant income. This was followed by a challenging period of closure, where our rental income virtually collapsed and in response, we reduced our operational expenditure to as low a level as was practicably possible.

As Bellfield began to re-open at the start of the 2021/22 financial year, our rental income began to gradually grow, although it took a good number of months before rental income reached pre-Covid levels. In addition to benefitting from the UK Government's Furlough Scheme, Action Porty secured a couple of grants (from the Scottish Government and Resilient Scotland) to support the financial recovery of the organisation and address cash-flow difficulties during this period. Action Porty also benefitted from both our lenders offering 'loan repayment holidays'. All this support was crucial in enabling Action Porty to return Bellfield to a financially sustainable trading position.

## **ACTION PORTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

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

Action Porty's objective has always been to develop Bellfield as a financially sustainable community enterprise where the core operation is financed entirely through self-generated income. Towards the end of 2021/22, Action Porty was achieving this broadly position and this sets a good basis for going forward. Action Porty is currently working with an enterprise consultant from Just Enterprise to help us review our current business model and write a new business plan for evolving and developing our community business.

Looking ahead, the major challenge is likely to be the huge projected rise in energy costs. While this will affect all organisations, our renewable energy source at Bellfield should make Action Porty a bit more resilient than most. Further planned energy conversation measures to Bellfield will also prove increasingly crucial with regard to our ability to meet the challenge of considerably higher energy costs.

One of the major constraints on Action Porty is limited organisational capacity. As such, securing a 2.5 year revenue grant to employ a part-time Volunteer Co-ordinator has helped considerably with regard to organisational capacity, but Action Porty continues to seek funding for a Development Manager for the organisation.

#### Capital

Both before and since opening, 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 capital 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 utilised some of the period when Bellfield was closed to engage with an architect and begin to think about a major capital project which would address some of the current operational issues, improve access and energy conservation within Bellfield, and maximise rental income (chiefly through better use of the Celebration Hall). The proposed work is likely to cost in the region of £1 million which Action Porty plan to finance through a community share issue (hence conversion to a community benefit society), charitable grants and, if necessary, some loan funding. Action Porty is currently edging towards a finalised development plan, the feasibility of which will be tested by our architects and other professional building services over the coming weeks.

#### Principal funding sources

Rental income from Bellfield effectively funds the community business of operating Bellfield, with Action Porty utilising a combination of grant funding and local fundraising to finance capital repair and improvement works. Action Porty 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 this will require the development of a new business plan and a community share prospectus which meets the required standards.



## **ACTION PORTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

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

It is hoped that a successful community shares issue will assist efforts to lever additional capital grant funding from appropriate charitable trusts. During the Covid period Action Porty received grants from both the Scottish Government (via DTAS) and Resilient Scotland to support our Covid Recovery plan.

#### Future Financial Projection

Having successfully rebuilt the rental income stream following the enforced closures of Bellfield during the height of the Covid pandemic, and with ongoing, strong demand for Bellfield, Action Porty see the key financial objective for 2022/23 as one of consolidation. The business plan review will help the Board better understand the strengths and weaknesses of the Bellfield business, and also, hopefully, identify opportunities for further development. It is anticipated that this process, together with the big capital project, will strengthen the financial sustainability of the project, ensuring that Bellfield operates as a successful community hub for many years to come.

Action Porty will continue to control expenditure reasonably tightly, making prudent financial decisions about evolving the organisation and the Bellfield project, while increasingly endeavouring to respond to identified community need. Managing the rise in energy costs will be challenging, but Action Porty is confident that it can absorb them within the current business model.

#### Accounting Reporting Date

These accounts are prepared for the 12 month period from 1 April 2021 to 31 March 2022.

#### 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 consolidate the business to a point where it is generating 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 Porty has maintained reserves at a sufficient to a level equivalent to 3 months running costs (as per recommended guidance). However, the Covid pandemic, coupled with the emerging 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. Based on current expenditure levels this amounts £17,095. The charity currently holds general free reserves of £26,800 and is therefore above the target level.

#### **Trustees responsibilities**

The charity trustees (who are also the directors of the Action Porty 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

## **ACTION PARTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

#### **Trustees responsibilities (continued)**

In preparing the financial statements, the trustees are required to:

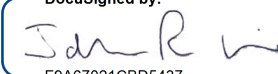
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures 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 adequate 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.

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:

DocuSigned by:  
  
Name: John Muir

Date: 9 December 2022

## **INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF ACTION PORTY FORTHE YEAR ENDED 31 MARCH 2022**

I report on the accounts of the charity for the period ended 31 March 2022, 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.

DocuSigned by:  
  
3EBD29AABFF044E...  
Jenny Simpson BSc (Hons) FCA DChA  
**Wylie & Bisset LLP**  
168 Bath Street  
Glasgow  
G2 4TP

Date: 9 December 2022

**ACTION PORTY**  
**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022**

(Including an Income and Expenditure account)

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
<b>Income and endowments from:</b>							
Donations and legacies	4	2,207	27,223	29,430	26,070	51,076	77,146
Charitable activities	5	51,758	-	51,758	4,375	-	4,375
Other incoming resources	6	-	741	741	-	2,800	2,800
<b>Total Income</b>		<b>53,965</b>	<b>27,964</b>	<b>81,929</b>	<b>30,445</b>	<b>53,876</b>	<b>84,321</b>
<b>Expenditure on:</b>							
Charitable activities	8	56,515	11,863	68,378	65,239	28,849	94,088
<b>Total Expenditure</b>		<b>56,515</b>	<b>11,863</b>	<b>68,378</b>	<b>65,239</b>	<b>28,849</b>	<b>94,088</b>
<b>Net (expenditure) / income</b>		<b>(2,550)</b>	<b>16,101</b>	<b>13,551</b>	<b>(34,794)</b>	<b>25,027</b>	<b>(9,767)</b>
Transfers between funds		10,170	(10,170)	-	26,000	(26,000)	-
<b>Net movement in funds</b>		<b>7,620</b>	<b>5,931</b>	<b>13,551</b>	<b>(8,794)</b>	<b>(973)</b>	<b>(9,767)</b>
<b>Funds reconciliation</b>							
Total Funds Brought Forward	16	128,999	546,452	675,451	137,793	547,425	685,218
<b>Total Funds carried forward</b>	<b>16</b>	<b>136,619</b>	<b>552,383</b>	<b>689,002</b>	<b>128,999</b>	<b>546,452</b>	<b>675,451</b>

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

All income and expenditure derive from continuing activities.

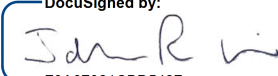
**ACTION PORTY****BALANCE SHEET AS AT 31 MARCH 2022**

	Note	Total Funds 2022 £	Total Funds 2021 £
<b>Fixed assets:</b>			
Tangible assets	12	645,619	651,735
<b>Total Fixed Assets</b>		<u>645,619</u>	<u>651,735</u>
<b>Current assets:</b>			
Debtors	13	9,798	617
Cash at bank and in hand		58,257	51,256
<b>Total Current Assets</b>		<u>68,055</u>	<u>51,873</u>
<b>Liabilities:</b>			
Creditors falling due within one year	14	<u>(11,239)</u>	<u>(8,401)</u>
<b>Net current assets</b>		<u>56,816</u>	<u>43,472</u>
<b>Total assets less current liabilities</b>		702,435	695,207
Creditors: Amounts falling due after more than one year	15	<u>(13,433)</u>	<u>(19,756)</u>
<b>Net assets</b>		<u>689,002</u>	<u>675,451</u>
<b>The funds of the charity:</b>			
Restricted income funds	16	552,383	546,452
Unrestricted funds	16	136,619	128,999
<b>Total charity funds</b>		<u>689,002</u>	<u>675,451</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 2022 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:

DocuSigned by:  
  
 F9A67021CBD5437...  
 Name: John Muir

Date: 9 December 2022

Company Number: SC542465

## **ACTION PORTY**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022**

#### **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 2022****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 2022**

#### **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 2022****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 (2021: £nil). No expenses were waived by trustees during the period (2021: £nil).

Donations totalling £Nil (2021: £700) were made to the charity by zero trustees (2021: two trustees).

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 (2021: £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**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Donations	1,344	1,350
Grants	28,086	75,796
	<u>29,430</u>	<u>77,146</u>

**5. Income from charitable activities**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Performance and event income	-	160
Hall lets	51,758	4,215
	<u>51,758</u>	<u>4,375</u>

**6. Other incoming resources**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
CJRS	741	2,800
	<u>741</u>	<u>2,800</u>

**7. Allocation of governance costs**

<b>Governance costs:</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Independent Examiners' Fees	1,320	1,212
	<u>1,320</u>	<u>1,212</u>

Governance costs are allocated to costs of charitable activities.

**ACTION PORTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022****8. Analysis of expenditure on charitable activities**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Salaries	19,070	13,447
Events	1,333	-
Loan interest	351	66
Insurance	6,070	5,147
Utilities	2,420	5,443
Telephone	879	992
Repairs & maintenance costs	9,027	26,547
Advertising & marketing	380	-
IT software and consumables	1,458	1,075
Consulting	1,058	3,560
Professional & legal fees	756	4,004
Bank fees	261	217
Other costs	2,487	4,158
Depreciation	17,372	28,220
Subscriptions	49	-
Project Costs	4,087	-
Governance costs (note 8)	1,320	1,212
	<u>68,378</u>	<u>94,088</u>

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Salaries and wages	18,303	13,089
Social security costs	-	120
Employer pension contributions	767	238
Total staff costs	<u>19,070</u>	<u>13,447</u>
Key Management Personnel remuneration	<u>19,070</u>	<u>13,447</u>

No employees had employee benefits in excess of £60,000 (2021: £Nil).

	<b>2022</b>	<b>2021</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>1</u>

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Independent Examiners Remuneration	1,320	1,212
Depreciation	<u>17,372</u>	<u>28,220</u>

**ACTION PORTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022****11. Government Grants**

DTAS Communities Recovery Fund - £Nil (2021: £13,053) was received towards PPE, equipment and salary costs. £168 (2021: £6,601) was spent during the year, the balance of £6,284 is carried forward to 2022/23.

DTAS Battery Project - £13,800 (2021: £Nil) was received towards the purchase of storage batteries. The amount was fully spent in 2022.

DTAS Green Cycling Project - £1,500 (2021: £Nil) was received towards geophysical survey costs. The amount was fully spent in 2022.

Resilient Scotland - £Nil (2021: £18,000) was received towards the charity's covid recovery plan. £Nil (2021: £106) was spent during the year the balance of £17,894 is carried forward to 2022/23.

Scottish Government - £936 was received towards the purchase carbon monoxide detectors. The amount was fully spent in 2022.

UK Government Coronavirus Job Retention Scheme - £741 (2021: £2,800) was received for funding towards staff costs due to the coronavirus pandemic. The amount was fully spent in 2022.

**12. Tangible Fixed Assets**

	<b>Freehold Land &amp; Buildings £</b>	<b>Plant &amp; Equipment £</b>	<b>Property Improvements £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
At 1 April 2021	644,606	16,281	60,086	720,973
Additions	-	1,596	9,660	11,256
Disposals	-	-	-	-
At 31 March 2022	644,606	17,877	69,746	732,229
<b>Depreciation</b>				
At 1 April 2021	38,676	11,728	18,834	69,238
Charge for the year	-	3,435	13,937	17,372
Eliminated on disposals	-	-	-	-
At 31 March 2022	38,676	15,163	32,771	86,610
<b>Net book value</b>				
At 31 March 2021	605,930	4,553	41,252	651,735
At 31 March 2022	605,930	2,714	36,975	645,619

**ACTION PORTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022****13. Debtors**

	<b>2022</b>	<b>2021</b>
	£	£
Trade debtors	6,556	392
Other debtors	306	225
Accrued income	2,936	-
	<u>9,798</u>	<u>617</u>

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

	<b>2022</b>	<b>2021</b>
	£	£
Trader creditors and accruals	4,181	3,324
Loans payable within one year	7,058	5,077
	<u>11,239</u>	<u>8,401</u>

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

	<b>2022</b>	<b>2021</b>
	£	£
Loans payable within 1 – 5 years	13,433	19,756
	<u>13,433</u>	<u>19,756</u>

**16. Analysis of charitable funds**

<b>2021</b> <b>Analysis of</b> <b>Fund movements</b>	<b>Fund</b> <b>c/fwd</b> <b>£</b>	<b>Income</b> <b>£</b>	<b>Expenditure</b> <b>£</b>	<b>Transfers</b> <b>£</b>	<b>Fund</b> <b>c/fwd</b> <b>£</b>
<b>Unrestricted funds</b>					
Fixed Assets	106,755	-	(16,820)	26,000	115,935
<b>Total designated funds</b>	106,755	-	(16,820)	26,000	115,935
General funds	31,038	30,445	(48,419)	-	13,064
<b>Total unrestricted funds</b>	<u>137,793</u>	<u>30,445</u>	<u>(65,239)</u>	<u>26,000</u>	<u>128,999</u>
<b>Restricted funds</b>					
Community Grant Fund	225	-	(225)	-	-
DTAS	-	13,053	(6,061)	-	6,992
FCC Communities, Levenseat Trust & Viridor	-	29,325	(3,325)	(26,000)	-
Green Cycle Fund	-	4,920	(1,260)	-	3,660
Scottish Land Fund - capital	547,200	-	(11,400)	-	535,800
Scottish Government	-	3,778	(3,778)	-	-
UK Government	-	2,800	(2,800)	-	-
<b>Total restricted funds</b>	<u>547,425</u>	<u>53,876</u>	<u>(28,849)</u>	<u>(26,000)</u>	<u>546,452</u>
<b>TOTAL FUNDS</b>	<u>685,218</u>	<u>84,321</u>	<u>(94,088)</u>	<u>-</u>	<u>675,451</u>

**ACTION PORTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022****16. Analysis of charitable funds (continued)**

<b>2022 Analysis of Fund movements</b>	<b>Fund b/fwd £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Fund c/fwd £</b>
<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	13,064	53,965	(39,143)	(1,086)	26,800
<b>Total unrestricted funds</b>	128,999	53,965	(56,515)	10,170	136,619
<b>Restricted funds</b>					
Arnold Clark	-	2,000	-	-	2,000
DTAS	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	3,660	-	-	-	3,660
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
<b>Total restricted funds</b>	546,452	27,964	(11,863)	(10,170)	552,383
<b>TOTAL FUNDS</b>	675,451	81,929	(68,378)	-	689,002

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:

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

DTAS Communities 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.

FCC Communities & Levensat Trust – Funding towards the bathroom upgrades.

**ACTION PORTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022****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.

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

**17. Net assets over funds**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets	115,935	535,800	651,735
Debtors	617	-	617
Cash	40,604	10,652	51,256
Creditors < 1 year	(8,401)	-	(8,401)
Creditors > 1 year	(19,756)	-	(19,756)
	<u>128,999</u>	<u>546,452</u>	<u>675,451</u>

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets	109,819	535,800	645,619
Debtors	6,862	2,936	9,798
Cash	44,610	13,647	58,257
Creditors < 1 year	(11,239)	-	(11,239)
Creditors > 1 year	(13,433)	-	(13,433)
	<u>136,619</u>	<u>552,383</u>	<u>689,002</u>