

CHARITY NO: SC047358

COMPANY NO: SC542465

**ACTION PORTY
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

ACTION PORTY

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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ACTION PARTY

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

REFERENCE AND ADMINISTRATIVE INFORMATION

| | |
|------------------------------|---|
| Trustees | Justin Kenrick (Chair) Kyrsta MacDonald Scott (Vice-Chair) Ian Cooke (Company Secretary) Jennifer Elliot (Treasurer) Shauna MacDonald Morag Donaldson Alan Simpson Alasdair Reid Ben McLeish Mary Campbell (resigned 15.05.18) Jane Fletcher (appointed 16.08.18) Sheila McWhirter (appointed 16.08.18, resigned 16.10.18) Fiona Crosbie (appointed 21.02.19) |
| Development Manager | Emma Griffiths |
| Registered Office | 53 Brunstane Road Edinburgh Midlothian EH15 2QS |
| Operational address | Bellfield 14a Bellfield Street Edinburgh EH15 2BP |
| Charity Number: | SC047358 |
| Company Number: | SC542465 |
| Independent Examiners | Wylie & Bisset LLP Chartered Accountants 168 Bath Street Glasgow G2 4TP |
| Bankers | TSB Bank plc 134c Portobello High Street Edinburgh EH15 1AJ |

ACTION PORTY

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

The Trustees present their annual report and financial statements of the charity for the year ended 31 March 2019.

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.

The charity changed their year end from August to March during the prior year resulting in and the comparative period being for the 7 months from 31 August 2017 to 31 March 2018. Prior to the 31 August 2017 the charity was not trading and was in the process of securing funding to purchase a property. In the 7 months to 31 March 2018, the charity started trading and costs such as the purchase of property, staffing and operating costs were incurred. These accounts are prepared for the 12 months ended 31 March 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 elected by the membership of the organization (currently 434 members). 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 held its first Annual General Meeting on 18 January, 2018 in Bellfield at which a motion to extend the geographical boundary of the organisation was passed by all those present. This effectively extends the boundary southwards from Kings Road, up Baileyfield Road, and Duddingston Park (to the junction with Milton Road) and eastwards along the Milton Road (to the junction with Eastfield). This amendment to the Articles of Action Porty was subsequently recorded with Companies House. Following this change, the list of company members was tidied up to reflect the new boundary.

Appointment of Directors / Trustees

The initial directors were the 5 signatories to Action Porty's Articles of Association. At a Special General Meeting held on 18 December 2016 a further 5 directors were appointed by the existing directors, and Ben McLeish, an accountant and businessman who lives just outside the Action Porty boundary, was co-opted on to the Board of Directors on 28 September 2017. There were further changes to the Board at the Annual General Meeting held on 18 January 2018.

ACTION PORTY

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Structure, Governance and Management (continued)

Appointment of Directors / Trustees (continued)

A number of other changes to the Board of Directors took place in the period between the first and the second Annual General Meeting (which was held on 21 February 2019). Mary Campbell resigned from the Board, while Jane Fletcher and Sheila McWhirter were appointed to the Board (the latter of whom resigned several months later). At the 2019 Annual General Meeting, Fiona Crosbie was appointed to the Board and Ben McLeish was co-opted for a further year.

At the first board meeting following the 2019 AGM, the following office bearers were all re-elected:

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

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. During the course of the year, the 8 Board sub-committee / working groups were rationalised to 6 standing sub-committees, which focus on progressing specific aspects of the project or other company responsibilities. The membership of these sub-groups is composed of a combination of trustees, staff and volunteers. The Treasurer presents a financial report at each Board meeting, and the trustees of Action Porty are collectively responsible for the finances of the organisation. The Development Manager, who has delegated powers to make day-to-day decisions regarding the operation of the organisation, also presents a report to the Board of Trustees at each meeting.

Risk management

The Bellfield project involved re-opening the facility to the public, 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 Board meetings. Action Porty has taken, and acted on, advice from a range of technical advisers including the Fire Safety Officer, Environmental Health, Local Authority Licensing officials and Historic Environment Scotland. Actions identified by these advisers have been prioritised within the ongoing work programme. 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 have been reviewed and added to in the subsequent period. Action Porty is committed to developing a written risk management strategy when time permits. Thereafter this will be reviewed by the Board of Director on an ongoing basis.

ACTION PORTY

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Objectives, Activities and Achievements

Within the articles of association, Action Porty has adopted relatively broad objectives which allow for the future development of Action Porty beyond the immediate Bellfield project. OSCR subsequently confirmed that these objectives are charitable in nature as part of their consideration of Action Porty's charitable status application. Action Porty was however primarily established to take the former Portobello Old Parish Church (Bellfield) into community ownership and considerable progress was made during the course of 2018/19.

Action Porty was the first urban community in Scotland to successfully exercise the CRtB, and utilising this mechanism completed the purchase of Bellfield on 6 September, 2017. The purchase was financed by a substantial capital grant from the Scottish Land Fund and a combined grant and loan from Resilient Scotland's Start and Grow fund. In addition to the capital grant, the Scottish Land Fund also provided early stage revenue grant funding, and this, supplemented by a Programme Development Grant from the Architectural Heritage Fund, enabled Action Porty to appoint a part-time Development Manager (initially on a job-share basis) in August, 2017. In addition to accessing grant funding, Action Porty also successfully undertook local fund raising. This included a successful crowd-funding initiative which ran over August / September 2017 and (including gift aid) reached its target figure of £20,000. This money went towards the cost of the essential repair / improvement work required prior to the opening of the Bellfield facility to the public.

As a result of the considerable efforts of Action Porty (and our volunteers), Bellfield was re-opened (or partially re-opened) to the community on 23 June, 2018, less than 10 months after acquisition. The occasion was celebrated with a Family Open Day which attracted around 800 people and a cabaret evening performed in front of a 250 capacity audience. Following the re-opening of Bellfield, both the small hall and large hall, the kitchen and some of the smaller meeting rooms have been made available to the community for both regular and occasional use. While this was done with the minimum of publicity and marketing, the demand for space and general interest in Bellfield as a venue has exceeded expectations.

The re-opening of Bellfield has enabled Action Porty to begin to achieve our objective of providing affordable facilities and meeting / activity space for a wide range of community organisations and local groups. Since opening, Bellfield has hosted a wide range of educational, social and cultural activities. Our regular users include youth organisations, sports clubs, and arts and fitness classes. In addition to our growing number of regular users Bellfield has also hosted a range of community and public meetings, events, rehearsals, performances, children's birthday parties and other family / life celebrations. In August, 2018, Bellfield was an Edinburgh Fringe venue (albeit for 1 evening!) and has also hosted the first of several weddings! A Christmas pantomime sold out 5 evenings in succession, including a relaxed performance for children with special needs.

Action Porty has also contributed to the Portobello community through a number of 'external' activities. Action Porty was central to local efforts to challenge a proposed housing development on what is currently recreational land. This involved Action Porty securing funding and facilitating a community-led planning event which attracted over 400 people! This was managed through the establishment of a Board sub-group, specifically formed for that purpose. In addition Action Porty contributed to the running of Portobello's Big Busk, and secured funding and co-ordinated Christmas activities as a means to support local retail businesses.

ACTION PORTY

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Objectives, Activities and Achievements (continued)

Throughout all this, Action Porty has endeavoured to keep members, supporters and the wider community regularly informed and updated, and local support for the Bellfield project remains high.

Financial Review

Revenue

Since re-opening Bellfield, Action Porty has been evolving an appropriate and effective business model for the Bellfield project which increasingly relies on rental income. Action Porty has secured Edinburgh Youth Theatre as our first anchor tenant and let out external space to a local rowing club. Rental income from regular and occasional users has developed to the point where it is averaging around £5k per month. This level of monthly income enables Action Porty to cover the basic running costs of Bellfield, including the staffing - development worker and part-time cleaner. This limited staffing resource is supplemented by Bellfield Hosts, a group of about 15 regular volunteers who open and close the buildings when it is not staffed. Other Action Porty volunteers perform particular roles within the organisation or take responsibility for specific tasks in the operation of Bellfield.

Another key element of the emerging business model is the development of mutually beneficial relationships with a number of local businesses and organisations. These arrangements include a 'partnership' with a local pub which provides a pop-up bar for users who require one, and a local café business which caters for major events and celebrations. Action Porty has also signed a memorandum of understanding with Portobello Heritage Trust (a local history group) who will work with us on developing the heritage offering within Bellfield.

Capital

Through a combination of grant funding and local fundraising, Action Porty was able to cover the capital costs of bringing the Bellfield property up to the required standard prior to the June, 2018 opening. This was helped by the understanding shown by the Scottish Land Fund in the flexibility use of their grant. Action Porty has established a separate capital budget to finance essential repairs and capital improvements, and meeting this challenge will require Action Porty to access a range of further grant funding for ongoing capital repairs and the larger capital project (up to £3 million).

The Board of Action Porty has a fundraising sub group which continues to meet regularly and co-ordinates grant funding applications. In addition to the need to secure capital grant funding, the other grant funding priority for Action Porty is to finance the development of organisational capacity by expanding the current staffing resource.

Principal funding sources

Action Porty has utilised a combination of grant funding and local fundraising to finance the project to date, and going forward grant funding will continue to play a crucial part of the funding package required to successfully re-develop and implement our ambitious vision for Bellfield as a flexible, fully accessible community hub. Key funding sources are likely to be the Heritage Lottery Fund, Historic Environment Scotland, Landfill Trusts and a range of other charitable trusts.

ACTION PORTY

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Financial Review (continued)

Principal funding sources (continued)

In terms of revenue funding (for staffing), applications have been sent to a number of charitable trusts and other potential funders such as the Scottish Government.

Future Financial Projection

A combination of some ongoing grant revenue funding, letting income from June, 2108 onwards, and further local fundraising ensured that Action Porty reached March, 2019 with a modest operational surplus. Operating Bellfield as a community facility over the last number of months has enabled Action Porty to learn more about the building, the level of demand and operational challenges, and these in turn have helped to inform and refine the evolving business model.

With no ongoing revenue funding beyond that point, Action Porty will require to fund the core costs of running Bellfield through income largely generated by rental. This may be supplemented by a small amount of local fund-raising. It will be essential that all core costs are controlled and that wherever possible capital improvements help reduce costs further (through energy conservation) or increased income (by increasing the attractiveness / functionality of under-used spaces. Within this context, Action Porty is currently exploring the installation of solar panels on the roof of the large hall.

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

Accounting Reporting Date

These accounts are prepared for the 12 month period from 1 April 2018 to 31 March 2019.

Investment and reserves policy

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

ACTION PARTY

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Trustees responsibilities

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

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

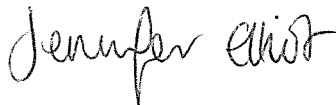
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the trustees and signed on their behalf:

Name: Jennifer Elliot



Date:

11/12/19

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF ACTION PARTY
FOR THE YEAR ENDED 31 MARCH 2019**

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

Respective responsibilities of trustees and examiner

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

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

Basis of independent examiner's statement

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

Independent examiner's statement

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

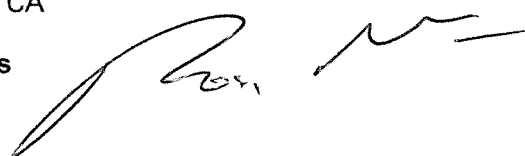
1. which gives me reasonable cause to believe that in any material respects the requirements:

- to keep accounting records in accordance with Section 44 (1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

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



Date:

11 / 12 / 19

**ACTION PORTY
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2019**

(Including an Income and Expenditure account)

| | Note | Unrestricted Funds 2019 £ | Restricted Funds 2019 £ | Total Funds Year to 31 March 2019 £ | Unrestricted Funds 2018 £ | Restricted Funds 2018 £ | Total Funds 7 months to 31 March 2018 £ |
|------------------------------------|------|------------------------------------|----------------------------------|---|------------------------------------|----------------------------------|---|
| Income and endowments from: | | | | | | | |
| Donations and legacies | 4 | 23,326 | 27,946 | 51,272 | 22,273 | 67,500 | 89,773 |
| Charitable activities | 5 | 44,860 | 1,545 | 46,405 | - | - | - |
| Other trading activities | 6 | 10,123 | - | 10,123 | 1,277 | - | 1,277 |
| Total Income | | 78,309 | 29,491 | 107,800 | 23,550 | 67,500 | 91,050 |
| Expenditure on: | | | | | | | |
| Charitable activities | 8 | 14,948 | 65,076 | 80,024 | 11,010 | 24,687 | 35,697 |
| Total Expenditure | | 14,948 | 65,076 | 80,024 | 11,010 | 24,687 | 35,697 |
| Net income/ (expenditure) | | 63,361 | (35,585) | 27,776 | 12,540 | 42,813 | 55,353 |
| Transfers between funds | | 55 | (55) | - | 23,674 | (23,674) | - |
| Net movement in funds | | 63,416 | (35,640) | 27,776 | 36,214 | 19,139 | 55,353 |
| Funds reconciliation | | | | | | | |
| Funds Brought Forward | 16 | 37,658 | 599,139 | 636,797 | 1,444 | 580,000 | 581,444 |
| Total Funds carried forward | 16 | 101,074 | 563,499 | 664,573 | 37,658 | 599,139 | 636,797 |

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 2019

| | Note | Total Funds Year to 31 March 2019 £ | Total Funds 7 Months to 31 March 2018 £ |
|---|------|---|---|
| Fixed assets: | | | |
| Tangible assets | 12 | 642,889 | 638,887 |
| Total Fixed Assets | | 642,889 | 638,887 |
| Current assets: | | | |
| Debtors | 13 | 9,694 | - |
| Cash at bank and in hand | | 33,481 | 49,259 |
| Total Current Assets | | 43,175 | 49,259 |
| Liabilities: | | | |
| Creditors falling due within one year | 14 | 8,424 | 33,965 |
| Net Current assets | | 34,751 | 15,294 |
| Total Assets less current Liabilities | | 677,640 | 654,181 |
| Creditors: Amounts falling due after more than one year | 15 | 13,067 | 17,384 |
| Net assets | | 664,573 | 636,797 |
| The funds of the charity: | | | |
| Restricted income funds | 16 | 563,499 | 599,139 |
| Unrestricted funds | 16 | 101,074 | 37,658 |
| Total charity funds | | 664,573 | 636,797 |

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 2019 the company was entitled to exemption under section 477 of the Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

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

Approved by the trustees and signed on their behalf by:

Name: Jennifer Elliot 

Name: Ian Cooke 

Date: 11/12/19

Company Number: SC542465

ACTION PORTY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

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), 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 2019

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 £5,000 are capitalised and valued at historical cost. Depreciation is charged as follows:

| | Basis |
|---------------------|-------------------------|
| Freehold buildings | 2% straight line |
| Plant and equipment | 20% - 25% straight line |

(g) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(h) Cash at bank and in hand

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

(i) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

ACTION PORTY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

(j) Financial instruments

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

(k) Taxation

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

2. Legal status of the Charity

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

3. Related party transactions and trustees' expenses and remuneration

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind. No expenses were reimbursed or waived by trustees during the period (2018: Nil).

During the year Shauna MacDonald, a trustee of the charity, was involved in Edinburgh Youth Theatre, an anchor tenant of Bellfield. 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. Trustees do not take part in discussions or decisions when there is a potential financial conflict of interest no trustee had any personal interest in any contract or transaction entered into by the charity (2018: No related party transactions took place).

4. Income from donations and legacies

| | Year to 31 March 2019 £ | 7 months to 31 March 2018 £ |
|-----------|----------------------------------|--------------------------------------|
| Donations | 6,381 | 21,273 |
| Grants | 44,891 | 68,500 |
| | <u>51,272</u> | <u>89,773</u> |

5. Income from charitable activities

| | Year to 31 March 2019 £ | 7 months to 31 March 2018 £ |
|------------------------------|----------------------------------|--------------------------------------|
| Performance and event income | 4,413 | - |
| Milka Study Fees | 1,545 | - |
| Hall lets | 40,447 | - |
| | <u>46,405</u> | <u>-</u> |

ACTION PORTY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

6. Income from other trading activities

| | Year to 31 March 2019 | 7 Months to 31 March 2018 |
|-------------|--------------------------|---------------------------------|
| | £ | £ |
| Fundraising | 10,123 | 1,277 |
| | <u>10,123</u> | <u>1,277</u> |

7. Allocation of governance costs

| | Year to 31 March 2019 | 7 months to 31 March 2018 |
|-------------------------------------|-----------------------------|---------------------------------|
| | £ | £ |
| Independent examiner's remuneration | 681 | 645 |
| | <u>681</u> | <u>645</u> |

Allocation of governance and other support costs:

| | Year to 31 March 2019 | 7 months to 31 March 2018 |
|------------------------|--------------------------------|------------------------------------|
| | £ | £ |
| Charitable activities | 681 | 645 |
| Total allocated | <u>681</u> | <u>645</u> |

8. Analysis of expenditure on charitable activities

| | Year to 31 March 2019 | 7 months to 31 March 2018 |
|-----------------------------|-----------------------------|---------------------------------|
| | £ | £ |
| Salaries | 22,155 | 15,064 |
| Events | 11,686 | 8,397 |
| Loan interest | 1,209 | 521 |
| Insurance | 3,245 | 4,083 |
| Utilities | 5,686 | 1,682 |
| Telephone | 532 | - |
| Repairs & maintenance costs | 5,114 | - |
| Advertising & marketing | 4,577 | - |
| IT software and consumables | 1,741 | - |
| Consulting | 929 | - |
| Professional fees | 474 | - |
| Corporation tax fines | 400 | - |
| Bank fees | 150 | - |
| Other costs | 5,241 | 3,511 |
| Depreciation | 16,204 | 1,794 |
| Governance costs (note 7) | 681 | 645 |
| | <u>80,024</u> | <u>35,697</u> |

ACTION PORTY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

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

| | Year to 31 March 2019 £ | 7 months to 31 March 2018 £ |
|--|----------------------------------|--------------------------------------|
| Salaries and wages | 22,155 | 15,064 |
| Social security costs | - | - |
| Total staff costs and employee benefits | 22,155 | 15,064 |
| Key Management Personnel remuneration | 22,155 | 15,064 |

No employees had employee benefits in excess of £60,000 (2018: Nil).

| | Year to 31 March 2019 No. | 7 months to 31 March 2018 No. |
|--|------------------------------------|--|
| The average weekly number of persons, by headcount, employed by the charity during the year was: | 2 | 2 |

10. Net income/(expenditure) for the year

| | Year to 31 March 2019 £ | 7 months to 31 March 2018 £ |
|------------------------------------|----------------------------------|--------------------------------------|
| This is stated after charging: | | |
| Independent Examiners Remuneration | 681 | 645 |
| Depreciation | 16,204 | 1,794 |
| Loan interest | 1,209 | 521 |

11. Government Grants

Income from government grants comprises £2,146 from Edinburgh Council for funding towards costs of organising Christmas community activity in Portobello High Street and repair of clock in Bellfield. £500 from Edinburgh Council funding towards the purchase of crockery, utensils and kitchen equipment. £300 from Scottish Government to host a local consultation event as part of the Scottish Government's Democracy Matters community engagement programme (2018: £67,500 was received from Scottish Land Fund for revenue costs).

ACTION PORTY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

12. Tangible Fixed Assets

| | Freehold Land & Buildings £ | Plant & Equipment £ | Total £ |
|--------------------------|--|--|--------------------|
| Cost or valuation | | | |
| At 1 April 2019 | 624,400 | 16,281 | 640,681 |
| Additions | 20,206 | - | 20,206 |
| Disposals | - | - | - |
| At 31 March 2019 | <u>644,606</u> | <u>16,281</u> | <u>660,887</u> |
| Depreciation | | | |
| At 1 April 2019 | - | 1,794 | 1,794 |
| Charge for the year | 12,892 | 3,312 | 16,204 |
| Eliminated on disposals | - | - | - |
| At 31 March 2019 | <u>12,892</u> | <u>5,106</u> | <u>17,998</u> |
| Net book value | | | |
| At 31 March 2018 | <u>624,400</u> | <u>14,487</u> | <u>638,887</u> |
| At 31 March 2019 | <u>631,714</u> | <u>11,175</u> | <u>642,889</u> |

13. Debtors

| | 31 March 2019 £ | 31 March 2018 £ |
|---------------|--------------------------------|--------------------------------|
| Trade debtors | 3,499 | - |
| Prepayments | 2,019 | - |
| Other debtors | 4,176 | - |
| | <u>9,694</u> | <u>-</u> |

14. Creditors: amounts falling due within one year

| | 31 March 2019 £ | 31 March 2018 £ |
|-------------------------------|--------------------------------|--------------------------------|
| Trader creditors and accruals | 3,370 | 31,350 |
| Loan payable within one year | 5,054 | 2,615 |
| | <u>8,424</u> | <u>33,965</u> |

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

| | 31 March 2019 £ | 31 March 2018 £ |
|---|--------------------------------|--------------------------------|
| Unsecured loan (falling due in less than 5 years) | 13,067 | 17,384 |
| | <u>13,067</u> | <u>17,384</u> |

ACTION PORTY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

16. Analysis of charitable funds

| Analysis of Fund movements for 7 months to 31 March 2018 | Fund b/fwd £ | Income £ | Expenditure £ | Transfers £ | Fund c/fwd £ |
|--|--------------------|-------------|------------------|----------------|--------------------|
| Unrestricted funds | | | | | |
| Fixed Assets | - | - | (1,794) | 70,681 | 68,887 |
| Total designated funds | - | - | (1,794) | 70,681 | 68,887 |
| General funds | 1,444 | 23,550 | (9,216) | (47,007) | (31,229) |
| Total unrestricted funds | 1,444 | 23,550 | (11,010) | 23,674 | 37,658 |
| Restricted funds | | | | | |
| Resilient | 10,000 | - | - | (10,000) | - |
| Scottish Land Fund - capital | 570,000 | - | - | - | 570,000 |
| Scottish Land Fund - revenue | - | 67,500 | (24,687) | (13,674) | 29,139 |
| Total restricted funds | 580,000 | 67,500 | (24,687) | (23,674) | 599,139 |
| TOTAL FUNDS | 581,444 | 91,050 | (35,697) | - | 636,797 |

| Analysis of Fund movements for the year to 31 March 2019 | Fund b/fwd £ | Income £ | Expenditure £ | Transfers £ | Fund c/fwd £ |
|--|--------------------|-------------|------------------|----------------|--------------------|
| Unrestricted funds | | | | | |
| Fixed Assets | 68,887 | - | (4,804) | 20,206 | 84,289 |
| Total designated funds | 68,887 | - | (4,804) | 20,206 | 84,289 |
| General funds | (31,229) | 78,309 | (10,144) | (20,151) | 16,785 |
| Total unrestricted funds | 37,658 | 78,309 | (14,948) | 55 | 101,074 |
| Restricted funds | | | | | |
| Architectural Heritage Fund | - | 25,000 | (25,000) | - | - |
| Edinburgh Council | - | 500 | (500) | - | - |
| Edinburgh Council - CEC | - | - | - | - | - |
| Neighbourhood Grant | - | 2,146 | (2,136) | - | 10 |
| Milka Chepkorir | - | 1,545 | (1,545) | - | - |
| Scottish Government - Democracy Matters | - | 300 | (245) | (55) | - |
| Scottish Land Fund – capital | 570,000 | - | (11,400) | - | 558,600 |
| Scottish Land Fund - revenue | 29,139 | - | (24,250) | - | 4,889 |
| Total restricted funds | 599,139 | 29,491 | (65,076) | (55) | 563,499 |
| TOTAL FUNDS | 636,797 | 107,800 | (80,024) | - | 664,573 |

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.

ACTION PORTY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

16. Analysis of charitable funds (continued)

b) Restricted funds comprise:

Architectural Heritage Fund – Development grant for professional fees and managers salary.

Edinburgh Council – Funding towards the purchase of crockery, utensils and kitchen equipment.

Edinburgh Council – CEC Neighbourhood Grant Funding towards costs of organising Christmas community activity in Portobello High Street and repair of clock in Bellfield tower.

Milka Chepkorir – Amounts raised for study fees for Milka Chepkorir, a Sengwer community activist.

Resilient - Funding received for the purchase of property.

Scottish Government - Democracy Matters – Funding to host a local consultation event as part of the Scottish Government's Democracy Matters community engagement programme.

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

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

17. Net assets over funds

| | Unrestricted Funds £ | Restricted Funds £ | Total 31 March 2018 £ |
|--------------------|----------------------------|--------------------------|--------------------------------|
| Fixed assets | 68,887 | 570,000 | 638,887 |
| Debtors | - | - | - |
| Cash | 20,120 | 29,139 | 49,259 |
| Creditors < 1 year | (33,965) | - | (33,965) |
| Creditors > 1 year | (17,384) | - | (17,384) |
| | <u>37,658</u> | <u>599,139</u> | <u>636,797</u> |

| | Unrestricted Funds £ | Restricted Funds £ | Total 31 March 2019 £ |
|--------------------|----------------------------|--------------------------|--------------------------------|
| Fixed assets | 84,289 | 558,600 | 642,889 |
| Debtors | 9,694 | - | 9,694 |
| Cash | 28,582 | 4,899 | 33,481 |
| Creditors < 1 year | (8,424) | - | (8,424) |
| Creditors > 1 year | (13,067) | - | (13,067) |
| | <u>101,074</u> | <u>563,499</u> | <u>664,573</u> |