

**CHARITY NO: SC047358**

**COMPANY NO: SC542465**

**ACTION PORTY**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**ACTION PORTY**

**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

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## **ACTION PARTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

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

<b>Trustees</b>	Justin Kenrick (Chair) Kyrsta MacDonald Scott (Vice-Chair) Ian Cooke (Secretary) Jennifer Elliot (Treasurer) Shauna MacDonald (resigned 17.11.2020) Morag Donaldson Alan Simpson Alasdair Reid Ben McLeish Jane Fletcher (resigned 25.04.2019) Fiona Crosbie (resigned 17.11.2020) Catherine Maclean (appointed 1.07.2019)
<b>Development Manager</b>	Emma Griffiths (resigned 30.06.2019) Deborah Holloway (appointed 1.07.2019)
<b>Registered Office</b>	53 Brunstane Road Edinburgh Midlothian EH15 2QS
<b>Operational address</b>	Bellfield 16a Bellfield Street Edinburgh EH15 2BP
<b>Charity Number:</b>	SC047358
<b>Company Number:</b>	SC542465
<b>Independent Examiners</b>	Wylie & Bisset LLP Chartered Accountants 168 Bath Street Glasgow G2 4TP
<b>Bankers</b>	TSB Bank plc 134c Portobello High Street Edinburgh EH15 1AJ

## **ACTION PARTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

The Trustees present their annual report and financial statements of the charity for the year ended 31 March 2020.

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 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 Party was established as a community body capable of owning an asset(s) and in a manner which was compliant with the Scottish Government's Community Right to Buy (CRtB) legislation. As such, Action Party is governed by a board of directors elected by the membership of the organisation (currently 434 members). Action Party subsequently applied for charitable status, and this was awarded in March 2017, at which point the directors became trustees of the charity.

Action Party held its first Annual General Meeting on 18 January 2018 in Bellfield at which a motion to extend the geographical boundary of the organisation was passed by all those present. This extended 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). At the AGM held on 27 February 2020 the articles were further amended to change the quorum for Annual general Meetings. Companies House have been notified of both amendments to the Articles.

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#### Appointment of Directors / Trustees

The initial directors were the 5 signatories to Action Party's Articles of Association. At a Special General Meeting held on 18 December 2016 a further 5 directors were appointed by the existing directors, and Ben McLeish, an accountant and businessman who lives just outside the Action Party boundary, was co-opted on to the Board of Directors on 28 September 2017. There were further changes to the Board at the 2018 and 2019 Annual General Meetings - Fiona Crosbie was appointed to the Board of Action at the 2019 Annual General Meeting, and Ben McLeish was co-opted for a further year. At the 2020 AGM all board members were re-elected / re-appointed.

At the board meeting following the 2020 AGM, the following office bearers were all re-elected:

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

## **ACTION PORTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

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

##### 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 a number of standing sub committees and short life working groups which feed into board meetings. The Treasurer presents written financial reports at each Board meeting, and the trustees of Action Porty are collectively responsible for the finances of the organisation. During 2019/20 Action Porty replaced the Development Manager post with an Administrator post, to which Deborah Holloway was appointed. However the contract was not extended beyond the initial period, and the post is currently vacant.

##### 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, and continues to do so. Risk management has assumed a much higher priority, as Action Porty has responded to the developing Covid-19 pandemic (Action Porty is currently undertaking a risk management assessment as part of the process to re-open Bellfield). 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.

#### **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 continues to be made.

Action Porty became the first urban community in Scotland to successfully exercise the CRtB, utilising this Scottish Government mechanism to complete the purchase of 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 a Programme Development Grant from the Architectural Heritage Fund, supported the initial process to help establish Bellfield as a sustainable community enterprise.

## **ACTION PORTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

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

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.

Both before and since opening, Action Porty has accessed various grant funding to finance a number of essential repairs and improvements. This was supplemented by a successful crowd-funding initiative in September 2017 which (including gift aid) raised £20,000. Fundraising work is an ongoing activity and Action Porty is gradually progressing ambitious plans to improve the facility in various ways. During 2019/20, a combination of grant funding and social loan enabled Action Porty to install an array of solar panels on the roof of the large hall, contributing to both financial and environmental sustainability.

Demand for space and general interest in Bellfield as a venue continues to exceed our initial expectations. The re-opening of Bellfield has enabled Action Porty to achieve our objective of providing affordable facilities and meeting / activity space for a wide range of community organisations and local groups. Our 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.

In addition to installing solar panels Action Porty is involved in a range of other projects and activities which are motivated to address climate change. These include the installation of cycling facilities to encourage more use of bikes, an energy storage and electrical charging points project, the promotion of e-cargo bikes, energy conservation measures and the development of a permaculture garden project.

Where possible, Action Porty also seeks to contribute to the wider community life in Portobello, often working in collaboration with other local organisations. There is growing support within Portobello for Action Porty to fulfil the much needed role of a community anchor organisations, and discussions on how to re-structure Action Porty to enable this to take place are currently underway.

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 - and local support for the Bellfield project remains high.

#### **Financial Review**

The charity generated income of £113,027 (2019: £107,800) and incurred expenditure of £92,382 (2019: £80,024), resulting in a surplus of £20,645 (2019: £27,776).

At the year end the charity held unrestricted funds of £137,793 (2019: £101,074), of which £106,755 (2019: £84,289) was tied up in fixed assets leaving free reserves of £31,038 (2019: £16,785).

#### 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 has secured Edinburgh Youth Theatre as a key anchor tenant and let out external space to a local rowing club.

## **ACTION PARTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

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

##### Revenue (continued)

Despite Action Party receiving no revenue grant funding during the financial year 2019 / 2020, Bellfield more than managed to operate efficiently, generating a modest surplus, which would have been greater if it had not been for the impact of Covid-19 in February and March 2020. Over the course of the year rental income averaged in excess of £5k per month, which enabled Action Party to cover the basic running costs of Bellfield, including the staffing – part-time administrator and part-time cleaner.

This limited staffing resource was supplemented by Bellfield Hosts, a group of about 15 regular volunteers who open and close the buildings when it is not staffed. Other Action Party volunteers perform particular roles within the organisation or take responsibility for specific tasks in the operation of Bellfield.

As Covid-19 developed, Action Party followed governmental guidance and consulted closely with regular users – eventually closing Bellfield shortly before the national lock-down in late March. At this point Action Party only had a part-time cleaner employed and moved to furlough this member of staff and make up the difference in his wages. All Bellfield expenditure was reduced to an absolute minimum, which was considerably helped by both loan funders agreeing to re-payment holidays during this period. Action Party has used the opportunity which lock-down has created to carry out some upgrading and key maintenance work.

The Board has continued to (virtually) meet regularly to keep abreast of the Covid-19 crisis and has developed a 3 staged strategy for re-opening Bellfield. The challenge in doing so will involve financing the additional expenditure required to re-open, and sufficiently allowing for the rental income stream to re-build to pre Covid-19 levels – this is likely to take between 6 and 9 months. On the positive side the solar panels are now operational and the Feed-In Tariffs will create a new, and useful, income stream for Bellfield.

##### Capital

Other than small repairs, all repair and improvement work is financed via a separate capital budget, which is largely funded through grants from various trust funds. The Board of Action Party has a fundraising sub group which continues to meet regularly and co-ordinates grant funding applications for this purpose – the most recent success being a £26k project to upgrade the large hall toilets this project was completed following the year end 31 March 2020.

The Covid-19 crisis has highlighted the need for Action Party to make better use of the Celebration Hall (former church) and an architect has been employed to help come up with development options. Once a development proposal has been firmed up, this will become the major capital funding project for Action Party and is likely to cost in the region of £1 - £2 million. Action Party is actively considering a community shares issue to kickstart the fund-raising effort.

## **ACTION PORTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

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

##### Principal funding sources

Action Porty continues to utilise a combination of grant funding and local fundraising to finance the project to date and going forward grant funding will 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 grant funding sources during 2019/20:

- Cycle FC Development Fund
- Scottish Power Energy Networks
- Virador Community Credits
- Levenseat Trust
- FCC Community Foundation
- Folio Trust
- City of Edinburgh Council (Neighbourhood Grants)

##### Future Financial Projection

Prior to the closure of Bellfield because of Corona virus, Action Porty had demonstrated that Bellfield was a viable, if marginal, concern. The immediate task is therefore to rebuild the business to pre Covid-19 levels following re-opening. Given that expenditure is likely to increase at a greater rate than income, Action Porty has submitted a number of revenue grant funding applications, which if successful will help tide the organisation over what is certain to be a challenging period.

Action Porty aims to establish pre Covid-19 levels as a base for the further development of the Bellfield business model. It is anticipated that increased financial objectives will be delivered through income from renewable energies, increased use of the Celebration Hall, and renting space to local enterprises. Action Porty may also begin to be involved in direct service delivery, which has the potential to generate some income for the organisation. A key part of the recovery plan will involve a review of human resources, and in particular arriving at the appropriate level of staffing for Bellfield going forward.

It will be essential that all operational costs continue to be controlled as tightly as possible and that wherever possible capital improvements help reduce costs further (ie. through energy conservation) or increased income (by increasing the attractiveness / functionality / flexibility of under-used spaces).

##### 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 recover the business to a break-even point as soon as is practically possible, and then begin to re-build up a level of financial reserves equivalent to 3 months running costs. Based on current expenditure levels this amounts to approximately £20,000. The charity currently holds general free reserves of £31,038 and is therefore above the target level.



## **ACTION PARTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

#### **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 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.

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) 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:  
  
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Name: Jennifer Elliot

Date: 18 March 2021

## **INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF ACTION PARTY FOR THE YEAR ENDED 31 MARCH 2020**

I report on the accounts of the charity for the period ended 31 March 2020, which are set out on pages 9 to 19.

### **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.

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

Date: 18 March 2021

## ACTION PARTY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2020

(Including an Income and Expenditure account)

Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
<b>Income and endowments from:</b>						
4	16,133	28,105	44,238	23,326	27,946	51,272
5	68,388	-	68,388	44,860	1,545	46,405
6	401	-	401	10,123	-	10,123
	<b>84,922</b>	<b>28,105</b>	<b>113,027</b>	<b>78,309</b>	<b>29,491</b>	<b>107,800</b>
<b>Expenditure on:</b>						
	57,203	35,179	92,382	14,948	65,076	80,024
	<b>57,203</b>	<b>35,179</b>	<b>92,382</b>	<b>14,948</b>	<b>65,076</b>	<b>80,024</b>
<b>Net income/ (expenditure)</b>						
	27,719	(7,074)	20,645	63,361	(35,585)	27,776
	9,000	(9,000)	-	55	(55)	-
	<b>36,719</b>	<b>(16,074)</b>	<b>20,645</b>	<b>63,416</b>	<b>(35,640)</b>	<b>27,776</b>
<b>Funds reconciliation</b>						
	101,074	563,499	664,573	37,658	599,139	636,797
	<b>137,793</b>	<b>547,425</b>	<b>685,218</b>	<b>101,074</b>	<b>563,499</b>	<b>664,573</b>

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

All income and expenditure derive from continuing activities.


**ACTION PARTY****BALANCE SHEET AS AT 31 MARCH 2020**

	Note	Total Funds 2020 £	Total Funds 2019 £
<b>Fixed assets:</b>			
Tangible assets	12	653,955	642,889
<b>Total Fixed Assets</b>		<u>653,955</u>	<u>642,889</u>
<b>Current assets:</b>			
Debtors	13	22,367	9,694
Cash at bank and in hand		30,225	33,481
<b>Total Current Assets</b>		<u>52,592</u>	<u>43,175</u>
<b>Liabilities:</b>			
Creditors falling due within one year	14	<u>(8,714)</u>	<u>(8,424)</u>
<b>Net Current assets</b>		<u>43,878</u>	<u>34,751</u>
<b>Total Assets less current Liabilities</b>		697,833	677,640
Creditors: Amounts falling due after more than one year	15	<u>(12,615)</u>	<u>(13,067)</u>
<b>Net assets</b>		<u>685,218</u>	<u>664,573</u>
<b>The funds of the charity:</b>			
Restricted income funds	16	547,425	563,499
Unrestricted funds	16	137,793	101,074
<b>Total charity funds</b>		<u>685,218</u>	<u>664,573</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 2020 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:  
  
 9DE2B8A0055142D...  
 Name: Jennifer Elliot

DocuSigned by:  
  
 001CCF3447134F0...  
 Name: Ian Cooke

Date: 18 March 2021

**Company Number: SC542465**

## **ACTION PORTY**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

#### **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 PARTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020****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
Property Improvements	20% straight line

**(g) Debtors**

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

**(h) Cash at bank and in hand**

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

**(i) Creditors and provisions**

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

**ACTION PARTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020****1. Accounting Policies (continued)****(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.

**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.

**ACTION PORTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020****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. Expenses totalling £205 were reimbursed to two trustees in respect of travel and subsistence (2019: £nil). No expenses were waived by trustees during the period (2019: £nil).

Donations totalling £1,000 were made to the charity by one trustee (2019: £nil).

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 £175 (2019: £Nil) was received from Skylark. At the year end there was no balance owed or due from Skylark (2019: £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>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Donations	3,823	6,381
Grants	40,415	44,891
	<u>44,238</u>	<u>51,272</u>

**5. Income from charitable activities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Performance and event income	1,457	4,413
Milka Study Fees	-	1,545
Hall lets	66,931	40,447
	<u>68,388</u>	<u>46,405</u>

**6. Income from other trading activities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Fundraising	401	10,123
	<u>401</u>	<u>10,123</u>

**7. Allocation of governance costs**

<b>Governance costs:</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Independent Examiners' Fees	1,554	681
	<u>1,554</u>	<u>681</u>

Governance costs are allocated to costs of charitable activities.



**ACTION PARTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020****8. Analysis of expenditure on charitable activities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Salaries	25,763	22,155
Events	878	11,686
Loan interest	953	1,209
Insurance	4,961	3,245
Utilities	5,633	5,686
Telephone	719	532
Repairs & maintenance costs	20,897	5,114
Advertising & marketing	1,162	4,577
IT software and consumables	747	1,741
Consulting	640	929
Professional fees	865	474
Corporation tax fines	-	400
Bank fees	492	150
Other costs	4,098	5,241
Depreciation	23,020	16,204
Governance costs (note 7)	1,554	681
	<u>92,382</u>	<u>80,024</u>

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Salaries and wages	23,465	19,605
Social security costs	1,344	1,172
Employer pension contributions	954	1,378
Total staff costs	<u>25,763</u>	<u>22,155</u>
Key Management Personnel remuneration	<u>25,763</u>	<u>22,155</u>

No employees had employee benefits in excess of £60,000 (2019: £Nil).

	<b>2020</b>	<b>2019</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>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Independent Examiners Remuneration	1,554	681
Depreciation	<u>23,020</u>	<u>16,204</u>

**ACTION PARTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020****11. Government Grants**

Edinburgh Council - £450 (2019: £500) was received towards web design costs. £225 was spent during the year the balance of £225 will be carried forward to 2020/21.

Edinburgh Council CEC Neighbourhood Grant - £nil (2019: £2,146) was received for funding towards costs of organising Christmas community activity in Portobello High Street and report of clock in Bellfield. The amount was fully spent in 2019.

Scottish Government, Democracy Matters - £nil (2019: £300) was received during the year and £nil (2019: £245) was spent, the remaining balance of £55 was returned to funder.

**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 20	644,606	16,281	-	660,887
Additions	-	-	34,086	34,086
Disposals	-	-	-	-
At 31 March 2020	644,606	16,281	34,086	694,973
<b>Depreciation</b>				
At 1 April 2019	12,892	5,106	-	17,998
Charge for the year	12,892	3,311	6,817	23,020
Eliminated on disposals	-	-	-	-
At 31 March 2020	25,784	8,417	6,817	41,018
<b>Net book value</b>				
At 31 March 2019	631,714	11,175	-	642,889
At 31 March 2020	618,822	7,864	27,269	653,955

**13. Debtors**

	<b>2020 £</b>	<b>2019 £</b>
Trade debtors	2,087	3,499
Prepayments	1,846	2,019
Other debtors	250	4,176
Accrued income	18,184	-
	22,367	9,694

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

	<b>2020 £</b>	<b>2019 £</b>
Trader creditors and accruals	2,063	3,370
Loans payable within one year	6,651	5,054
	8,714	8,424

**ACTION PARTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020****15. Creditors: amounts falling due after more than one year**

	2020 £	2019 £
Loans payable within 1 – 5 years	12,615	13,067
	<u>12,615</u>	<u>13,067</u>

**16. Analysis of charitable funds**

2019 Analysis of Fund movements	Fund b/fwd £	Income £	Expenditure £	Transfers £	Fund c/fwd £
<b>Unrestricted funds</b>					
Fixed Assets	68,887	-	(4,804)	20,206	84,289
<b>Total designated funds</b>	68,887	-	(4,804)	20,206	84,289
General funds	(31,229)	78,309	(10,144)	(20,151)	16,785
<b>Total unrestricted funds</b>	37,658	78,309	(14,948)	55	101,074
<b>Restricted funds</b>					
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
<b>Total restricted funds</b>	599,139	29,491	(65,076)	(55)	563,499
<b>TOTAL FUNDS</b>	636,797	107,800	(80,024)	-	664,573

2020 Analysis of Fund movements	Fund c/fwd £	Income £	Expenditure £	Transfers £	Fund c/fwd £
<b>Unrestricted funds</b>					
Fixed Assets	84,289	-	(11,620)	34,086	106,755
<b>Total designated funds</b>	84,289	-	(11,620)	34,086	106,755
General funds	16,785	84,922	(45,583)	(6,902)	31,038
<b>Total unrestricted funds</b>	101,074	84,922	(57,203)	27,184	137,793
<b>Restricted funds</b>					
Architectural Heritage Fund	-	9,000	-	(9,000)	-
Community Grant Fund	-	450	(225)	-	225
Edinburgh Council - CEC					
Neighbourhood Grant	10	-	(10)	-	-
Keep Scotland Beautiful	-	471	(471)	-	-
Scottish Land Fund - capital	558,600	-	(11,400)	-	547,200
Scottish Land Fund - revenue	4,889	-	(4,889)	-	-
SP Energy Networks	-	18,184	-	(18,184)	-
<b>Total restricted funds</b>	563,499	28,105	(16,995)	(27,184)	547,425
<b>TOTAL FUNDS</b>	664,573	113,027	(74,198)	-	685,218

## **ACTION PARTY**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

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

- 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:

Architectural Heritage Fund – Development grant for professional fees and managers salary in 2019. Funds received in 2020 were towards the purchase and installation of a new boiler.

Community Grant Fund – funding towards web design.

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.

Keep Scotland Beautiful – funding towards study visits.

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

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. The funder will monitor and may inspect the property for a period of 5 years, therefore classified as a restricted asset during this period.

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

SP Energy Networks – funding towards the purchase and installation of solar panels.

- c) Transfers comprise:

Architectural Heritage Fund – purchase of fixed assets held within designated funds.

**ACTION PARTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020****17. Net assets over funds**

<b>2019</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2019 £</b>
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>

<b>2020</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2020 £</b>
Fixed assets	106,755	547,200	653,955
Debtors	4,183	18,184	22,367
Cash	48,184	(17,959)	30,225
Creditors < 1 year	(8,714)	-	(8,714)
Creditors > 1 year	(12,615)	-	(12,615)
	<u>137,793</u>	<u>547,425</u>	<u>685,218</u>