

**CHARITY NO: SC047358**

**COMPANY NO: SC542465**

**ACTION PORTY  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**ACTION PORTY**

**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

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## **ACTION PARTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

## **REFERENCE AND ADMINISTRATIVE INFORMATION**

**Trustees**

Justin Kenrick (Chair)  
Kyrsta MacDonald Scott (Vice-Chair)  
Ian Cooke (Company Secretary)  
Jennifer Elliot (Treasurer)  
Shauna MacDonald (resigned 17.11.2020)  
Morag Donaldson  
Alan Simpson  
Alasdair Reid  
Catherine Maclean  
Ben McLeish (resigned 25.02.2021)  
Fiona Crosbie (resigned 17.11.2020)  
Nadira Tucker (appointed 31.05.2021)

**Registered Office &  
Operational address**

Bellfield  
16a 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 2021**

The Trustees present their annual report and financial statements of the charity for the year ended 31 March 2021.

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 elected by the membership of the organisation (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 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. Because of the Covid pandemic, the 2021 AGM was delayed until May, 2021, so no AGM was held during this accounting period.

##### Appointment of Directors / Trustees

The initial directors were the 5 signatories to Action Porty's Articles of Association and over time the board has grown to 11 directors / trustees, all of whom were re-elected at the AGM held on 27 February, 2020. During the financial year 2020/21, 3 directors – Shauna MacDonald, Fiona Crosbie and Ben McLeish - stepped down from the Board of Action Porty. 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. At the board meeting held on 10 March, 2020, the following office bearers were all re-elected, and these remain the current post-holders:

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 2021**

#### **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 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 talks to these at the 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 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.

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 restrictions. This has included Action Porty conducting a thorough Covid risk management assessment (as part of the process of re-opening Bellfield in June, 2020), together with assessing the risk management policies of all regular user groups. 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, and the introduction of an enhanced cleaning regime.

#### **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**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

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

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. 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.

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.

Due to the restrictions related to the Covid pandemic, Action Porty, in consultation with our regular users, closed Bellfield in late March, 2019 and while the facility was partially re-opened in September, 2020, Bellfield was forced to close again in December for the remainder of the financial year. Without an administrator in place, the efforts to re-open Bellfield in a phased but safe way placed considerable strain on the voluntary efforts of the Board of Trustees. We are very conscious of how the closure negatively impacts on the people and organisations who regularly use Bellfield, so have worked closely with them towards re-opening the facility as soon as it is practicably safe to do so.

The Board continued to (virtually) meet regularly to keep abreast of the Covid 19 crisis and developed a 3-stage strategy for re-opening Bellfield. The challenge in doing so involves financing the additional expenditure required to re-open Bellfield, while allowing sufficient time for the rental income stream to re-build to pre-Covid 19 levels – we estimate 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 useful, income stream for Bellfield.

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 organisation, and discussions have taken place on how to re-structure Action Porty to enable this to take place.

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.

## **ACTION PORTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **Financial Review**

The charity generated income of £84,321 (2020: £113,027) and incurred expenditure of £94,088 (2020: £92,382), resulting in a deficit of £9,767 (2020: surplus of £20,645).

At the year end the charity held unrestricted funds of £128,999 (2020: £137,793), of which £115,935 (2020: £106,755) was tied up in fixed assets leaving free reserves of £13,064 (2020: £31,038).

#### 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. Over the course of the 2019/20 financial year (and before Covid interruption) rental income averaged in excess of £5k per month, which enabled Action Porty to cover the basic running costs of Bellfield, including the costs of 2 staff posts – part-time administrator 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.

Action Porty's objective has always been to develop Bellfield as a financially sustainable community facility, and in the 2019/20 financial year, Bellfield operated successfully without any revenue grant support. However the Covid pandemic struck in March 2020, presenting unforeseen operational and financial difficulties and challenges for the organisation. Government restrictions resulted in the closure of Bellfield in March 2020, and while the facility was partially re-opened in September, 2020, Bellfield was forced to close again in December, resulting in a huge impact on the income of the organisation.

In response to the Covid pandemic, Action Porty furloughed our 1 member of staff (the administrator post was vacant when the pandemic struck and remained unfilled throughout 2020/21), and with virtually no regular income coming in, the Board reduced monthly expenditure to the absolute minimum. Despite these actions, the closure did impact on the financial reserves of the organisation, and our ability to continue to trade has been greatly assisted by a couple of Covid Recovery grants from the Scottish Government and Resilient Scotland which will provide crucial cash-flow as Bellfield begins to re-open.

#### 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. Fundraising work is an ongoing activity and Action Porty continues to repair and upgrade the facility as finance becomes available. 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. This was followed by a major refurbishment of the large hall toilets, the sanding / varnishing of hall floors and the insulation of the Celebration Hall roof – all funded through various charitable grants. Another physical improvement carried out during 2020/21 was the installation of energy storage batteries (connected to the solar panels) and work to improve cycling facilities and create an e-cargo bike storage facility is currently ongoing.

## **ACTION PARTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

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

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 Covid 19 crisis has highlighted the need for Action Party to make better use of the Celebration Hall (former church) and an architect was employed to work with the Board and help come up with development options. These options were then costed by a quantity surveyor. Once a preferred 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 million plus. Action Party has spoken to a number of potential funders, but is actively considering a community shares issue to kick-start the fund-raising effort.

#### Principal funding sources

Rental income from Bellfield effectively funds the community business of operating Bellfield, with Action Party utilising a combination of grant funding and local fundraising to finance capital repair and improvement works. Action Party continues to explore available funding sources for grants which would enable the organisation to employ additional staff and grant funding will be crucial to the success of the big capital project. During the Covid period Action Party has received grants from both the Scottish Government (via DTAS) and Resilient Scotland to support our Covid Recovery plan. At the beginning of the financial year, a small grant from City of Edinburgh Council (Neighbourhood Grants) was also received, and this funded the redevelopment of the Action Party / Bellfield website.

#### Future Financial Projection

Prior to the closure of Bellfield because of Corona virus, Action Party 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. Cash-flowing a phased and safe re-opening of Bellfield will be a challenge, but Action Party should emerge from the Covid Impact with a reasonable level of reserves, and coupled with the 2 recovery grants, should be in reasonable position to rebuild the business. Interest in Bellfield from regular and occasional users remains encouragingly strong, and this gives us a degree of confidence looking forward.

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

#### Accounting Reporting Date

These accounts are prepared for the 12 month period from 1 April 2020 to 31 March 2021.

#### Investment and reserves policy

Within the provision of the articles of association, Action Party has the power to invest any money that the charity does not immediately require in any investments, securities or properties. However, Action Party is unlikely to be in this position for a number of years. The immediate priority for the organisation is to 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 (as per recommended guidance).



## **ACTION PORTY**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

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

Based on current expenditure levels this amounts to approximately £23,000. The charity currently holds general free reserves of £13,064 and is therefore below 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. In preparing the financial statements, the trustees are required to:

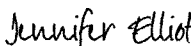
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures 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:  
  
9DE2B8A0055142D...  
Name: Jennifer Elliot

Date: 22 March 2022

## **INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF ACTION PARTY FOR THE YEAR ENDED 31 MARCH 2021**

I report on the accounts of the charity for the period ended 31 March 2021, 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 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.



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

Date: 22 March 2022

**ACTION PORTY  
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021**

(Including an Income and Expenditure account)

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
<b>Income and endowments from:</b>							
Donations and legacies	4	26,070	51,076	77,146	16,133	28,105	44,238
Charitable activities	5	4,375	-	4,375	68,388	-	68,388
Other trading activities	6	-	-	-	401	-	401
Other incoming resources	7	-	2,800	2,800	-	-	-
<b>Total Income</b>		<b>30,445</b>	<b>53,876</b>	<b>84,321</b>	<b>84,922</b>	<b>28,105</b>	<b>113,027</b>
<b>Expenditure on:</b>							
Charitable activities	9	65,239	28,849	94,088	75,387	16,995	92,382
<b>Total Expenditure</b>		<b>65,239</b>	<b>28,849</b>	<b>94,088</b>	<b>75,387</b>	<b>16,995</b>	<b>92,382</b>
<b>Net (expenditure) / income</b>		<b>(34,794)</b>	<b>25,027</b>	<b>(9,767)</b>	<b>9,535</b>	<b>11,110</b>	<b>20,645</b>
Transfers between funds		26,000	(26,000)	-	27,184	(27,184)	-
<b>Net movement in funds</b>		<b>(8,794)</b>	<b>(973)</b>	<b>(9,767)</b>	<b>36,719</b>	<b>(16,074)</b>	<b>20,645</b>
<b>Funds reconciliation</b>							
Total Funds Brought Forward	17	137,793	547,425	685,218	101,074	563,499	664,573
<b>Total Funds carried forward</b>	17	<b>128,999</b>	<b>546,452</b>	<b>675,451</b>	<b>137,793</b>	<b>547,425</b>	<b>685,218</b>

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

All income and expenditure derive from continuing activities.

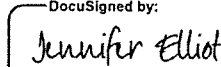
**ACTION PORTY****BALANCE SHEET AS AT 31 MARCH 2021**

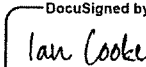
	Note	Total Funds 2021 £	Total Funds 2020 £
<b>Fixed assets:</b>			
Tangible assets	13	651,735	653,955
<b>Total Fixed Assets</b>		<u>651,735</u>	<u>653,955</u>
<b>Current assets:</b>			
Debtors	14	617	22,367
Cash at bank and in hand		51,256	30,225
<b>Total Current Assets</b>		<u>51,873</u>	<u>52,592</u>
<b>Liabilities:</b>			
Creditors falling due within one year	15	(8,401)	(8,714)
<b>Net Current assets</b>		<u>43,472</u>	<u>43,878</u>
<b>Total Assets less current Liabilities</b>		695,207	697,833
Creditors: Amounts falling due after more than one year	16	(19,756)	(12,615)
<b>Net assets</b>		<u>675,451</u>	<u>685,218</u>
<b>The funds of the charity:</b>			
Restricted income funds	17	546,452	547,425
Unrestricted funds	17	128,999	137,793
<b>Total charity funds</b>		<u>675,451</u>	<u>685,218</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 2021 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:  
  
 Name: Jennifer Elliot

DocuSigned by:  
  
 Name: Ian Cooke

Date: 22 March 2022

Company Number: SC542465

## **ACTION PORTY**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **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 17.

##### **(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 2021**

#### **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 2021**

#### **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;

<u>Estimate</u>	<u>Basis of estimation</u>
Depreciation of fixed assets	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 2021****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 (2020: £205 was reimbursed in respect of travel and subsistence). No expenses were waived by trustees during the period (2020: £nil).

Donations totalling £700 (2020: £1,000) were made to the charity by two trustees (2020: one trustee).

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 (2020: £175) was received from Skylark. At the year end there was no balance owed or due from Skylark (2020: £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**

	2021 £	2020 £
Donations	1,350	3,823
Grants	75,796	40,415
	<u>77,146</u>	<u>44,238</u>

**5. Income from charitable activities**

	2021 £	2020 £
Performance and event income	160	1,457
Hall lets	4,215	66,931
	<u>4,375</u>	<u>68,388</u>

**6. Income from other trading activities**

	2021 £	2020 £
Fundraising	-	401
	<u>-</u>	<u>401</u>

**7. Other incoming resources**

	2021 £	2020 £
CJRS	2,800	-
	<u>2,800</u>	<u>-</u>

**8. Allocation of governance costs**

<b>Governance costs:</b>	2021 £	2020 £
Independent Examiners' Fees	1,212	1,554
	<u>1,212</u>	<u>1,554</u>

Governance costs are allocated to costs of charitable activities.



**ACTION PORTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****9. Analysis of expenditure on charitable activities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Salaries	13,447	25,763
Events	-	878
Loan interest	66	953
Insurance	5,147	4,961
Utilities	5,443	5,633
Telephone	992	719
Repairs & maintenance costs	26,547	20,897
Advertising & marketing	-	1,162
IT software and consumables	1,075	747
Consulting	3,560	640
Professional & legal fees	4,004	865
Bank fees	217	492
Other costs	4,158	4,098
Depreciation	28,220	23,020
Governance costs (note 8)	1,212	1,554
	<u>94,088</u>	<u>92,382</u>

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Salaries and wages	13,089	23,465
Social security costs	120	1,344
Employer pension contributions	238	954
Total staff costs	<u>13,447</u>	<u>25,763</u>
Key Management Personnel remuneration	<u>13,447</u>	<u>25,763</u>

No employees had employee benefits in excess of £60,000 (2020: £Nil).

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
The average weekly number of persons, by headcount, employed by the charity during the year was:	<u>1</u>	<u>2</u>

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Independent Examiners Remuneration	1,212	1,554
Depreciation	<u>28,220</u>	<u>23,020</u>

**ACTION PORTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****12. Government Grants**

Edinburgh Council - £nil (2020: £450) was received towards web design costs. £225 was carried forward from 2020 and was fully spent during 2021.

DTAS - £13,053 (2020: £nil) was received towards PPE, equipment and salary costs. £6,601 was spent during the year, the balance of £6,992 is carried forward to 2021/22.

Resilient Scotland - £18,000 (2020: £nil) was received towards the charity's covid recovery plan. £106 was spent during 2020/21 the balance of £17,894 is carried forward to 2021/22.

Scottish Government, Keep Scotland Beautiful- £3,778 (2020: £nil) was received towards roof repairs. The amount was fully expended in the year.

UK Government Coronavirus Job Retention Scheme - £2,800 (2020: £nil) was received for funding towards staff costs due to the coronavirus pandemic. The amount was fully spent in 2021.

**13. Tangible Fixed Assets**

	Freehold Land & Buildings £	Plant & Equipment £	Property Improvements £	Total £
<b>Cost or valuation</b>				
At 1 April 20	644,606	16,281	34,086	694,973
Additions	-	-	26,000	26,000
Disposals	-	-	-	-
At 31 March 2021	644,606	16,281	60,086	720,973
<b>Depreciation</b>				
At 1 April 2020	25,784	8,417	6,817	41,018
Charge for the year	12,892	3,311	12,017	28,220
Eliminated on disposals	-	-	-	-
At 31 March 2021	38,676	11,728	18,834	69,238
<b>Net book value</b>				
At 31 March 2020	618,822	7,864	27,269	653,955
At 31 March 2021	605,930	4,553	41,252	651,735

**14. Debtors**

	2021 £	2020 £
Trade debtors	392	2,087
Prepayments	-	1,846
Other debtors	225	250
Accrued income	-	18,184
	617	22,367

**ACTION PORTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****15. Creditors: amounts falling due within one year**

	2021 £	2020 £
Trader creditors and accruals	3,324	2,063
Loans payable within one year	5,077	6,651
	<u>8,401</u>	<u>8,714</u>

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

	2021 £	2020 £
Loans payable within 1 – 5 years	19,756	12,615
	<u>19,756</u>	<u>12,615</u>

**17. Analysis of charitable funds**

2020 Analysis of Fund movements	Fund b/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	(63,767)	(6,902)	31,038
<b>Total unrestricted funds</b>	101,074	84,922	(75,387)	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>	<u>664,573</u>	<u>113,027</u>	<u>(92,382)</u>	<u>-</u>	<u>685,218</u>

**ACTION PARTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****17. Analysis of charitable funds (continued)**

<b>2021 Analysis of Fund movements</b>	<b>Fund c/fwd £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Fund c/fwd £</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>	137,793	30,445	(65,239)	26,000	128,999
<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>	547,425	53,876	(28,849)	(26,000)	546,452
<b>TOTAL FUNDS</b>	685,218	84,321	(94,088)	-	675,451

- 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 2020. Funds received in 2020 were towards the purchase and installation of a new boiler.

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

Edinburgh Council 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.

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

**ACTION PORTY****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

## b) Restricted funds comprise:

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

Keep Scotland Beautiful – funding towards study visits.

Scottish Government – Funding towards roof repairs.

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.

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

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

**18. Net assets over funds**

	<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>

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2021</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>