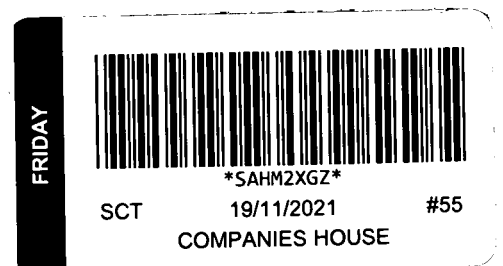


Charity Registration No. SC037942 (Scotland)  
Company Registration No. SC312802 (Scotland)

**FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**



# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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Trustees	L McDermid (Chair) J Lockhart Y Greeves N White C Hellowell Dr P Malik A Raeburn P McColl R Milliken
Chief Executive	J Lockhart
Charity number (Scotland)	SC037942
Company number	SC312802
Registered office	7 Montgomery Street Lane Edinburgh EH7 5JT
Auditor	Thomson Cooper 22 Stafford Street Edinburgh EH3 7BD
Bankers	Barclays Bank 1 Churchill Place London E14 5HP

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

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# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## CHAIRS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

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The Directors (who are also Trustees of First Port for Social Entrepreneurs Scotland Limited (First Port) for the purposes of charity law) present their annual report together with the financial statements of First Port for Social Entrepreneurs Scotland Limited 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 financial statements and comply with the charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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).

### Chairs' Report

This year has been marked by the extraordinary challenges posed by the COVID-19 pandemic. Firstport has seen its busiest year to date responding to the growing numbers seeking to use entrepreneurship as a means of tackling immediate and longer term social and environmental challenges.

The Firstport team and board have demonstrated incredible resilience, responding to and navigating the uncertainty across the financial year on a number of levels.

Following the COVID-19 outbreak the Firstport Group, along with many other organisations, went through a period of rapid reshaping out of necessity to navigate through a period of extreme uncertainty whilst still supporting our clients to the best of our ability. Although all Firstport's programmes and products were either paused or reduced, by October 2020 each of them had re-opened after a period of relatively quick reflection and adaptation. The team focused on high quality delivery with 111 awards made through our Social Entrepreneurs Fund, only a 3 % drop on the previous year despite multiple lockdowns. Firstport provided a rapid and professional response to meeting the critical needs of the sector – ensuring the Third Sector Resilience Fund was up and running within 8 days and in less than 6 months responded to nearly 3000 applications. Learning was rolled into the collaborative partnership between SCVO, Corra Foundation, Just Enterprise and Community Enterprise to deliver the Adapt and Thrive Fund supporting hundreds of third sector organisations across Scotland to adapt to the challenges presented by COVID-19 and build back better.

Over the latter part of the financial year, the Board and Leadership team re-visited Firstport's strategy to ensure we were acting strategically not simply reacting out of necessity and that the lens of the new context was applied to our strategic aims. This resulted in a strengthened digital strategy to support organisational digital maturity enabling data driven decision making and insights from across the sector that can inform policymakers and amplify influence.

The Team's continued focus on improving equality through embedding Diversity and Inclusion achieved recognition with Firstport being awarded the Investors in Diversity for Small Charities accreditation and began to assess how Firstport itself would respond to the climate emergency setting a net zero commitment and developing plans to reduce our carbon footprint.

The Firstport group staff are core to the success of the last year and the crisis has presented the opportunity to rethink how we adapt as an organisation engaging in smarter and less traditional ways of working. The Board are extremely grateful for their endurance and ingenuity and are supportive of empowering the staff teams to evolve their working practices to balance agility, productivity and being able to prioritise life outside of work too.

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

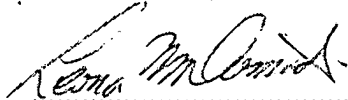
## CHAIRS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

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Our positive position is in no small part testament to the forethought and perspective of the entire Leadership Team. As Chair, this has been both a challenging and inspirational year and I would like to thank all my Board colleagues for their continued unwavering support and critical thinking. I would also like to thank our numerous partners and key stakeholders who we have collaborated and debated with, who have shaped and enabled the support we offer. And a final thank you to the people and social entrepreneurs who step up daily to imagine, develop and grow solutions through entrepreneurship that are changing the way we live for good.

The Firstport Group now has a broad approach to entrepreneurship: supporting small entrepreneurs in communities, developing social enterprises, and growing purpose-led organisations. It has and is carving out a place for social entrepreneurs and purpose led businesses to meet the great environmental, technological and social challenges that face Scotland opening up resources such as the new Catalyst fund and support needed to do so.

We are in a period of great flux with emerging possibilities that require a focused strategic approach if positive change is to be achieved. Firstport is in a positive position to shape the future and I have no doubt the group's thoughtful, nimble approach will serve it well in continuing to strengthen social entrepreneurship across Scotland.



**L McDermid**  
Chair  
Date 15 November 2021

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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### Our purposes and activities

The main purpose of Firstport for Social Entrepreneurs Scotland (Ltd) is the advancement of citizenship and community development, the advancement of education, and the promotion of equality and diversity through the release of the potential for social entrepreneurship in Scotland. This is in order to benefit communities and the individuals within them, and to promote social change within those communities.

Firstport has addressed itself to the pursuit of the following three key objectives:

1. To support the development, education, and training of emerging social entrepreneurs
2. To deliver increased economic and social benefits to communities through supporting the creation of new social enterprises and advance the regeneration of disadvantaged communities
3. To foster mutual support between individuals, social enterprises, and different sectors to strengthen social entrepreneurship in Scotland.

### Achievements and performance

Across all areas of work Firstport supported an average of 4-5 entrepreneurs a day over the past year through advice and/or finance support to move forward across all Firstport core programmes in 2020/21 despite a pause in core services at the start of the pandemic. In addition, Firstport took a lead role on delivering parts of the Scottish Government's COVID relief to the third sector leading on support that helped an additional circa 3.7k organisations through both resilience and recovery.

### Just Enterprise

Firstport had one of its busiest years for start-up support through Just Enterprise with 495 social enterprises receiving direct support from one of our business advisors along with 487 attendees to First Steps sessions and start-up workshops during the year.

### The Social Entrepreneurs Fund

As a result of the pandemic, the Social Entrepreneurs Fund saw an enhanced year with an additional £500k injected into the programme to increase the support available to early-stage social enterprises not able to get support through Covid Relief Funds. Due to a pause in this programme at the start of lockdown, only 9 months of the usual 12 were delivered during the financial period, but despite that demand was higher than ever.

Over the 9-month period 297 applications were submitted (up by 22% for the same period in 19/20) each receiving support and advice with 100 going on to receive awards totalling £1,180,062 (18% increase on same period 19/20). This increase of 18% was primarily due to the increased capacity from the Scottish Government.

### LaunchMe

Firstport delivered round 5 and the start of LaunchMe, the investment readiness programme, through a continued partnership with the Scottish Government, Highlands and Islands Enterprise and Barclays. Round 6 was also launched in 2020, with the next programme participants recruited in Q4 2020/21; they will go on to be supported to scale in the coming year.

### Social Enterprise in Higher Education (Social Shifters (Universities))

Firstport were awarded a 2 year grant by the Scottish Government in 2019 to deliver a programme of outreach, engagement, learning and support across Scotland's Higher Education sector with the primary aim of stimulating and supporting new social enterprise ideas from Universities, enabling them to play an important role with the social enterprise eco-system.

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### Third Sector Resilience Fund & Adapt & Thrive

In direct response to the lockdown measures imposed in March 2020 due to COVID-19, Firstport worked in partnership with Corra and Social Investment Scotland to design and administer the Third Sector Resilience Fund on behalf of the Scottish Government. This £24.8m emergency fund was for charities, community groups, social enterprises and voluntary organisations working in Scotland, with the primary aim of helping those organisations stabilise and manage cashflows over the period. The Third Sector Resilience Fund supported nearly 3000 organisations over the first few months of lockdown.

Later in the financial year that same partnership, with the addition of SCVO and Just Enterprise, designed and delivered an additional £27mil "adapt and thrive" programme that supported the sector to adapt their models and plans to a post pandemic context through both business support and grant funding. In total 2127 received business support with 741 going on to receive grant funding.

### FirstImpact

FirstImpact works with enterprises, support agencies, and entrepreneurs across all sectors who want to structure and grow their businesses in a way that is profitable, mission-led and impact focused. Throughout the 20/21, the company paused most activity other than its support to the Scotland Can B programme and to clients of the Glasgow Business Gateway. Over the year a re-assessment of its core role in the group was taken and a decision was made to move all future commercial activities of the group into this company other than those carried out by the Impact Investment Partnership Scotland Ltd.

### Impact Investment Partnership Scotland Ltd. – Catalyst Fund

Firstport established a newly formed Joint Venture with Social Enterprise Scotland to oversee new investment activity for Scottish Social Enterprises with the aim of filling in identified gaps in start-up and growth financing. In Q4 20/21 the JV successfully acquired a cornerstone investment of £15mil from the Scottish Government to set up the Social Catalyst Fund, a new model of patient revenue-based lending. First Investments were made early in the 21/22 financial year.

### Climate Emergency

Having recognised Firstport's role in tackling the climate emergency, it was decided in 2020 that the company would work towards understanding our own role in mitigating it as well as supporting our clients to embed net zero and climate mitigation strategies into their work. Alongside other strategic groups, an internal climate environment group was set up to help set scope what is possible for Firstport with regards to those initial aims.

This group has established the following priorities for short term work around the climate emergency;

- Generate baseline data for Firstport in order to set a net zero commitment and strategy by 31 Mar 2022
- Research tools to support both Firstport's staff and clients to understand their own benchmarking and contribution towards achieving net-zero.
- Train the staff team on understanding how to communicate the importance business' impact (good and bad) on the climate emergency.

Firstport is currently working with consultants to carry out a carbon audit and has committed to including a carbon report to its annual reports starting in 2022 along with a net zero commitment and strategy.

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### **Financial review**

An overall surplus of £849,999 arose during the year for the group (2020 surplus £582,915). For the charity alone, there was a surplus of £827,364 (2020 surplus £560,280).

### **Principal funding sources**

Funding in 2020/21 was dominated by COVID recovery programmes including a temporary expansion in the Social Entrepreneurs Fund. As such, £16.69mil was recognised in the year pertaining to COVID relief funds, the majority of which was grants to be distributed. In addition, Firstport received grant income of £2m from the Scottish Government to deliver an expanded version of the Social Entrepreneurs Fund; this included £1.79m to provide grants directly to social entrepreneurs. The charity also received grant income from the Scottish Government to deliver the Social Enterprise in Higher Education programme (Social Shifters (Universities), Social innovation Competition and partial funding for LaunchMe. Other grant income received came from Highlands and Islands Enterprise for LaunchMe. Contract income was also generated through the Just Enterprise contract with additional income generated through the management and delivery of a diverse range of other smaller contracts/programmes including the Changing Lives programme with Sports Scotland.

### **Investment powers and policy**

Under the Memorandum and Articles of Association, the charity has the power to invest any money that the company does not immediately require in such investments as may be considered appropriate. As there are few funds for long-term investment, the directors having regard to the liquidity requirements of operating the charity and to the reserves policy, have operated a policy of keeping available funds in an interest bearing bank account.

### **Reserves policy**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and five month's unsecured core operational expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

### **COVID-19 and going concern**

COVID-19 had less of an impact on Firstport than expected. While it is not yet possible to fully understand what this impact will be in the medium term, particularly on the delivery of programmes or finance, Trustees and staff have put in place strategies and plans to identify and mitigate as far as possible these effects.

The primary source of grant funding is received from the Scottish Government. Grants for 2021/2022 have already been secured, although income generated from smaller contracts will likely be affected. Whilst the trustees have no direct control over the funding available we are in discussions with the Scottish Government regarding funding beyond 21/22.



# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### Plans for future periods

Under current arrangements, Firstport will continue to deliver the Social Entrepreneurs Fund until March 2023, the start-up component of Just Enterprise until May 2023, and LaunchMe until March 2022 with the option for future renewal. In addition, repayments of Boost It loans have started to be made and are on track to be sufficient to cover the costs/awards for the Social Innovation Challenge from 2022 without the need for additional funding.

Firstport will continue to deliver on the strategy launched in 2019 which outlined the need to be more responsive to context and demand and align programmes closer to needs highlighted by our data. The charity is currently in a process of recontextualising that strategy in light of the social and economic changes of the past 18 months. As we emerge from the COVID pandemic, this approach will be more relevant in the coming year than ever, and the company is focusing on how we redesign the future of work, further increase digital and innovation support, embed diversity and inclusion across all programmes and operations, as well as doing our part to tackle the climate emergency.

### Risk

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

### Structure, governance and management

Firstport has a Board of 9 Trustees, each of whom has a wide range of experience and expertise allowing the charity to tap into appropriate guidance within the wide range of situations faced. As a minimum, the board meets quarterly to evaluate, monitor, and plan the development of the organisation. The board also sets up separate sub-committees made up of three board members and the chief executive that meet between board meetings to discuss specific matters in more detail, as and when required.

### Governing Document

First Port is a company limited by guarantee governed by its Memorandum and Articles of Association dated 2 October 2006. These were revised on 30 January 2015. It is registered as a charity with HM Revenue and Customs and the Office of the Scottish Charities Regulator (OSCR).

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### Trustees

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

L McDermid  
J Lockhart  
Y Greeves  
N White  
C Hellowell  
Dr P Malik  
A Raeburn  
P McColl  
R Milliken

### Appointment of Directors

At the general meeting, in accordance with the articles of association, those directors who have served for a term of three general meetings shall automatically step down. The directors may then appoint any person (provided he/she is willing to act) to fill any vacancies, provided that the board does not exceed the maximum of ten directors. A retiring director may be re-appointed, but no director (other than the chief executive) may serve for more than six years, whether continuous or otherwise. The directors shall elect among themselves a chair and such other office bearers, as they consider appropriate.

### Director induction and training

We openly recruit for trustees and appointments are a board decision. We have developed an induction and training programme for new trustees and have produced a trustee handbook.

### Related parties and co-operation with other organisations

Any connection between a trustee or senior manager of the charity and a supported social entrepreneur must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year, no such related party transactions were reported.

### Pay policy for senior staff

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the directors benchmark against pay levels in other charities of a similar size. The remuneration benchmark is the mid-point of the range paid for similar roles.

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### Statement of Trustees responsibilities

The Trustees, who are also the directors of First Port for Social Entrepreneurs Scotland Limited for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

### Auditor

Thomson Cooper were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

### Disclosure of information to auditors

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



**L McDermid**  
Chair  
Date 15 November 2021

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

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### Opinion

We have audited the financial statements of First Port for Social Entrepreneurs Scotland Limited (the 'parent') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the consolidated and company Statement of Financial Activities, the consolidated and company Balance Sheet, the consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAS (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on Other Matters Prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Chair's report and the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Chair's report and the Trustees' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Chair's report or the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

#### **Extent to which the audit is capable of identifying irregularities and fraud**

We considered the opportunities and incentives that may exist within the group for fraud and identified the greatest potential for fraud in the following areas: existence and timing of recognition of income, posting of *unusual journals along with complex transactions and manipulating the Group's key performance indicators to meet targets*. We discussed these risks with management, designed audit procedures to test the timing and existence of revenue, tested a sample of journals to confirm they were appropriate and inspected minutes from meetings held by management and trustees for any reference to breaches of laws and regulations. In addition, we reviewed areas of judgement for indicators of management bias to address these risks.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the officers and other management (as required by the auditing standards).

We reviewed the laws and regulations in areas that directly affect the financial statements including applicable charity and company law and considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

With the exception of any known or possible non-compliance with relevant and significant laws and regulations, and as required by the auditing standards, our work in respect of these was limited to enquiry of the officers and management of the charity.

We communicated identified laws and regulations and potential fraud risks throughout our team and remained alert to any indications of non-compliance or fraud throughout the audit. However the primary responsibility for the prevention and detection of fraud rests with the trustees.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's Trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken to that we might state to the charitable company's members and Trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Sharon Collins (Senior Statutory Auditor)**  
for and on behalf of Thomson Cooper  
Edinburgh

Dated: 15 November 2021

Thomson Cooper is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2021

### Current Financial Year

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
<b>Income from:</b>					
Donations and legacies	2	11,314	18,945,369	18,956,683	1,748,180
Charitable activities	3	215,127	-	215,127	212,055
Other trading activities	4	56,400	-	56,400	69,390
Investments	5	176	-	176	516
		<u>283,017</u>	<u>18,945,369</u>	<u>19,228,386</u>	<u>2,030,141</u>
<b>Expenditure on:</b>					
Charitable activities	6	273,169	11,863,586	12,136,755	1,447,226
Net expenditure applicable to Joint Venture	12	6,447	-	6,447	-
		<u>279,616</u>	<u>11,863,586</u>	<u>12,143,202</u>	<u>1,447,226</u>
<b>Net (outgoing)/incoming resources before transfers</b>		3,401	7,081,783	7,085,184	582,915
Gross transfers between funds		759	(759)	-	-
Fair value adjustments		6,447	-	6,447	-
		<u>10,607</u>	<u>7,081,024</u>	<u>7,091,631</u>	<u>582,915</u>
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		10,607	7,081,024	7,091,631	582,915
Fund balances at 1 April 2020		190,325	659,674	849,999	267,084
<b>Fund balances at 31 March 2021</b>		<u>200,932</u>	<u>7,740,698</u>	<u>7,941,630</u>	<u>849,999</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.



# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2021

### Prior Financial Year

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
<b>Income from:</b>				
Donations and legacies	2	-	1,748,180	1,748,180
Charitable activities	3	212,055	-	212,055
Other trading activities	4	69,390	-	69,390
Investments	5	483	33	516
		<u>281,928</u>	<u>1,748,213</u>	<u>2,030,141</u>
<b>Expenditure on:</b>				
Charitable activities	6	256,639	1,190,587	1,447,226
<b>Net (outgoing)/incoming resources before transfers</b>				
		25,289	557,626	582,915
Gross transfers between funds				
		1,656	(1,656)	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>				
		26,945	555,970	582,915
Fund balances at 1 April 2019				
		163,380	103,704	267,084
<b>Fund balances at 31 March 2020</b>				
		<u>190,325</u>	<u>659,674</u>	<u>849,999</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2021

### Current Financial Year

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
<b>Income from:</b>					
Donations and legacies	2	11,314	18,945,369	18,956,683	1,748,180
Charitable activities	3	219,927	-	219,927	237,379
Other trading activities	4	-	-	-	400
Investments	5	176	-	176	516
		<u>231,417</u>	<u>18,945,369</u>	<u>19,176,786</u>	<u>1,986,475</u>
<b>Expenditure on:</b>					
Charitable activities	6	222,081	11,863,586	12,085,667	1,426,195
<b>Net (outgoing)/incoming resources before transfers</b>					
		9,336	7,081,783	7,091,119	560,280
Gross transfers between funds					
		759	(759)	-	-
<b>Net (expenditure)/income for the year/</b>					
<b>Net movement in funds</b>					
Fund balances at 1 April 2020		167,690	659,674	827,364	267,084
<b>Fund balances at 31 March 2021</b>		<u>177,785</u>	<u>7,740,698</u>	<u>7,918,483</u>	<u>827,364</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2021

### Prior Financial Year

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
<b>Income from:</b>				
Donations and legacies	2	-	1,748,180	1,748,180
Charitable activities	3	237,379	-	237,379
Other trading activities	4	400	-	400
Investments	5	438	33	516
		<u>238,262</u>	<u>1,478,213</u>	<u>1,986,475</u>
<b>Expenditure on:</b>				
Charitable activities	6	<u>235,608</u>	<u>1,190,587</u>	<u>1,426,195</u>
<b>Net (expenditure)/income for the year/ Net movement in funds</b>				
		2,654	557,626	560,280
Gross transfers between funds				
		1,656	(1,656)	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>				
		4,310	555,970	560,280
Fund balances at 1 April 2019				
		163,380	103,704	267,084
<b>Fund balances at 31 March 2020</b>				
		<u>167,690</u>	<u>659,674</u>	<u>827,364</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
<b>Fixed assets</b>					
Tangible assets	11	2,925	5,116	2,925	5,116
Investments	12	1	-	2	1
		<u>2,926</u>	<u>5,116</u>	<u>2,927</u>	<u>5,117</u>
<b>Current assets</b>					
Debtors	13	967,150	484,251	966,250	482,018
Cash at bank and in hand		<u>22,673,207</u>	<u>1,816,590</u>	<u>22,644,506</u>	<u>1,777,992</u>
		<u>23,640,357</u>	<u>2,300,841</u>	<u>23,610,756</u>	<u>2,260,010</u>
<b>Creditors: amounts falling due within one year</b>	14	<u>(15,701,653)</u>	<u>(1,455,958)</u>	<u>(15,695,200)</u>	<u>(1,437,763)</u>
Net current assets		<u>7,938,704</u>	<u>844,883</u>	<u>7,915,556</u>	<u>822,247</u>
<b>Total assets less current liabilities</b>		<u>7,941,630</u>	<u>849,999</u>	<u>7,918,483</u>	<u>827,364</u>
<b>Income funds</b>					
Restricted funds		7,740,698	659,674	7,740,698	659,674
Unrestricted funds		<u>200,932</u>	<u>190,325</u>	<u>177,785</u>	<u>167,690</u>
		<u>7,941,630</u>	<u>849,999</u>	<u>7,918,483</u>	<u>827,364</u>

The financial statements were approved by the Trustees on 15 November 2021



L McDermid  
Trustee

Company Registration No. SC312802

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
<b>Cash used in operating activities</b>	19	20,856,442	1,201,544
<b>Cash flows from investing activities:</b>			
Interest income		176	516
Purchase of fixed assets		-	(2,760)
Proceeds on disposal of fixed assets		-	400
Purchase of investments		(1)	-
<b>Cash provided by (used in) investing activities</b>		175	(1,844)
<b>Increase/(decrease) in cash and cash equivalents in the year</b>		20,856,617	1,199,700
<b>Cash and cash equivalents at the beginning of the year</b>		1,816,590	616,890
<b>Cash and cash equivalents at the end of the year</b>		22,673,207	1,816,590

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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### 1. Accounting policies

#### Charity information

First Port is a charitable company limited by guarantee and has no share capital. It is incorporated in the UK and registered in Scotland (Company No. SC312802) It is also a registered Scottish Charity (Charity No. SC037942). The registered office is 7 Montgomery Street Lane, Edinburgh, EH7 5JT.

In the event of the company being wound up members are required to contribute an amount not exceeding £1.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 (FRS102) (effective 1 January 2019)".

First Port meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

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 £.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for a period of not less than twelve months from the date of approval of the accounts. The trustees are aware that the charity is reliant on continued funding for various programmes. Amongst others the charity will continue to deliver the Social Enterprise Fund with funding confirmed to March 22 and agreed in principle to March 23. The trustees have reviewed their cashflow requirements and are satisfied that the group has sufficient reserves to continue in operational existence for a period of not less than twelve months from the date of approval of the accounts. As such, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Basis of consolidation

The consolidated financial statements present the results of the charity and its own subsidiary ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

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#### 1.4 Investments in joint ventures

The profits and losses, assets and liabilities of associated companies and joint ventures are recorded in the Consolidated Financial Statements using the Equity method, except where the investments are classified as held for sale.

Fixed asset investments, including interests in subsidiaries and jointly controlled entities, are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

If the group's share of losses in a joint venture equals or exceeds its investment in the joint venture, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture.

#### 1.5 Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be qualified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance. Income is deferred when performance related grants are received in advance of the performance or event to which they relate.

##### Interest Receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity.

##### Fund accounting

Unrestricted funds are funds that can be used in accordance with the objectives of the charity at the directors' discretion. Designated funds are unrestricted funds that can only be used for a particular purpose within the objectives of the charity. Restrictions arise when specified by the donor or when funds are raised for a particular purpose.

#### 1.6 Resources expended and irrecoverable VAT

Expenditure is recognised on an accrual basis as a liability is incurred. Irrecoverable VAT is treated as resources expended in the principal activity that incurred the original VAT.

Costs of generating funds are those costs incurred in attracting voluntary income and the costs incurred in trading activities that raise funds.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services to its beneficiaries. It includes both the direct costs and indirect costs necessary to support these activities.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. estimated usage, staff costs by the time spent. Grants payable are charged on an accruals basis and consist of grants authorised for payment in the year.

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

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#### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings      25% reducing balance

Office Equipment          33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

#### 1.8 Fixed asset investments

Fixed asset investments, including interests in subsidiaries and jointly controlled entities, are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.9 Cash and cash equivalents

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 date of acquisition or opening of deposit or similar account.

#### 1.10 Pensions

The charity operates a group defined contribution company pension scheme. The pension charge recorded in these accounts is the amount of contributions payable in respect of the accounting year.

#### 1.11 Leases

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

#### 1.12 Investments

Investment in subsidiary undertaking is valued at cost.

#### 1.13 Debtors

Trade debtors 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.

Loans and other receivables that have fixed or determinable payments that are not quoted in an active market are measured at amortised cost using the straight line interest method, less any impairment.

#### 1.14 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.



# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 2. Grant Income

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Income from grants	18,956,683	1,748,180	18,956,683	1,748,180
<b>Grants receivable for core activities</b>				
Scottish Government – SEF Operating Costs	244,000	270,000	244,000	270,000
Scottish Government – SEF Awards Funding	1,790,000	1,230,000	1,790,000	1,230,000
Scot Gov - SIC Comp Ops	7,000	-	7,000	-
HIE – LaunchMe	22,666	22,667	22,666	22,667
William Grant Foundation – What if...Girvan	-	15,200	-	15,200
Scottish Government – LaunchMe Awards and Operations	140,313	160,313	140,313	160,313
Scottish Government – Social Shifters (Universities)	50,000	50,000	50,000	50,000
Scottish Government - Resilience fund	2,191,390	-	2,191,390	-
Robertson Trust - CLTSPA	11,314	-	11,314	-
Scottish Government - Adapt & Thrive	14,500,000	-	14,500,000	-
	<u>18,956,683</u>	<u>1,748,180</u>	<u>18,956,683</u>	<u>1,748,180</u>
Analysis by fund				
Unrestricted funds	11,314	-	11,314	-
Restricted funds	18,945,369	1,748,180	18,945,369	1,748,180
	<u>18,956,683</u>	<u>1,748,180</u>	<u>18,956,683</u>	<u>1,748,180</u>

### 3. Charitable activities

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Just Enterprise	204,262	124,252	204,262	124,252
Glasgow Council - GCC fund	11,000	-	11,000	-
Other Income	(135)	87,803	4,665	113,127
	<u>215,127</u>	<u>212,055</u>	<u>219,927</u>	<u>237,379</u>
Analysis by fund				
Unrestricted funds	215,127	212,055	219,927	237,379
Restricted funds	-	-	-	-
	<u>215,127</u>	<u>212,055</u>	<u>219,927</u>	<u>237,379</u>

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 4. Income earned from other trading activities

	Group 2021 £	Group 2020	Charity 2021	Charity 2020 £
Income from workshops generated in subsidiary	56,400	68,990	-	-
Gain on disposal of fixed assets	-	400	-	400
	<u>56,400</u>	<u>69,390</u>	<u>-</u>	<u>400</u>
Analysis by fund				
Unrestricted funds	56,400	69,390	-	400
Restricted funds	-	-	-	-
	<u>56,400</u>	<u>69,390</u>	<u>-</u>	<u>400</u>

### 5. Investments

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Interest receivable	176	516	176	516
Analysis by fund				
Unrestricted funds	176	483	176	483
Restricted funds	-	33	-	33
	<u>176</u>	<u>516</u>	<u>176</u>	<u>516</u>

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 6. Charitable Activities

	Business Training	Grant Making Awards	Grant Making Costs	Trading Subsidiaries Expenditure	Total 2021	Total 2020
	2021	2021	2021	2021	2021	2020
	£	£	£	£	£	£
Start It	-	290,109	-	-	290,109	313,871
Build It	-	680,000	-	-	680,000	365,219
Other Awards	-	10,255,758	-	-	10,255,758	68,250
Advertising	1,231	-	6,985	-	8,216	23,830
Events	1,620	-	128	-	1,748	8,431
Other direct costs	-	-	-	46,200	46,200	10,249
	2,851	11,225,867	7,113	46,200	11,282,031	789,850
Share of support costs (see note 7)	526,366	-	318,963	4,910	850,239	652,284
Share of governance costs (see note 7)	2,885	-	-	1,600	4,485	5,092
	532,102	11,225,867	326,076	52,710	12,136,755	1,447,226
Analysis by fund						
Unrestricted funds	203,173	17,286	-	52,710	273,169	256,639
Restricted funds	328,929	11,208,581	326,076	-	11,863,586	1,190,587
	532,102	11,225,867	326,076	52,710	12,136,755	1,447,226

### Prior year

	Business Training	Grant Making Awards	Grant Making Costs	Trading Subsidiaries Expenditure	Total
	2020	2020	2020	2020	2020
	£	£	£	£	£
Start It	-	313,871	-	-	313,871
Build It	-	365,219	-	-	365,219
Other Awards	-	68,250	-	-	68,250
Advertising	5,920	-	17,190	-	23,830
Events	5,413	-	458	2,560	8,431
				10,249	10,249
	11,333	747,340	18,368	12,809	789,850
Share of support costs (see note 7)	392,276	-	216,438	43,570	652,284
Share of governance costs (see note 7)	3,492	-	-	1,600	5,092
	407,101	747,340	234,806	57,979	1,447,226
Analysis by fund					
Unrestricted funds	198,660	-	-	57,979	256,639
Restricted funds	208,441	747,340	234,806	-	1,190,587
	407,101	747,340	234,806	57,979	1,447,226

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 7. Support costs

	Support Costs 2021 £	Governance Costs 2021 £	Trading Subsidiaries 2021 £	Total 2021 £	Total 2020 £
Staff & Subcontractor Costs	698,378	-	-	698,378	495,262
Premises Expenses	26,325	-	-	26,325	36,681
Travel & Subsistence	1,405	-	-	1,405	46,373
Printing, Post & Stationery	-	-	-	-	2,098
Telephone & IT	18,465	-	309	18,774	22,737
Professional Fees	76,511	-	3,814	80,325	17,125
Depreciation	2,191	-	-	2,191	1,936
Bank Charges	394	-	59	453	133
General & Office Expenses	5,053	-	-	5,053	1,567
Irrecoverable VAT	11,491	-	(12)	11,479	17,147
Accountancy Fees	5,116	-	620	5,736	5,915
Corporation Tax (subsidiary)	-	-	120	120	5,310
Audit Fees	-	2,885	1,600	4,485	5,092
	<b>845,329</b>	<b>2,885</b>	<b>6,510</b>	<b>854,724</b>	<b>657,376</b>

### Prior year

	Support Costs 2020 £	Governance Costs 2020 £	Trading Subsidiaries 2020 £	Total 2020 £
Staff & Subcontractor Costs	495,262	-	-	495,262
Premises Expenses	36,681	-	-	36,681
Travel & Subsistence	22,037	-	24,336	46,373
Printing, Post & Stationery	2,098	-	-	2,098
Telephone & IT	22,543	-	194	22,737
Professional Fees	8,511	-	8,614	17,125
Depreciation	1,936	-	-	1,936
Bank Charges	75	-	58	133
General & Office Expenses	1,228	-	339	1,567
Irrecoverable VAT	13,028	-	4,119	17,147
Accountancy Fees	5,315	-	600	5,915
Corporation Tax (Subsidiary)	-	-	5,310	5,310
Audit Fees	-	3,492	1,600	5,092
	<b>608,714</b>	<b>3,492</b>	<b>45,170</b>	<b>657,376</b>

### 8. Net movement in funds

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Net movement in funds is stated after charging/(crediting)				
Depreciation of owned tangible fixed assets	2,191	1,936	2,191	1,936

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 9. Employees

	2021 Number	2020 Number
Chief Executive	1	1
Deputy Chief Executive	1	1
Head of Communications and Digital	1	1
Head of Business Development and Partnerships	1	1
Head of Programmes	1	1
Relationship Managers	2	2
Programme Managers	3	3
Programme Co-ordinators	1	1
Business Advisor	3	3
Communications Officer	1	1
Administrators	1	1
	<u>16</u>	<u>16</u>

### Employment costs

	2021 £	2020 £
Wages and salaries	577,755	424,349
Social security costs	53,878	40,080
Other pension costs	28,092	20,824
	<u>659,725</u>	<u>485,253</u>

The number of employees with employee benefits in excess of £60,000 was as follows:-

	2021 £	2020 £
£60,001 to £70,000	1	1
	<u>1</u>	<u>1</u>

No trustee or other person related to the charity had any personal interest in any contracts or transactions entered into by the charity in either year.

The total remuneration paid to key management personnel, comprising Trustees and the Chief Executive Officer, during the year was £63,860 (2020 - £62,000).

The subsidiary did not operate a payroll during the year and so no employment costs are included. All costs shown were borne by the charity.

### 10. Corporate Taxation

The charity is exempt from tax on income and gains falling within section 5050 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. The trading subsidiary is subject to Corporation Tax.

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 11. Tangible fixed assets - Group

	Fixtures and Fittings £	Office Equipment £	Total £
<b>Cost</b>			
At 1 April 2020	12,976	14,585	27,561
Additions	-	-	-
Disposals	-	-	-
At 31 March 2021	<u>12,976</u>	<u>14,585</u>	<u>27,561</u>
<b>Depreciation and impairment</b>			
At 1 April 2020	10,934	11,511	22,445
Depreciation charged in the year	511	1,680	2,191
Eliminated in respect of disposals	-	-	-
At 31 March 2021	<u>11,445</u>	<u>13,191</u>	<u>24,636</u>
<b>Carrying amount</b>			
At 31 March 2021	<u>1,531</u>	<u>1,394</u>	<u>2,925</u>
At 31 March 2020	<u>2,042</u>	<u>3,074</u>	<u>5,116</u>

### Tangible fixed assets - Charity

	Fixtures and Fittings £	Office Equipment £	Total £
<b>Cost</b>			
At 1 April 2020	12,976	14,585	27,561
Additions	-	-	-
Disposals	-	-	-
At 31 March 2021	<u>12,976</u>	<u>14,585</u>	<u>27,561</u>
<b>Depreciation and impairment</b>			
At 1 April 2020	10,934	11,511	22,445
Depreciation charged in the year	511	1,680	2,191
Eliminated in respect of disposals	-	-	-
At 31 March 2021	<u>11,445</u>	<u>13,191</u>	<u>24,636</u>
<b>Carrying amount</b>			
At 31 March 2021	<u>1,531</u>	<u>1,394</u>	<u>2,925</u>
At 31 March 2020	<u>2,042</u>	<u>3,074</u>	<u>5,116</u>

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 12. Fixed asset investments

	2021 Other Investments	2020 Other Investments
<b>Cost or valuation</b>		
At 1 April 2020	1	1
Additions	1	-
At 31 March 2021	<u>2</u>	<u>1</u>
<b>Carrying amount</b>		
At 31 March 2021	<u>2</u>	<u>1</u>
At 31 March 2020	<u>1</u>	<u>1</u>

Details of the charity's subsidiary at 31 March 2021 are as follows:-

Name of undertaking	Principal Activity	Registered office	Class of Shares held	% held	
				Direct	Indirect
FirstImpact Business Ltd	Providing business support services	Scotland	Ordinary	100.00	

Summary of trading results	2021 £	2020 £
Turnover	58,020	105,938
Direct costs	(51,000)	(24,980)
Administrative expenses	(6,509)	(58,322)
Net profit/(loss) (retained in subsidiary)	<u>511</u>	<u>22,636</u>

The assets and liabilities of the subsidiary were:

Fixed assets	-	-
Current assets	30,288	42,198
Current liabilities	(7,140)	(19,561)
Total net assets	<u>23,148</u>	<u>22,637</u>
Share capital	1	1
Aggregate reserves	<u>23,147</u>	<u>22,636</u>
Aggregate reserves	<u>23,148</u>	<u>22,637</u>

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 12. Fixed asset investments (continued)

#### Interests in associates and joint ventures

At 31 March 2021, the group and the charity had interests in the following joint venture:

Name of joint venture	Principal Activity	Registered office	Class of Shares held	% held	
				Direct	Indirect
Impact Investment Partnership Scotland Limited	Providing business support services	Scotland	Ordinary	50.00	

#### The group

	Share of net assets £	Total £
At 1 April 2020	-	-
Share of profit for the year after taxation	(6,447)	(6,447)
At 31 March 2021	<u>(6,447)</u>	<u>(6,447)</u>

#### The charity

	Investment in equity shares £	Total £
At 1 April 2020	-	-
Additions	1	1
At 31 March 2021	<u>1</u>	<u>1</u>

The investment in Impact Investment Partnership Scotland Limited has been included at it's fair value of £1.



# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 13. Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
<b>Amounts falling due within one year:</b>				
Trade debtors	90,638	41,763	89,738	38,306
Other debtors	-	5,202	-	6,426
Prepayments and accrued income	36,512	17,286	36,512	17,286
Boost It Project loans	175,304	-	175,304	-
	<u>302,454</u>	<u>64,251</u>	<u>301,554</u>	<u>62,018</u>
<b>Amounts falling due after more than one year:</b>				
Boost It Project loans	614,696	420,000	614,696	420,000
LaunchMe Project loans	50,000	-	50,000	-
<b>Total Debtors</b>	<u>967,150</u>	<u>484,251</u>	<u>966,250</u>	<u>482,018</u>

### 14. Creditors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Other taxation and social security	39,658	37,016	39,538	29,518
Trade creditors	20,516	13,617	15,716	9,281
Funds held as custodian on behalf of others	14,988,428	-	14,988,428	-
Other creditors	1,562	1,000,188	2,249	1,000,188
Accruals and deferred income	651,489	405,137	649,269	398,776
	<u>15,701,653</u>	<u>1,455,958</u>	<u>15,695,200</u>	<u>1,437,763</u>

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 15. Restricted funds

	Balance at 1 April 2020	Incoming Resources	Resources expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£
Scottish Government – SEF Awards	566,104	1,790,000	(970,109)	-	1,385,995
Scottish Government – SEF Operations	23,579	244,000	(173,293)	-	94,286
HIE – LaunchMe	-	22,666	(22,666)	-	-
Scottish Government – Social Innovation Comp	-	7,000	-	-	7,000
William Grant Foundation – What If Girvan	-	-	782	(782)	-
North Edinburgh (Community Action North) What If	14,834	-	(14,857)	23	-
Scottish Government – LaunchMe Operations	39,247	140,313	(56,102)	-	123,458
Scottish Government – Social Shifters (Universities)	15,910	50,000	(33,409)	-	32,501
Scottish Government – Resilience Fund	-	2,191,390	(198,610)	(1,992,780)	-
Scottish Government – Adapt & Thrive	-	14,500,000	(10,395,322)	1,992,780	6,097,458
	659,674	18,945,369	(11,863,586)	(759)	7,740,698

Prior year	Balance at 1 April 2019	Incoming Resources	Resources expended	Transfers	Balance at 31 March 2020
	£	£	£	£	£
Scottish Government – SEF Awards	15,194	1,230,000	(679,090)	-	566,104
Scottish Government – SEF Operations	(10,594)	270,033	(235,860)	-	23,579
Big Lottery – LaunchMe	1,550	-	-	(1,550)	-
HIE – LaunchMe	-	22,667	(22,667)	-	-
Scottish Government – Social Innovation Comp	-	-	-	-	-
William Grant Foundation – What If Girvan	-	15,200	(15,094)	(106)	-
North Edinburgh (Community Action North) What If	20,000	-	(5,166)	-	14,834
City of Edinburgh Council – What If	14,000	-	(14,000)	-	-
Scottish Government – What If	14,000	-	(14,000)	-	-
Scottish Government – LaunchMe Awards (Seed and Match)	-	60,000	(60,000)	-	-
Scottish Government – LaunchMe Operations	49,554	100,313	(110,620)	-	39,247
Scottish Government – Social Shifters (Universities)	-	50,000	(34,090)	-	15,910
	103,704	1,748,213	(1,190,587)	(1,656)	659,674

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### 15. Restricted funds (continued)

Restricted funds relate to amounts from grants received from Scottish Government and Highlands and Islands Enterprise.

Scottish Government grant funding is for the Social Entrepreneurs Fund, Social Innovation Competition, Social Shifters (Universities) programme, Resilience Fund programme. Adapt & Thrive programme and partial funding towards LaunchMe.

Highlands and Islands Enterprise grant funding is a partial grant for LaunchMe.

### Unrestricted funds

Unrestricted income is income granted, donated or earned by the charity to be used at the discretion of the directors to fund any activity, which is in furtherance of the charity's objective.

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 16. Analysis of net assets between funds

	Group Unrestricted 2021 £	Group Restricted 2021 £	Group Total 2021 £	Charity Unrestricted 2021 £	Charity Restricted 2021 £	Charity Total 2021 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	1,532	1,393	2,925	1,532	1,393	2,925
Investments	1	-	1	2	-	2
Current assets/(liabilities)	199,399	7,739,305	7,938,704	176,251	7,739,305	7,915,556
	200,932	7,740,698	7,941,630	177,785	7,740,698	7,918,483

Prior year	Group Unrestricted 2020 £	Group Restricted 2020 £	Group Total 2020 £	Charity Unrestricted 2020 £	Charity Restricted 2020 £	Charity Total 2020 £
Fund balances at 31 March 2020 are represented by:						
Tangible assets	2,813	2,303	5,116	2,813	2,303	5,116
Investments	-	-	-	1	-	1
Current assets/(liabilities)	187,512	657,371	844,883	164,876	657,371	822,247
	190,325	659,674	849,999	167,690	659,674	827,364

### 17. Related party transactions

There are no disclosable related party transactions during the year (2020: nil).

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 18. Funds held as Agent

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Amounts brought forward	1,000,000	-	1,000,000	-
Grants received	20,608,610	2,000,000	20,608,610	2,000,000
Grants distributed	(21,608,610)	(1,000,000)	(21,608,610)	(1,000,000)
<b>Grants awaiting disbursement</b>	<b>-</b>	<b>1,000,000</b>	<b>-</b>	<b>1,000,000</b>

During the year, the charity continued to administer the COVID-19 Third Sector Resilience Fund on behalf of The Scottish Government. All income and administered grants are included above with the full amount of grants distributed. Grants awaiting disbursement at the year end are included within the other creditors figure in note 14. No grants were awaiting disbursement at 31 March 2021.

### 19. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	Group 2020 £
Net income/(expenditure) for the year	7,091,631	582,915
Adjustments for:		
Depreciation charges	2,191	1,936
Interest income	(176)	(516)
Profit on disposal	-	(400)
(Increase)/Decrease in debtors	(482,899)	(393,033)
Increase/(Decrease) in creditors	14,245,695	1,010,642
<b>Net cash provided by (used in) operating activities</b>	<b>20,856,442</b>	<b>1,201,544</b>

# FIRST PORT FOR SOCIAL ENTREPRENEURS SCOTLAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### 20. Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Within one year	-	3,409	-	3,409
Between two and five year	-	-	-	-
In over five years	-	-	-	-
	-	3,409	-	3,409