

Company Registration Number SC193404
Registered Charity Number SC031026

THE CAPITAL CITY PARTNERSHIP LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2019

**THE CAPITAL CITY PARTNERSHIP LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019**

CONTENTS

	PAGES
Members of the board and professional advisers	1
Directors' annual report	2 - 6
Independent auditor's report to the members and directors of The Capital City Partnership Limited	7 - 9
Statement of financial activities (incorporating income and expenditure account)	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 27

**THE CAPITAL CITY PARTNERSHIP LIMITED
MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019**

Directors	Donald Urquhart Ella Simpson Stephanie Smith Lezley Cameron Frank Ross (appointed 18 March 2019) Gavin Barrie (resigned 24 May 2018) Kate Campbell (appointed 24 May 2018, resigned 18 March 2019)
Company Secretary	Rona Hunter
Registered Office	165a Leith Walk Edinburgh Scotland EH6 8NR
Bankers	The Bank of Scotland 52 Shandwick Place Edinburgh EH2 4SB
Solicitors	Burness Paul Solicitors 50 Lothian Road Edinburgh EH3 9WJ
Auditor	BDO LLP Citypoint 65 Haymarket Terrace Edinburgh EH12 5HD

**THE CAPITAL CITY PARTNERSHIP LIMITED
DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

The Directors have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2019.

STATUS

The organisation is an arms length organization of the City of Edinburgh Council, a charitable company limited by guarantee incorporated on 5 February 1999 and recognized as a charity by the Inland Revenue on 1st April 2000.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

PRINCIPLE ACTIVITIES

The Capital City Partnership (CCP), since its formation, has promoted community regeneration by using a robust evidence base to report on and add value to local programmes and mainstream services aimed at tackling aspects of exclusion, disadvantage and poverty. It continues to bring together key statutory, voluntary, community and private sector organizations to promote change and joint working in order to address poverty. Drawing of the expertise of the staff team and its partners, CCP identifies and addresses the barriers to social inclusion by promoting a collaborative approach to tackling poverty.

The Partnership supports the city's Joined Up For Jobs and Joined Up for Business strategies. Resources are focused on a range of activities including procurement and performance management of employment support services to supplement the statutory services delivered by its member agencies.

The company is an arms length organization of the City of Edinburgh Council. This was agreed to be the most appropriate means of providing an efficient delivery mechanism for employability services in a financially challenging economic situation. This mechanism was supported by a new service level agreement between the City of Edinburgh Council and Capital City Partnership and secures funding levels for the period to 2021. The SLA provides guidance on the respective roles and responsibilities of the two organizations and a robust collaborative approach to service delivery across key areas.

Under the Service Level Agreement, Capital City Partnership's focus is on provision of contract, performance, audit and compliance management functions for services funded within the city's Integrated Employability Service. It also provides development / administrative support to the city's Jobs Strategy including a web based MIS, websites, directories and online forums.

ORGANISATION STRUCTURE

The Capital City Partnership is governed by a Memorandum and Articles of Association which stipulates the statutory and non-statutory organizations which form the partnership and from which the Board of Directors is appointed. Members of the Board of Directors, who are Directors for the purposes of company law and trustees for the purposes of charity law, who served during the period up to the date of this report are listed on page 1. The Directors are elected at the AGM to serve at least until the next AGM.

The memorandum was amended in 2012 to provide stronger links to and governance by the City of Edinburgh Council in tandem with a new service level agreement between The Capital City Partnership and the City of Edinburgh Council. The Board of Directors maintains its ability to gather opinion and expertise from a wide range of organizations, thus influencing policy and improving the steering role of the Board of Directors.

**THE CAPITAL CITY PARTNERSHIP LIMITED
DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

The Board meets quarterly and is responsible for all strategic decisions. The Chief Officer has delegated authority from the Board to manage the organization on a day to day basis, to make funding decisions in relation to core operational matters and to recommend strategic decisions for discussion / homologation by the Board. Funding applications are approved in collaboration with officers of the City of Edinburgh Council under the new Service Level agreement. The Chief Executive and staff hold fortnightly team meetings at which projects and activities are discussed and progress reviewed.

ACHIEVEMENTS AND PERFORMANCE

The company continued to restructure in 2018-19 and secured another Service Level Agreement with the City of Edinburgh Council for the period to 2021. The SLA requires the company to provide contract management and audit/ compliance services for approximately 40 contracts under the auspices of the CEC Integrated Employability Programme.

The company also relocated to serviced accommodation owned by the City of Edinburgh Council. This has proved more cost effective and places the company in a more accessible and geographically strategic location.

The company continued to develop and manage common infrastructure including the web based MIS and Joined Up For Jobs website / directories.

The key areas of focus in 2018-19 (as reported to the city council under our SLA reporting requirements) were;

- To monitor and report performance of the employability services contracts as specified under the SLA with the City of Edinburgh Council
- To facilitate and support reviews of the Job Strategy and Joined Up for Business Groups.
- To lead on aspects of the Edinburgh and South East Scotland City Regional Deal skills Workstream proposals.
- To maintain a focus (in respect of services managed) on the city's most disadvantaged residents and communities
- To strive to impact upon on the reduction of in work poverty
- To promote recruitment skills models in Fort Kinnaird and Edinburgh St James

The Recruitment Skills Model at Fort Kinnaird has worked effectively for several years with learning disseminated to the Edinburgh St James development, branded as FUSE. CCP has recruited an employer relations manager for the Edinburgh St James FUSE with initial focus on relationship building and development of community benefits clauses in construction contracts.

CCP continued to contract manage Activity Agreements and Participatory Budget agreements with Youth Services projects on behalf of the City of Edinburgh Council, a methodology which has stimulated innovation in project design.

The company successfully completed a Scottish Government funded Employability Innovation and Integration project which ran from 2017 – 2019 and explored creative approaches to employability awareness across multiple disciplines including housing, criminal justice and health. This resulted in a new website, expanded connections through the employability forum, employability training for frontline staff across housing, criminal justice and health sectors and the launch of a customer services charter award for excellence in employability services delivery.

The company is a core stakeholder in the the Integrated Regional Employability Skills (IRES) element of the Edinburgh and South East Scotland City Regional Deal, a national government policy initiative. The company has lead responsibility for the Integrated Knowledge Systems (IKS) and delivery of the Integrated Employer Engagement (IEE) and Intensive Family Support (IFS) services. Initial work under IKS included mapping the range of management information systems currently being used across six regions. Initial work on the Intensive Family Services included mapping the range of existing services and identified the service needs and business case.

**THE CAPITAL CITY PARTNERSHIP LIMITED
DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

Cost of Delivery

Core expenditure for the company is primarily staff and office related however core costs remain low in proportion to overall expenditure. Net staff and operational costs account for 9.5 % of overall expenditure.

FUTURE PLANS

The focus is upon continuing to monitor and support existing activity streams while securing additional funding and identifying emerging themes.

The company will continue to develop the Integrated Employability Regional Skills elements of the Edinburgh and South East Scotland City Regional Deal, which includes developing the Integrated Knowledge Systems and delivery of the Intensive Family Service and the Integrated Employer Engagement. This will include redeveloping a regional MIS response and commissioning an overarching platform to allow deep data analysis. This should ultimately provide a more nuanced understanding of the employability landscape and the value / impact of employability interventions currently on offer. The company will also facilitate the co-production and procurement of the Intensive Family Service with an initial focus on Fife. The Integrated Employer Engagement theme is still in development and due to start later in 2019.

CCP will support an expanded team at Edinburgh St James in 2019 which will develop skills training and job matching for the major retail and hospitality sectors in the city centre.

The new Scottish Government: Partnership and Local Employability Model also gives a new opportunity for management of directly allocated funding, including a first stage focus on the Employability Fund and new Parental Support fund.

GRANT MAKING POLICY

Capital City Partnership has a programme of funding which is outcome based and focuses specifically on employability related activities.

Grants are made to organisations for specific activities which meet the requirements set out in the funding guidance documents. A funding panel comprising representatives of each funding partner will score funding applications to strict criteria and award funds based both on aggregate score and funding limitations. Contracts drawn up with the successful organisations stipulate funding criteria, reporting format / timeframe, payment schedule and actions required throughout the year.

Progress is monitored by CCP and reported to the Board of Directors through performance management reports.

RISK MANAGEMENT

Systems and procedures have been established to mitigate the risks faced by the organisation. Internal controls have been established to ensure all transactions are authorised and documented. Cloud back up secures IT data systems and implementation of GDPR policies is complete. The staff handbook includes among others, remote working, health, safety, harassment, whistleblowing and leave policies. A risk register is reviewed regularly by the management team.

RESERVES POLICY

Due to the requirements in respect of reporting on pension provision and the fluctuation of pension investments / returns it is difficult to identify with confidence the absolute level of reserves which the company is required to maintain in respect of pension liabilities. However, steps have been taken to make best use of any reserves available, to mitigate risk and to secure a diverse range of funding.

**THE CAPITAL CITY PARTNERSHIP LIMITED
DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

The Unrestricted General Fund represents the unrestricted funds arising from past operating results. It also represents the free reserves of the charity. The directors are satisfied that the fund, amounting to £458,439 (2018 £366,894) approximates to the equivalent of 7 months operating expenditure. The Board aims to have a free reserve target of 6 months, which at current operating levels equate to £395,000.

The Restricted Funds represent those activities which have included support from external funding sources whose criteria limits the use of the funds or stipulates specific reporting requirements. CCP aims to support activities using any appropriate funds made available for the purpose and in doing so, the organization takes care to scrutinize funding agreements and adhere to any specific requirements therein. The Directors are aware of the need for transparency and accountability, therefore all restricted funds are accounted for using dedicated cost centres and reports are provided to funders as per contractual agreements.

FINANCIAL REVIEW

The Board of Directors regularly receives financial reports and exercises prudence when necessary. The annual budget is set at the first board meeting of the year alongside budget outturn for the preceding year. Routine updates are provided to directors in year with attention drawn to variations on budget. A report detailing performance of contracted services is also provided to the Board of Directors at each meeting. The reserves position is reviewed regularly to ensure an adequate but not excessive reserve is maintained for operational activities and other liabilities. Financial operations in general have been within the anticipated level. Given the fluctuating position year on year in respect of LPF liabilities and the continuing reductions in core income from the SLA, the company is focused on reducing overheads and maximizing income. An ongoing restructuring including relocation to new premises should deliver further savings.

Income for 2019 was £4,220,601 with prior year £4,939,291. The net reduction in income £718,690 is because the prior year included Big Lottery funding and also saw significant transfer of funds from City of Edinburgh Council for EPSIP programme.

Expenditure in 2019 was £4,541,520 which represents a reduction of £140,156 of on prior year and was due to the winding up of the Big Lottery project, JP Morgan project and reduced grant disbursement for EPSIP programme. Deferred income has decreased this year due to tighter fund transfer processes increasing the accuracy of payment timings.

GOING CONCERN

The Directors have prepared the financial statement on a going concern basis as a review of the budget for the 2019/20 period indicates that reserves are adequate to meet the needs of the organization for the foreseeable future. In making this assessment the Board have considered the 12 months period beyond sign off and in doing so are aware that the Service Level Agreement in place with the City of Edinburgh Council has been approved for a three year period from financial year 2018-19. The Board are confident that adequate levels so funding will be received and in light of holding net current assets at 31 March 2019 of £1,177,905 which are mainly represented in cash they support the going concern basis of preparation for a period of 12 months from date of approval of these financial statements.

MEMBERS

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2019 was 5.

**THE CAPITAL CITY PARTNERSHIP LIMITED
DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

DIRECTORS RESPONSIBILITIES

The Directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the Directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 the Directors must not approve the financial statements unless they are satisfied that they 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 charity for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 and under 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.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

PROVISION OF INFORMATION TO AUDITOR

The directors who held office at the date of approval of this directors' report confirm that, so far as they are individually aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken steps that he/she ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

**Signed by order of the
Directors**

**RONA HUNTER
Company Secretary**

Date:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF THE CAPITAL CITY PARTNERSHIP LIMITED

Opinion

We have audited the financial statements of The Capital City Partnership Limited (“the charitable company”) for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of Cash Flows and the 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 charitable company’s affairs as at 31 March 2019 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.

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 charitable company in accordance with the ethical requirements 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 related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Directors’ Report. The directors are responsible for the other information.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF THE CAPITAL CITY PARTNERSHIP LIMITED (CONTINUED)

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 annual report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatement in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion;

- proper and adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime; or
- were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and to the exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors (who are also the trustees of the charitable company for the purposes of charity 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 directors 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 directors are responsible for assessing the charitable 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 directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF THE CAPITAL CITY PARTNERSHIP LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://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 the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's directors and trustees those matters we are required to state to them in an auditor's 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Martin Gill (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Edinburgh,
UK
Date:

BDO LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

THE CAPITAL CITY PARTNERSHIP LIMITED
STATEMENT OF FINANCIAL ACTIVITIES (incorporating
INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 MARCH 2019

	Note	Unrestricted funds £	Restricted funds £	Total funds 2019 £	Total funds 2018 £
Income from:					
Charitable activities		610,070	3,591,082	4,201,152	4,901,732
Other trading activities		3,186	10,605	13,791	37,222
Investments		5,658	-	5,658	337
Total	4	618,914	3,601,687	4,220,601	4,939,291
Expenditure on:					
Charitable activities		592,707	3,948,813	4,541,520	4,681,676
Total	5	592,707	3,948,813	4,541,520	4,681,676
Net income/(expenditure)	7	26,207	(347,126)	(320,919)	257,615
Transfer between funds	15, 16	(3,931)	3,931	-	-
Actuarial gains/(losses) on defined benefit pension scheme	13	(102,000)	-	(102,000)	133,000
Net movement in funds		(79,724)	(343,195)	(422,919)	390,615
Reconciliation of funds					
Total funds brought forward		190,163	1,077,332	1,267,495	876,880
Total funds carried forward at 31 March 2019	17	110,439	734,137	844,576	1,267,495

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classified as continuing.

The notes on pages 13 to 27 form part of the financial statements.

THE CAPITAL CITY PARTNERSHIP LIMITED
BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	10	14,671	5,269
Current assets			
Debtors	11	8,010	21,589
Cash at bank		1,928,085	1,656,958
		<u>1,936,095</u>	<u>1,678,547</u>
Liabilities			
Creditors: amounts falling due within one year	12	(758,190)	(234,321)
Net current assets		<u>1,177,905</u>	<u>1,444,226</u>
Net assets			
		1,192,576	1,449,495
Defined benefit pension scheme liability	13	(348,000)	(182,000)
Total net assets		<u>844,576</u>	<u>1,267,495</u>
The funds of the charity:			
Restricted funds	16	734,137	1,077,332
Unrestricted funds:			
General reserve	15	458,439	372,163
Pension reserve	13, 15	(348,000)	(182,000)
Total charity funds	17	<u>844,576</u>	<u>1,267,495</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of The Companies Act 2006.

These financial statements were approved and authorised for issue by the directors on and are signed on their behalf by:

Ella Simpson
Director

The notes on pages 13 to 27 form part of the financial statements.

THE CAPITAL CITY PARTNERSHIP LIMITED
STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
Net (expenditure)/income for the reporting period	(320,919)	257,615
<i>Adjustments for:</i>		
Depreciation charges	4,444	910
Interest receivable	(2,562)	(337)
Interest payable – pension scheme	6,000	7,000
Defined Benefit Pension scheme – FRS 102 adjustment	58,000	61,000
Decrease in debtors	13,579	144,761
Increase/(decrease) in creditors	523,869	(208,512)
Net cash provided by operating activities	282,411	262,437
Cash flows from investing activities		
Purchase of tangible fixed assets	(13,846)	(1,747)
Interest receivable	2,562	337
Net cash used in investing activities	(11,284)	(1,410)
Change in cash and cash equivalents in the year	271,127	261,027
Cash and cash equivalents at the beginning of the year	1,656,958	1,395,931
Cash and cash equivalents at the end of the year	1,928,085	1,656,958

The notes on pages 13 to 27 form part of the financial statements.

THE CAPITAL CITY PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019

1. General Information

The Capital City Partnership Limited is a charitable company limited by guarantee, incorporated in Scotland, UK. The company's registered office and company number are disclosed on the company information page. The Capital City Partnership Limited constitutes a public benefit entity as defined by FRS 102. The company's principal activity is as described in the directors' report.

The presentation currency of these financial statements is GBP. Rounding to the nearest pound has been applied in the preparation of these financial statements.

2. Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard 102 (effective January 2015), the Companies Act 2006, Charities Accounts (Scotland) Regulations 2006 and follow the recommendations in Charities SORP FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

(b) Going concern basis

The directors have prepared the financial statements on a going concern basis as a review of the budget for the 2019/20 period indicate that reserves are adequate to meet the needs of the organisation for the foreseeable future. In making this assessment the Board have considered the 12 month period beyond sign off and in doing so are aware that the Service Level Agreement for 2018 – 2021 has been secured with City of Edinburgh Council and therefore level of funding is certain. The Board are confident adequate levels of funding will be received and in light of holding net current assets at 31 March 2019 of £1.18m which are mainly represented by cash, they support the going concern basis of preparation for a period of 12 months from date of approval of these financial statements.

(c) Consolidation

The charity's financial statements are consolidated within the financial statements of the City of Edinburgh Council. As stated in the Articles of Association, The City of Edinburgh Council are the members of the charitable company and as a result have control over the activities of the charity as well as the ability to appoint and remove directors. The consolidated statements are available to the public and can be obtained from www.edinburgh.gov.uk.

(d) Income

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they relate. Grants received during the period but relating to a future accounting period are included under deferred income.

Donations and legacies are received by way of donations and gifts and are included in full in the Statement of Financial Activities when receivable. This also includes Core Grant Funding.

Income from investments is included when receivable.

(e) Expenditure

Expenditure is charged to a particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration on each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity:

THE CAPITAL CITY PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

Charitable activities	80%
Support costs	20%

Governance costs are charged directly to the Statement of Financial Activities when incurred and include audit and accountancy fees and any directors' expenses. These are charged to the activity to which they relate.

Grants are recognised in full in the Statement of Financial Activities in the year in which an offer is formally accepted by the benefactor.

(f) Fixed assets

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Building improvement	over 10 year life of lease
Office equipment	evenly over 3 years
Fixtures and fittings	evenly over 4 years

All fixed assets are initially recorded at cost. Items of expenditure are capitalised where the purchase price exceeds £500.

(g) Funds accounting

Unrestricted funds are donations and other incoming resources receivable for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the directors for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund, together with a fair allocation of management and support costs.

(h) Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against the surplus on a straight-line basis over the period of the lease.

(i) Pensions

The company participates in a multi-employer defined benefit pension scheme into which payments are made. The current service costs are charged to the Statement of Financial Activities as they fall due (see note 13).

The organisation fully adopts the Financial Reporting Standard FRS102 Section 28 'Employee Benefits'. The scheme actuary has calculated the split of net assets and liabilities between the participating employers. The impact on the results and on reserves is given in note 13 to the financial statements and the Statement of Financial Activities.

The Statement of Financial Activities is charged with the cost of providing pension benefits earned by employees in the period. The interest on pension scheme assets less the interest on pension scheme liabilities is included as part of this charge. Actuarial gains and losses arising in the period from the difference between actual and expected returns on pension scheme assets, experience gains and losses on pension scheme liabilities and the effects of changes in demographics and financial assumptions, are included in total recognised gains and losses.

THE CAPITAL CITY PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

The organisation's share of the accumulated pension scheme deficit is recognised in full and included in the balance sheet.

(j) Financial Instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

Debt instruments (other than those wholly repayable or receivable within one year), including other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

(k) Termination benefits

The Capital City Partnership Limited accepts that there are occasions when it may be necessary to make staff redundant or terminate their employment; our intention is to manage the business in a manner which results in secure employment for our employees and will always try to avoid the need for compulsory redundancies. Payments for redundancy are calculated on the basis of paying the statutory entitlements or above.

(l) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the charity's cash management.

(m) Debtors

Short term debtors are measured at the transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and measured subsequently at amortised cost using the effective interest method, less any impairment.

(n) Creditors

Short term creditors are measured at the transaction price, less any impairment. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and measured subsequently at amortised cost using the effective interest method.

THE CAPITAL CITY PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 MARCH 2019

3. Key judgement and areas of estimation uncertainty

The key judgements and sources of estimation uncertainty in the preparation of the financial statements are as follows:

- **Grants receivable & payable**

The level and timing of income and expenditure in relation to grants is an area of key judgement as it is determined for accounting purposes by referring to the conditions of grant. Grants receivable are recognised in so far as the conditions attached to the grant have been met and have been demonstrated to the grant giver. The level and timing of provision to grant recipients is determined by monitoring grant criteria and ensuring that conditions are being met.

- **Pension**

The actuarial assumptions used in calculating the defined benefit pension scheme requires judgement on the part of the trustees. In making these assumptions, advice has been taken from an independent qualified actuary. The assumptions are all shown in note 13.

THE CAPITAL CITY PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 MARCH 2019

4. Income

	Unrestricted £	Restricted £	Total 2019 £
Income from charitable activities (2019)			
Grants received			
- Employer engagement	109,500	-	109,500
- Youth employment	-	168,015	168,015
- City of Edinburgh Council	500,570	3,072,217	3,572,787
- JP Morgan	-	7,900	7,900
- Employability, Innovation and Integration Fund	-	342,950	342,950
	610,070	3,591,082	4,201,152
Income from other trading activities			
Service charges	624	10,605	11,229
Rental income	2,562	-	2,562
	3,186	10,605	13,791
Income from Investments			
Bank interest	5,658	-	5,658
Total income	618,914	3,601,687	4,220,601
	Unrestricted £	Restricted £	Total 2018 £
Income from charitable activities (2018)			
Grants received			
- Employer engagement		50,228	50,228
- Employability, Innovation and Integration Fund	-	121,630	121,630
- Making it work (Big lottery)	-	142,657	142,657
- Youth Employment	-	179,873	179,873
- JP Morgan	-	77,307	77,307
- City of Edinburgh Council	648,067	3,681,670	4,329,737
- Veterans Fund	-	300	300
	648,067	4,253,665	4,901,732
Income from other trading activities			
Service charges	4,302	-	4,302
Rental income	32,920	-	32,920
	37,222		37,222
Income from Investments			
Bank interest	337	-	337
Total income	685,626	4,253,665	4,939,291

THE CAPITAL CITY PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 MARCH 2019

5. Expenditure

	Activities undertaken £	Direct grants (note 8) £	Support and governance costs (note 6) £	2019 Total £
Charitable activities (2019):				
Furthering social justice in Edinburgh	781,981	3,552,621	206,918	4,541,520
Total	781,981	3,552,621	206,918	4,541,520

	Activities undertaken £	Direct grants (note 8) £	Support and governance costs (note 6) £	2018 Total £
Charitable activities (2018):				
Furthering social justice in Edinburgh	610,463	3,910,002	161,211	4,681,676
Total	610,463	3,910,002	161,211	4,681,676

In 2019 expenditure on charitable activities was £4,541,520 (2018: £4,681,676) of which £528,707 (2018: £621,525) was expenditure from unrestricted funds and £4,161,698 (2018: £4,060,151) was expenditure from restricted funds.

6. Support and governance costs

Furthering social Justice in Edinburgh

	2019 £	2018 £
Management, IT, finance and interest	200,305	154,611
Governance costs (audit fee)	6,613	6,600
Total support costs	206,918	161,211

7. Net income/(expenditure)

Net income/(expenditure) is stated after charging/ (crediting):

	2019 £	2018 £
Depreciation of tangible fixed assets	4,444	910
Auditor's remuneration	6,613	6,600
Defined benefit pension scheme – pension costs	102,620	151,949
Operating lease:		
Rent payable	18,000	43,244
Rent receivable	(5,658)	(32,920)

THE CAPITAL CITY PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 MARCH 2019

8. Grants payable

	2019	2018
	£	£
Grants to institutions:		
Edinburgh College	948,949	1,091,185
North Edinburgh Childcare	395,369	416,178
Access to Industry	342,221	290,112
Smilechildcare	258,812	272,435
Childcare Connections	132,240	139,200
Edinburgh Cyrenians	115,000	146,153
Action for Children	99,907	107,153
CHAI	90,701	67,494
Dunedin Canmore	82,877	87,130
Kidzcare	84,105	84,105
Community Renewal	82,287	80,489
Canongate Youth Centre	80,920	48,532
Rural and Urban Training Scheme	77,475	78,395
Volunteer Centre Edinburgh	76,874	73,164
Digital Skills Academy	71,167	112,450
Citadel Youth Centre	66,275	38,000
Fresh Start	62,791	67,962
All Cleaned Up Scotland	52,056	52,056
Foursquare	47,500	47,500
Edinburgh Trade Unions Council	45,000	81,323
Caselink (Iconi)	43,535	43,604
Venture Trust	39,735	39,735
Move On	38,313	53,105
Pilton Youth Community Project	32,612	35,527
Out of the Blue	32,500	38,225
Saheliya	30,190	30,190
West Pilton Neighbourhood Centre	20,500	16,500
Bridgend Growing Communities	19,000	19,000
Broomhouse Centre	16,000	34,298
Community One Stop Shop	15,000	15,000
The Action Group	12,500	14,500
Ethnic Minorities Law Centre	11,328	5,623
Linknet Mentoring	9,500	30,000
Smartworks	5,139	-
Intowork	3,398	4,250
Grassmarket Community Project	2,000	-
Homestart	2,000	-
VOCAL	2,000	-
One Parent Family Scotland	1,978	26,999
LIFT	1,872	-
Amina	995	-
Dr Bells Family Centre	-	4,050

THE CAPITAL CITY PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 MARCH 2019

8. Grants payable (continued)

	2019	2018
	£	£
Big Lottery	-	61,551
Granton Youth Centre	-	18,750
Link Living	-	17,070
Codeclan	-	11,500
EVOG	-	5,000
About Youth	-	4,509
	<u>3,552,621</u>	<u>3,910,002</u>

9. Staff costs and numbers

	2019	2018
	£	£
Salaries and wages	552,430	429,541
Social security costs	36,741	38,477
Defined benefit pension scheme costs	58,000	61,000
Defined contribution pension costs	96,620	90,949
Termination benefits- redundancy	24,209	24,385
	<u>768,000</u>	<u>644,322</u>

The average weekly number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	2019	2018
	Number	Number
Chief executive	1	1
Project and support staff	14	10
Finance and admin staff	1	1
	<u>16</u>	<u>12</u>

No employees received emoluments of more than £60,000 in the year (2018: 0).

THE CAPITAL CITY PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 MARCH 2019

10. Tangible Fixed Assets

	Office equipment £	Fixtures and fittings £	Building improvement £	Total £
Cost				
At 1 April 2018	18,522	54,194	69,314	142,030
Additions in the year	7,186	6,660	-	13,846
Disposals	-	-	(69,314)	(69,314)
At 31 March 2019	25,708	60,854	-	86,562
Depreciation				
At 1 April 2018	14,837	52,610	69,314	136,761
Charge for the year	2,222	2,222	-	4,444
Disposals	-	-	(69,314)	(69,314)
At 31 March 2019	17,059	54,832	-	71,891
Net Book Value				
At 31 March 2019	8,649	6,022	-	14,671
At 31 March 2018	3,685	1,584	-	5,269

11. Debtors

	2019 £	2018 £
Grants receivable	8,010	21,589
	8,010	21,589

12. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	33,809	8,416
Accruals and deferred income	36,940	66,371
Social security and other taxes	19,925	10,319
Accruals for grants payable	237,719	149,215
Other creditors	429,797	-
	758,190	234,321

THE CAPITAL CITY PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 MARCH 2019

12. Creditors: amounts falling due within one year (continued)

Analysis of deferred income

	2019	2018
	£	£
Opening balance	62,708	135,738
Released in the year	(62,708)	(135,738)
Deferred in the year	5,000	62,708
Closing balance	5,000	62,708

Income has been deferred on the basis that the grant relates to future periods and will be recognised when the recognition criteria are satisfied.

Analysis of accruals for grants payable

	2019	2018
	£	£
Opening balance	149,215	292,541
Awarded in the year (note 7)	3,552,621	3,910,002
Grants paid in the year	(3,464,117)	(4,053,328)
Closing balance	237,719	149,215

13. Pensions

The Capital City Partnership participates in The Lothian Pension Fund Final Salary Pension Scheme (the "Scheme"). The Scheme is a multi-employer defined benefit scheme. The Scheme is funded and is contracted out of the state scheme.

During the accounting period The Capital City Partnership paid contributions at the rate of 19.5%. Member contributions were paid on a sliding scale dependent upon salary level and range from 5% to 9%. The Capital City Partnership contribution rate from April 2018 is 20.7%.

As at the balance sheet date there were 15 active (2017 – 15) and 9 deferred (2017 – 9) members of the Scheme employed. The Capital City Partnership continues to offer membership of its scheme to its employees and pensioners.

The last full valuation of the scheme was performed as at 31 March 2017 by a professional qualified actuary using the "projected unit credit" method.

If the valuation assumptions are borne out in practice this pattern of contributions should be sufficient to eliminate the past service deficit, on an on-going funding basis, by 30 September 2025.

Financial Assumptions

The financial assumptions underlying the valuation were as follows:

	2019	2018
	%	%
Assumptions as at 31 March		
Pension increase	2.5	2.4
Salary increases	4.2	4.1
Discount rate	2.4	2.7

THE CAPITAL CITY PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 MARCH 2019

13. Pensions (continued)

	2019 £'000	2018 £'000
Assets (Employer)		
Equities	3,790	3,434
Bonds	556	504
Property	354	321
Cash	354	321
TOTAL	<u>5,053</u>	<u>4,579</u>

	2019 £'000	2018 £'000
Estimated employer assets (A)	5,053	4,579
Present value of scheme liabilities	(5,401)	(4,761)
Total value of liabilities (B)	<u>(5,401)</u>	<u>(4,761)</u>
Net pension (liability) (A-B)	<u>(348)</u>	<u>(182)</u>

Recognition in the Statement of Financial Activities

	2019 £'000	2018 £'000
Current service cost	137	147
Net interest cost	6	7
Past service costs	4	5
Actuarial (gain)/loss	102	(133)
Total	<u>249</u>	<u>26</u>

Actual return on plan assets	<u>495</u>	<u>(14)</u>
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Reconciliation of defined benefit obligation

	2019 £'000	2018 £'000
Opening defined benefit obligation	<u>4,761</u>	<u>4,723</u>
Current service costs	137	147
Interest costs	130	124
Contributions by members	23	26
Actuarial losses/(gains)	425	(191)
Past service costs	4	5
Benefits paid	(79)	(73)
Closing defined benefit obligation	<u>5,401</u>	<u>4,761</u>

THE CAPITAL CITY PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 MARCH 2019

13. Pensions (continued)

Reconciliation of fair value employer assets

Year ended 31 March	2019	2018
	£'000	£'000
Opening fair value of employer assets	4,579	4,476
Interest Income	124	117
Contributions by members	23	26
Contributions by the employer	83	91
Return on assets excluding interest	323	(58)
Benefits paid	(79)	(73)
Closing defined benefit asset	5,053	4,579

Movement in surplus/deficit during the year

Year to 31 March	2019	2018
	£000	£000
(Deficit) / asset at beginning of year	(182)	(247)
Current service cost	(137)	(147)
Interest (cost) / gain	(6)	(7)
Actuarial gain / (loss)	(102)	133
Contributions made	83	91
Past service (cost)	(4)	(5)
(Deficit) at end of year	(348)	(182)

Amounts for current and previous periods

Year Ended	2019	2018	2017	2016	2015
	£'000	£'000	£'000	£'000	£'000
Fair value of employer assets	5,053	4,579	4,476	3,621	2,983
Present value of defined benefit obligation	(5,401)	(4,761)	(4,723)	(3,583)	(3,708)
Surplus/(deficit)	(348)	(182)	(247)	38	(353)
Experience gains/(losses) on assets	-	-	-	-	76
Experience gains/(losses) on liabilities	-	(36)	-	(30)	352

Amounts recognised in the Statement of Financial Activities (SOFA)

Year Ended	2019	2018	2017	2016	2015
	£'000	£'000	£'000	£'000	£'000
Actuarial gains/(losses) recognised in SOFA	(102)	133	(288)	471	(81)
Cumulative actuarial gains and losses	(352)	(250)	(383)	(95)	(566)

THE CAPITAL CITY PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 MARCH 2019

14. Financial Instruments

	2019 £	2018 £
Financial assets held at amortised cost	1,936,092	1,678,547
Financial liabilities held at amortised cost	516,353	161,294

Financial assets held at amortised cost include cash and grants receivable.

Financial liabilities held at amortised cost include trade creditors, accruals, and provisions for committed grants.

15. Unrestricted funds

	At 1 April 2018 £	Income £	Expenditure £	Transfers £	Gains & losses £	At 31 March 2019 £
General reserve	372,163	618,914	(528,707)	(3,931)	-	458,439
Pension reserve	(182,000)	-	(64,000)	-	(102,000)	(348,000)
Total unrestricted funds	190,163	618,914	(592,707)	(3,931)	(102,000)	110,439

The general reserve comprises funds utilised for core activities of the charity.

The pension reserve represents the actuarial liability of the defined benefit pension scheme as calculated by the pension scheme actuary.

16. Restricted funds

	At 1 April 2018 £	Income £	Expenditure £	Transfers £	At 31 March 2019 £
The CEC Employability Programme	996,979	3,082,822	(3,455,046)	-	624,755
Employability Innovation and Integration Fund (JUIP)	44,290	342,950	(314,374)	-	72,866
Youth Employment	32,727	168,015	(164,226)	-	36,516
JP Morgan	4,250	7,900	(15,167)	3,017	-
Making it work (Big Lottery)	(914)	-	-	914	-
	1,077,332	3,601,687	(3,948,813)	3,931	734,137

Purposes of restricted funds

The City of Edinburgh Council (CEC) Employability Programme comprises the following activities;

HUBs / Route 2– this service level agreement collates the abilities and expertise of several organisations to provide a comprehensive employability service across the city.

Challenge Fund – this is the City of Edinburgh Council's third party grants for employability activities awarded through competitive process.

EPSIP - this is a European Programme fund managed by the City of Edinburgh Council providing enhanced services and additionally to existing employability services.

Childcare funds – this programme supports four organisations which provide affordable childcare for families in need.

THE CAPITAL CITY PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 MARCH 2019

16. Restricted funds (continued)

Recruitment Skills Centres – this programme supports the development of a recruitment skills centre model in key locations including Fort Kinnaird retail park, with the aim of maximising employment and upskilling opportunities for disadvantaged communities while matching labour force supply and demand in the retail sector.

Other funds managed by the company include;

Employability, Innovation and Integration Fund (JUIP) – this programme funded jointly by the Scottish Government and City of Edinburgh Council aims to raise uptake of employability support options and integrate employability advice into a range of services by raising awareness of employability options across frontline staff in areas such as housing, criminal justice and the NHS.

Youth Employment – this programme provides funding to organisations delivering employability services to disadvantaged young people through activity agreements and a participatory budget scheme with a focus upon motivation, confidence building and upskilling to move young people into positive post school destinations.

Get Digit-All (JP Morgan Chase) – this programme of activity funded by the JP Morgan Chase Foundation ended in June 2018 and aims to close the digital skills gap for young people with significant barriers to enable them to access the growth of digital tech sector jobs in Edinburgh.

Making it work (Big Lottery) – was a programme of activity supporting lone parent families into education and employment. The Making It Work programme ended December 2017 and employed outreach workers in key geographical areas to provide direct advice and support to families living on or below the poverty line.

17. Analysis of net assets between funds

	General reserve £	Pension reserve £	Restricted funds £	Total funds 2019 £
Tangible fixed assets	14,671	-	-	14,671
Net current assets	443,768	-	734,137	1,177,906
Defined benefit pension scheme liability	-	(348,000)	-	(348,000)
Net assets at 31 March 2019	458,439	(348,000)	734,137	844,576
	General reserve £	Pension reserve £	Restricted funds £	Total funds 2018 £
Tangible fixed assets	5,269	-	-	5,269
Net current assets	366,894	-	1,077,332	1,444,226
Defined benefit pension scheme liability	-	(182,000)	-	(182,000)
Net assets at 31 March 2018	372,163	(182,000)	1,077,332	1,267,495

THE CAPITAL CITY PARTNERSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 MARCH 2019

18. Commitments under operating leases

As at 31 March 2019 the charity had total commitments payable under operating leases as follows:

	2019	2018
	£	£
Total commitment payable:		
No later than 1 year	551	5,801
Between 1 year and 5 years	620	-
Total commitment	<u>1,171</u>	<u>5,801</u>

As at 31 March 2019 the charity had total commitments receivable under operating leases as follows:

	2019	2018
	£	£
Total commitment receivable:		
No later than 1 year	-	4,003
	<u>-</u>	<u>4,003</u>

19. Related party transactions

The charity has a code of conduct whereby a director of the charity must note his interest and withdraw from the discussion where the charity is considering awarding a grant to an organisation over which that director has an influence.

No transactions with related parties were undertaken such as are required to be disclosed under Section 33 of Financial Reporting Standard 102. However, it is noted that the Chairman of the Capital City Partnership, Councillor Gavin Barrie is also Convenor of Economic Development at the City of Edinburgh Council, which currently provides core funding for the Capital City Partnership. All necessary steps have been taken to ensure compliance and transparency and all parties are aware of and comfortable with Councillor Barrie's role in respect of both organisations. Gavin Barrie resigned as a director on 24 May 2018 and Katherine Campbell resigned as a director on 18 March 2019. Frank Ross was appointed as a director on 18 March 2019.

Key management personnel include all directors and 1 member of senior staff who together have responsibility for planning, directing and controlling the activities of the company. The total compensation in respect of key management for services provided to the company in the year, inclusive of employers national insurance contributions, was £71,002 (2018: £65,756).

No trustees expenses were reimbursed or received remuneration during the year (2018: £nil).