

ANSWER PROJECT
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS

31ST MARCH 2020

Registered number: SC 212773

Charity number SC029271

ANSWER PROJECT

COMPANY INFORMATION

31st March 2020

COMPANY NUMBER	SC 212773
CHARITY NUMBER	SCO29271
DIRECTORS	R Cook Rev S Roy M Cook S Omale M Young
SECRETARY	R Cook
REGISTERED OFFICE	15a West End, West Calder EH55 8EH
INDEPENDENT EXAMINER	Brian Maloney, FCCA, 15a West End, West Calder EH55 8EH
SOLICITOR	Sneddon & Sons, East Main Street, Whitburn

**ANSWER PROJECT
DIRECTORS' REPORT
31st March 2020**

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The directors are pleased to present their annual trustees report together with the financial statements of the charity for the year ended 31 March 2020 which are also prepared to meet the requirements for a directors report and accounts for Companies Act purposes.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association 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) and the Companies Act 2006.

Structure Governance & Management

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as directors.

Governing Document

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

Objects of the Charity, Principal Activities and Organisation of our Work

The principal objectives of the charity is to contribute to the raising of the quality of life for the wide cross section of people in the Whitburn area.

The charity is organised so that the directors meet regularly to manage its affairs. Any risks to which the charity may be exposed have been reviewed and systems have been established to mitigate those risks.

Risk Management

The board of directors have conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

Directors and Directors Interests

The directors hold no share capital as the charity is limited by guarantee.

Achievements and Performance

With the construction of the day centre and the front foyer completed in earlier years the directors embarked on a campaign to consolidate the charity's position both financially and to encourage usage of the various facilities on offer.

Reserves Policy

The present level of funding is adequate to support the continuation of activities for the foreseeable future and the directors consider the financial position of the charity to be satisfactory.

Plans for Future Periods

The charity plans continuing the activities in the forthcoming year subject to satisfactory funding arrangements.

Trustee Induction and Training

All new board members receive an induction pack of information about Answer Project and how it operates and guidance as to their responsibilities as trustees and company directors.

ANSWER PROJECTREPORT OF THE TRUSTEES (Cont'd)
YEAR ENDED 31ST MARCH 2020**Statement of Directors and Trustees Responsibilities**

The board of directors (who are also trustees of the charity for the purpose of charity law) are responsible for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including the net income and expenditure, for the financial year. In preparing these financial statements the directors are required to;

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of 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 business
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

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

The trustees are also responsible for the contents of the trustees report, and the responsibility of the Independent Examiner in relation to the trustees report is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements

Members of the Management Committee

Members of the Management Committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

Trustee

Robert L Cook

Date

14th Sept 20

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF ANSWER PROJECT
FOR THE YEAR ENDED 31 MARCH 2020**

I report on the financial statements of the above charity for the year ended 31 March 2020 which comprise the Statement of Financial Activities, Balance Sheet and related notes.

Respective responsibilities of Trustees and Examiner

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

The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

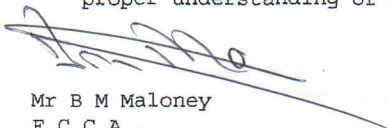
Basis of Independent Examiner's statement

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

Independent Examiner's Statement

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements;
to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations and;
to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mr B M Maloney
F.C.C.A.,
15a West End,
West Calder
EH55 8EH

Date

14/9/20

ANSWER PROJECT

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Statement of Financial Activities
(including income & expenditure account)
for the year ended 31st March 2020

	Note	Unres'd £	Restricted £	2020 £	2019 £
Income					
Donations & Legacies	4	3,458	4,308	7,766	4,442
Income from charitable activities					
Operation of Day Centre	5	79,986	22,961	102,947	111,777
Income from other trading activities	6	5,554	-	5,554	3,107
Investment Income		-	7	7	3
Total Income		88,998	27,276	116,274	119,329
Expenditure					
Operation of Day Centre	15	88,879	36,034	124,913	104,064
Total Expenditure		88,879	36,034	124,913	104,064
Net Incoming Resources before Transfers		119	(8,758)	(8,639)	15,265
Gross Transfers between Funds		-	-	-	-
Net Movement in Funds		119	(8,758)	(8,639)	15,265
Reconciliation of Funds					
Total Funds Brought Forward		(3,466)	337,811	334,345	319,080
Total Funds Carried Forward		(3,347)	329,053	325,706	334,345

Movements in funds are shown in note 12.

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

ANSWER PROJECT

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(including income & expenditure account)
for the year ended 31st March 2020

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**ANSWER PROJECT
BALANCE SHEET
at 31st March 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	7	325,034	334,526
Current assets			
Debtors & Prepayments	8	5,492	3,703
Cash at bank and in hand		18,323	21,398
		<u>23,815</u>	<u>25,101</u>
Liabilities: Creditors: amounts falling due within one year	9	<u>(13,236)</u>	<u>(13,341)</u>
Net current assets		<u>10,579</u>	<u>11,760</u>
Net Assets		<u>335,613</u>	<u>346,286</u>
Liabilities: Creditors: amounts falling due within one year	10	<u>(9,907)</u>	<u>(11,941)</u>
		<u>325,706</u>	<u>334,345</u>
Funds			
Unrestricted Fund	12	(3,347)	(3,466)
Restricted Fund	12	<u>329,053</u>	<u>337,811</u>
Total Funds		<u>325,706</u>	<u>334,345</u>

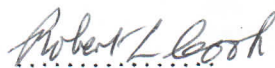
The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2020. The trustees have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for;

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 14/4/20 and were signed on its behalf by;

 (Trustee)

ANSWER PROJECT
Notes to the Accounts

1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been consistently applied throughout the year and in the preceding year.

Basis of Preparation

The financial statements have been prepared in accordance with 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 the Republic of Ireland (FRS 102) (effective January 2015) (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Answer Project meets the definition of a public benefit entity under FRS 102. Assets and liabilities are recognised at historical cost.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Incoming Resources

All incoming resources are included in the statement of financial activities where the charity is entitled to the income and the amounts can be quantified with reasonable accuracy.

Resources Expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any vat which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Tangible fixed assets

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Equipment	33.33% reducing balance
Heritable Property	2% straight line
Furniture & Fittings	20% reducing balance

Allocation of Support Costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. The bases on which support costs have been allocated have been set out in note 15.

Cashflow Statement Exemption

The charity has utilised the exemption conferred by SORP (FRS 102) in not preparing a cashflow statement for the year.

2 Net Income

This is stated after charging;	2020	2019
	£	£
Depreciation	10,874	11,166
Independent Examiners Fees	900	840
	<u> </u>	<u> </u>

ANSWER PROJECT
Notes to the Accounts

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3 Taxation

As a charity, Answer Project is exempt from tax on income and gains falling within Sections 466 to 493 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objects. No tax charges have arisen in the Charity.

4 Donations & Legacies

	Unrestricted £	Restricted £	2020 £	2019 £
Donation - Friends of Answer	-	456	456	456
- Other	1,698	175	1,873	1,436
- John Thomson	-	-	-	100
- 50+ Network	-	-	-	350
- Green	-	-	-	2,000
- Allison	-	464	464	-
- Gardner/Fraser	-	363	363	-
- Murray	-	800	800	-
Croftmalloch Primary School	1,760	245	2,005	-
WLC Councillor Disb (Xmas 18)	-	-	-	100
Denton Charitable Trust	-	1,000	1,000	-
HMRC Gift Aid	-	805	805	-
	<u>3,458</u>	<u>4,308</u>	<u>7,766</u>	<u>4,442</u>

5 Income from Charitable Activities

	Unrestricted £	Restricted £	2020 £	2019 £
WLC (Day Centre)	62,492	-	62,492	43,315
WLC (Transport Grant)	-	3,037	3,037	4,813
W G Edwards Charitable Forum	-	-	-	1,000
West Lothian Dev Trust	-	-	-	4,419
Crerar Trust	-	-	-	12,870
Robertson Trust	-	15,000	15,000	15,000
Ross & Liddell	-	-	-	500
Coalfields Regeneration Trust	-	3,574	3,574	-
Woodroffe Benton	-	750	750	-
Foundation Scotland	-	600	600	-
Cafe Income	790	-	790	626
Client Fee Income	14,580	-	14,580	27,745
Sundry Income	2,124	-	2,124	1,489
	<u>79,986</u>	<u>22,961</u>	<u>102,947</u>	<u>111,777</u>

6 Income from Other Trading Activities

	Unrestricted £	Restricted £	2020 Total £	2019 £
Fundraising	1,525	-	1,525	1,290
Rental Income	4,029	-	4,029	1,817
	<u>5,554</u>	<u>-</u>	<u>5,554</u>	<u>3,107</u>

ANSWER PROJECT
Notes to the Accounts

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7 Tangible fixed assets

	Heritable Property £	Equipment £	Furniture & Fittings	Total £
Cost				
1st April 2019	448,136	39,121	11,912	499,169
Additions	-	464	918	1,382
Disposals	-	-	-	-
31st March 2020	448,136	39,585	12,830	500,551
Depreciation				
1st April 2019	119,566	36,266	8,811	164,643
Charge for Year	8,963	1,107	804	10,874
Eliminated on Disposals	-	-	-	-
31st March 2020	128,529	37,373	9,615	175,517
Net book amount				
31st March 2020	319,607	2,212	3,215	325,034
1st April 2019	328,570	2,855	3,101	334,526

8 Debtors

	2020 £	2019 £
Sundry Debtors	2,757	2,581
Prepayments	2,735	1,122
	5,492	3,703

9 Creditors; Amounts falling due within 12 months

	2020 £	2019 £
Sundry Creditors	7,378	7,535
Pension Deficit Reduction Plan Payments	1,800	1,748
Accruals	4,058	4,058
	13,236	13,341

10 Creditors; Amounts falling due within 12 months

Pension Deficit Reduction Plan Payments	9,907	11,941
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ANSWER PROJECT
Notes to the Accounts

11 Share Capital

The company is limited by guarantee and does not have a share capital.

12 Movement in Funds

	As At 1 April 2019 £	Transfer of Funds	Incoming Resources £	Outgoing Resources £	As At 31 March 2020 £
Unrestricted Fund					
Day Centre	(3,466)	-	88,998	(88,879)	(3,347)
	(3,466)	-	88,998	(88,879)	(3,347)
Restricted Funds					
Building Fund	322,513	-	1,443	(9,428)	314,528
WLC (Transport Grant)	2,163	-	3,037	(3,037)	2,163
Crerar Trust	11,490	-	-	(1,341)	10,149
Robertson Trust	-	-	15,000	(15,000)	-
WLDT - Laptop	386	-	-	(193)	193
WG Edwards	667	-	-	(333)	334
Optima	592	-	-	(198)	394
Foundation Scotland	-	-	600	(69)	531
Coalfields Regeneration	-	-	3,574	(3,574)	-
Dentons Charitable Trust	-	-	1,000	(1,000)	-
Woodroffe Benton	-	-	750	(750)	-
Croftmalloch Primary	-	-	245	(49)	196
Allison	-	-	464	(93)	371
Gardner/Fraser	-	-	363	(169)	194
Murray (Xmas 2019)	-	-	800	(800)	-
	337,811	-	27,276	(36,034)	329,053
TOTAL FUNDS	334,345	-	116,274	(124,913)	325,706

Unrestricted Funds

The purpose of the day centre fund is primarily to fund the day centre activities.

Restricted Funds

The purpose of the building fund was primarily to fund the completion of the day centre.

WLC (Transport Grant) - purpose of this fund was to provide funding towards the charity's transportation costs.

Crerar Trust - the purpose of this fund was to help provide funding towards the Day Care caretaker.

WG Edwards Charitable Foundation - the purpose of this fund was enable the purchase of a defibrillator/

Robertson Trust - the purpose of this fund was to provide support for the Day Care manager's salary.

WLDT - provided funds towards replacement flooring and a laptop.

Allison Fund - to help the day centre acquire 12 chairs.

12 Restricted Funds (cont'd)

Optima - The purpose of this fund was to provide funding for the purchase of tables. The grant of £988 was fully spent during the year. Depreciation of £198 has been included to represent the cost of the tables acquired.

Foundation Scotland - the purpose of this fund was to help finance transport costs for the Day Centre clients.

The Coalfields Regeneration Trust - the purpose of this fund was to fund a replacement shower room for the Day Centre.

Dentons Charitable Trust - the purpose of this fund was to help fund the employment of a care assistant in the Day Centre.

The Woodroffe Benton Foundation - the purpose of this fund was to help fund the employment of a care assistant in the Care Centre.

Croftmalloch Primary School - the purpose of this fund was to help the Day Centre acquire 5 chairs.

13 Trustee Remuneration & Related Party Transactions

No remuneration was received by any director during the year (2019 - nil).
No travel costs were reimbursed to any member of the board of directors during the year (2019- nil).

No director or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2019 - nil).

14 Staff Costs and Numbers

Staff Costs were as follows:

	2020	2019
	£	£
Salaries and Wages	78,732	63,937
Social Security Costs	688	-
Pension Costs (included Admin Costs)	264	(11,484)
	<u>79,684</u>	<u>52,453</u>

No employee received emoluments of more than £60,000.

The average monthly number of employees during the year were:

2020	2019
Number	Number
<u>6</u>	<u>5</u>

The charity contributes to a multi-employer defined benefits scheme. Details of this scheme are outlined in note 18 of the financial statements, on page 12.

ANSWER PROJECT
Notes to the Accounts

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15 Analysis of Expenditure on Costs of Charitable Activities

	Day Centre		
	Services	Total	Total
	2020	2020	2019
	£	£	£
Direct Costs - Food & Cards	7,181	7,181	7,649
Kitchen Equipment & Consumables	320	320	900
Staff Costs (Including Pension)	62,235	62,235	41,962
Premises Costs	11,698	11,698	14,520
Transport Costs	4,772	4,772	5,543
General, Office & Communications	4,516	4,516	3,646
Training	794	794	605
Depreciation	8,699	8,699	8,933
Bank Charges	335	335	(110)
Charitable Donations	14	14	50
Events, Outings & Activities	1,164	1,164	910
Support Costs (See Note 16)	22,942	22,942	18,169
Fundraising	34	34	21
Publicity & Recruitment	209	209	1,266
	<u>124,913</u>	<u>124,913</u>	<u>104,064</u>

16 Support Costs

	General Support	Governance Function	Total 2020	Basis of Apportionment
	£	£	£	
General Staff Costs	15,814	-	15,814	Staff Time
Premises Costs	2,924	-	2,924	Floor Area
General Office & Communications	1,129	-	1,129	Usage
Depreciation	2,175	-	2,175	Usage
Independent Examiners Fee	-	900	900	Governance
	<u>22,042</u>	<u>900</u>	<u>22,942</u>	

17 Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Fund balances at 31 March 2020 as represented by:			
Tangible fixed assets	10,506	314,528	325,034
Current Assets	9,290	14,525	23,815
Current Liabilities	(13,236)	-	(13,236)
Non-Current Liabilities	(9,907)	-	(9,907)
Net Assets at 31 March 2020	<u>(3,379)</u>	<u>329,053</u>	<u>325,706</u>

**ANSWER PROJECT
NOTES TO THE ACCOUNTS**

18 Pensions

The charity participates in TPT Retirement Solution, a multi employer scheme. The scheme is a defined benefit scheme in the UK. It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme, therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in The Pensions Act 2004. This together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out in the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last man standing' arrangement. Therefore the charity is potentially liable for other participating employers obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2017. This actuarial valuation was certified on 19 December 2018 and showed assets of £120M, liabilities of £145.9M and a deficit of £25.9M. To eliminate this funding shortfall the trustees and the participating employers have agreed that additional contributions will be paid.

	2020	2019
	£	£
Present Value of Provision	11,707	13,689

Reconciliation of Opening and Closing Provisions

Provision at start of period	13,689	27,978
Unwinding of Discount Factor	186	539
Deficit Contributions Paid	(1,748)	(2,314)
Remeasurements - impact of changes in assumptions	(420)	276
- amendments contribution schedule	-	(12,790)
	<u>11,707</u>	<u>13,689</u>

ANSWER PROJECT
Appendix I (Day Care)
Year ended 31st March 2020

	2020 £	2019 £
Income		
Grants & Donations	91,783	85,406
Cafe Income, Clients Fees & Other	23,048	32,967
	<u>114,831</u>	<u>118,373</u>
 Charitable Expenditure		
Direct Costs	7,181	7,649
Wages & Nat Ins	77,908	63,937
Pension (Including Admin Costs)	264	(11,484)
Training	794	605
Advertising	209	1,266
Transport Costs	2,564	3,433
Transport Costs - Volunteer Expenses	1,277	1,710
Volunteer Expenses	825	400
Telephone	955	1,163
Postage & Stationery	2,229	1,051
Heat & Light	4,095	3,825
Repairs and Upkeep	5,481	9,225
Insurance	541	532
Outings, Games & Entertainment	1,164	910
Rent & Rates	(81)	303
Fundraising	34	21
Cleaning	4,366	4,383
Bank Charges	335	(110)
Sundry expenses (incl'd care commission fees)	2,049	1,864
Vending Costs	394	544
Donations	14	50
Accountancy	660	600
Depreciation	2,227	2,439
	<u>115,485</u>	<u>94,316</u>
 Net (Deficit)/Surplus for Year	<u>(654)</u>	<u>24,057</u>

Answer Project
Appendix II (Building Fund)
Year ended 31st March 2020

	2020 £	2019 £
Income		
Grants & Donations	1,436	953
Bank Interest	7	3
	<hr/> 1,443	<hr/> 956
Charitable Expenditure		
Repairs	-	249
Insurance	541	532
Accountancy	240	240
Depreciation	8,647	8,727
	<hr/> 9,428	<hr/> 9,748
Net Deficit for Year	<hr/> <u>(7,985)</u>	<hr/> <u>(8,792)</u>