

ANSWER PROJECT
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS

31ST MARCH 2021

Registered number: SC 212773

Charity number SC029271

ANSWER PROJECT

COMPANY INFORMATION

31st March 2021

COMPANY NUMBER	SC 212773
CHARITY NUMBER	SC029271
DIRECTORS	C Cook M Cook R 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

The directors are pleased to present their annual trustees report together with the financial statements of the charity for the year ended 31 March 2021 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.

During the year the charity was able to generate additional rental income by agreeing a rental agreement with a Home Care agency.

Reserves Policy

The present level of funding is adequate to support the continuation of activities for the foreseeable future. During the Covid 19 pandemic the trustees have kept the reserves policy under constant review to ensure that the pandemic has not had a negative impact on the charity's financial position.

ANSWER PROJECT

DIRECTORS REPORT (CONT'D)
YEAR ENDED 31ST MARCH 2021

Responsibilities of Board of Directors

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors should follow best practice and;

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other regularities.

Independent Examiner

Brian Maloney of Brian Maloney & Co was appointed as independent examiner and the directors recommend that Brian Maloney remains in office until further notice.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Board of Directors on
behalf by;

and signed on its

Director

.....

Date

.....

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF ANSWER PROJECT
FOR THE YEAR ENDED 31 MARCH 2021**

I report on the financial statements of the above charity for the year ended 31 March 2021 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

ANSWER PROJECT

Statement of Financial Activities
(including income & expenditure account)
for the year ended 31st March 2021

	Note	Unres'd £	Restricted £	2021 £	2020 £
Income					
Donations & Legacies	4	4,295	1,321	5,616	7,766
Income from charitable activities					
Operation of Day Centre	5	95,540	32,883	128,423	102,947
Income from other trading activities	6	5,400	-	5,400	5,554.
Investment Income		-	2	2	7
Total Income		105,235	34,206	139,441	116,274
Expenditure					
Operation of Day Centre	15	82,158	46,609	128,767	122,033
Total Expenditure		82,158	46,609	128,767	122,033
Net Incoming Resources before Transfers		23,077	(12,403)	10,674	(5,759)
Gross Transfers between Funds		-	-	-	-
Net Movement in Funds		23,077	(12,403)	10,674	(5,759)
Reconciliation of Funds					
Total Funds Brought Forward		(467)	329,053	328,586	334,345
Total Funds Carried Forward		22,610	316,650	339,260	328,586

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
BALANCE SHEET
at 31st March 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	7	317,305	325,034
Current assets			
Debtors & Prepayments	8	3,259	5,492
Cash at bank and in hand		37,804	18,323
		<u>41,063</u>	<u>23,815</u>
Liabilities: Creditors: amounts falling due within one year	9	<u>(10,300)</u>	<u>(10,356)</u>
Net current assets		<u>30,763</u>	<u>13,459</u>
Net Assets		<u>348,068</u>	<u>338,493</u>
Liabilities: Creditors: amounts falling due within one year	10	<u>(8,808)</u>	<u>(9,907)</u>
		<u>339,260</u>	<u>328,586</u>
Funds			
Unrestricted Fund	12	22,610	(467)
Restricted Fund	12	316,650	329,053
Total Funds		<u>339,260</u>	<u>328,586</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2021. The trustees have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2021 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 _____ 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) (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;

	2021 £	2020 £
Depreciation	11,204	10,874
Independent Examiners Fees	968	900
	<u>12,172</u>	<u>11,774</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	2021	2020
	£	£	£	£
Donation - Friends of Answer	-	641	641	456
- Other	295	-	295	1,873
- Allison	-	-	-	464
- Gardner/Fraser	-	-	-	363
- Murray	-	-	-	800
Croftmalloch Primary School	-	-	-	2,005
WLC Councillor Disb (Xmas 20)	-	680	680	-
Denton Charitable Trust	-	-	-	1,000
Co-op Banking	4,000	-	4,000	-
HMRC Gift Aid	-	-	-	805
	4,295	1,321	5,616	7,766

5 Income from Charitable Activities

	Unrestricted	Restricted	2021	2020
	£	£	£	£
WLC (Day Centre)	63,734	-	63,734	62,492
WLC (Business Support)	25,000	-	25,000	-
WLC (Transport Grant)	-	2,273	2,273	3,037
WLC (Hardship Fund)	-	297	297	-
Voluntary Sector Gateway WL	-	2,400	2,400	-
Card Factory Foundation	1,000	-	1,000	-
Robertson Trust	-	15,000	15,000	15,000
WLC (Magic Table)	-	600	600	-
Scottish Community Fund	-	400	400	-
Hugh Fraser Foundation	-	3,000	3,000	-
Hunter Foundation	-	6,913	6,913	-
James Wood Bequest Fund	-	1,000	1,000	-
Persimmon Homes	-	1,000	1,000	-
Coalfields Regeneration Trust	-	-	-	3,574
Woodroffe Benton	-	-	-	750
Foundation Scotland	-	-	-	600
Cafe/Meals Income	2,720	-	2,720	790
Client Fee Income	2,640	-	2,640	14,580
Memberships	4	-	4	-
Sundry Income	442	-	442	2,124
	95,540	32,883	128,423	102,947

6 Income from Other Trading Activities

	Unrestricted	Restricted	2021 Total	2020
	£	£	£	£
Fundraising	-	-	-	1,525
Rental Income	5,400	-	5,400	4,029
	5,400	-	5,400	5,554

ANSWER PROJECT
Notes to the Accounts

7 Tangible fixed assets

Cost	Heritable Property £	Equipment £	Furniture & Fittings	Total £
1st April 2020	448,136	39,585	12,830	500,551
Additions	-	1,244	2,231	3,475
Disposals	-	-	-	-
	<u>448,136</u>	<u>40,829</u>	<u>15,061</u>	<u>504,026</u>
31st March 2021	448,136	40,829	15,061	504,026
Depreciation				
1st April 2020	128,529	37,373	9,615	175,517
Charge for Year	8,963	1,153	1,088	11,204
Eliminated on Disposals	-	-	-	-
	<u>137,492</u>	<u>38,526</u>	<u>10,703</u>	<u>186,721</u>
31st March 2021	137,492	38,526	10,703	186,721
Net book amount				
31st March 2021	<u>310,644</u>	<u>2,303</u>	<u>4,358</u>	<u>317,305</u>
1st April 2020	<u>319,607</u>	<u>2,212</u>	<u>3,215</u>	<u>325,034</u>

8 Debtors

	2021 £	2020 £
Sundry Debtors	2,232	2,757
Prepayments	1,027	2,735
	<u>3,259</u>	<u>5,492</u>

9 Creditors; Amounts falling due within 12 months

	2021 £	2020 £
Sundry Creditors	3,516	4,498
Tax & Social Security Costs	872	-
Pension Deficit Reduction Plan Payments	1,854	1,800
Accruals	4,058	4,058
	<u>10,300</u>	<u>10,356</u>

10 Creditors; Amounts falling due within 12 months

Pension Deficit Reduction Plan Payments	<u>8,808</u>	<u>9,907</u>
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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 2020 £	Transfer of Funds	Incoming Resources £	Outgoing Resources £	As At 31 March 2021 £
Unrestricted Fund					
Day Centre	(467)	-	105,235	(82,158)	22,610
	(467)	-	105,235	(82,158)	22,610
Restricted Funds					
Building Fund	314,528	-	643	(9,420)	305,751
WLC (Transport Grant)	2,163	-	2,273	(1,729)	2,707
Crerar Trust	10,149	-	-	(5,827)	4,322
Robertson Trust	-	-	15,000	(15,000)	-
WLC - Magic Table	-	-	600	-	600
WLDT - Laptop	193	-	-	(193)	-
WG Edwards	334	-	-	(334)	-
Optima	394	-	-	(198)	196
Foundation Scotland	531	-	-	(22)	509
Croftmalloch Primary	196	-	-	(49)	147
Allison	371	-	-	(93)	278
Gardner/Fraser	194	-	-	-	194
WLC Councillors (Xmas 20)	-	-	680	(448)	232
Scottish Com Food Fund	-	-	400	(321)	79
James Wood Bequest Fund	-	-	1,000	(1,000)	-
VSGWL Hardship Fund	-	-	2,400	(765)	1,635
Hunter Foundation	-	-	6,913	(6,913)	-
WLC Hardship Fund	-	-	297	(297)	-
Hugh Fraser Foundation	-	-	3,000	(3,000)	-
Persimmon Homes	-	-	1,000	(1,000)	-
	329,053	-	34,206	(46,609)	316,650
TOTAL FUNDS	328,586	-	139,441	(128,767)	339,260

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.

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 - A fund to assist with purchase of tables.

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

West Lothian Councillors funded a Xmas Party for pensioners.

Scottish Community Food Fund was part of the community outreach programme.

James Wood Bequest Fund covered caretaker's salary.

VSGWL Hardship Fund provided support during Covid 19 pandemic.

Hunter Foundation Fund provided support during Covid 19 pandemic.

Hugh Fraser Foundation helped with care assistant's salary over 3 years.

Persimmon Community Champions Fund helped towards assistant managers wages.

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 (2020- nil).

One director (2020 - 1) of Answer Project is also a director of another company which rents office space from Answer Project and also has use of photocopying facilities. The rental income for the year is £5,400 (2020 - £3,780) and photocopying income £160 (2020 - £606).

14 Staff Costs and Numbers

Staff Costs were as follows:

	2021	2020
	£	£
Salaries and Wages	89,843	78,732
Social Security Costs	334	688
Pension Costs (included Admin Costs)	556	264
	<u>90,733</u>	<u>79,684</u>

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

The average monthly number of employees during the year were:

2021	2020
Number	Number
<u>7</u>	<u>6</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.

15 Analysis of Expenditure on Costs of Charitable Activities

	Day Centre Services 2021 £	Total 2021 £	Total 2020 £
Direct Costs - Food & Cards	4,705	4,705	7,181
Kitchen Equipment & Consumables	128	128	320
Staff Costs (Including Pension)	72,586	72,586	62,235
Premises Costs	10,076	10,076	8,818
Transport Costs (incl'd volunteers exp)	2,421	2,421	4,772
General, Office & Communications	3,419	3,419	4,516
Training	962	962	794
Depreciation	8,963	8,963	8,699
Bank Charges	135	135	335
Charitable Donations	-	-	14
Events, Outings & Activities	357	357	1,164
Support Costs (See Note 16)	24,725	24,725	22,942
Fundraising	-	-	34
Publicity & Recruitment	290	290	209
	<u>128,767</u>	<u>128,767</u>	<u>122,033</u>

16 Support Costs

	General Support £	Governance Function £	Total 2021 £	Basis of Apportionment
General Staff Costs	18,147	-	18,147	Staff Time
Premises Costs	2,519	-	2,519	Floor Area
General Office & Communications	850	-	850	Usage
Depreciation	2,241	-	2,241	Usage
Independent Examiners Fee	-	968	968	Governance
	<u>23,757</u>	<u>968</u>	<u>24,725</u>	

17 Analysis of Net Assets between Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 March 2021 as represented by:			
Tangible fixed assets	21,820	295,485	317,305
Current Assets	19,898	21,165	41,063
Current Liabilities	(10,300)	-	(10,300)
Non-Current Liabilities	(8,808)	-	(8,808)
Net Assets at 31 March 2021	<u>22,610</u>	<u>316,650</u>	<u>339,260</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.

	2021	2020
	£	£
Present Value of Provision	10,662	11,707

Reconciliation of Opening and Closing Provisions

Provision at start of period	11,707	13,689
Unwinding of Discount Factor	275	186
Deficit Contributions Paid	(1,800)	(1,748)
Remeasurements -impact of changes in assumptions	480	(420)
- amendments contribution schedule	-	-
	<u>10,662</u>	<u>11,707</u>

ANSWER PROJECT
Appendix I (Day Care)
Year ended 31st March 2021

	2021 £	2020 £
Income		
Grants & Donations	127,592	91,783
Cafe Income, Clients Fees & Other	11,206	23,048
	<u>138,798</u>	<u>114,831</u>
 Charitable Expenditure		
Direct Costs	4,705	7,181
Wages & Nat Ins	90,177	77,908
Pension (Including Admin Costs)	556	264
Training	962	794
Advertising	265	209
Transport Costs	1,718	2,564
Transport Costs - Volunteer Expenses	631	1,277
Volunteer Expenses	72	825
Telephone	1,033	955
Postage & Stationery	1,258	2,229
Heat & Light	4,128	4,095
Repairs and Upkeep	1,321	5,481
Insurance	700	(2,339)
Outings, Games & Entertainment	357	1,164
Recruitment	25	-
Rent & Rates	-	(81)
Fundraising	-	34
Cleaning	5,985	4,366
Bank Charges	135	335
Sundry expenses (incl'd care commission fees)	1,978	2,049
Vending Costs	-	394
Donations	-	14
Accountancy	728	660
Depreciation	2,613	2,227
	<u>119,347</u>	<u>112,605</u>
 Net Surplus for the Year	<u><u>19,451</u></u>	<u><u>2,226</u></u>

Answer Project
Appendix II (Building Fund)
Year ended 31st March 2021

	2021	2020
	£	£
Income		
Grants & Donations	641	1,436
Bank Interest	2	7
	<hr/> 643	<hr/> 1,443
 Charitable Expenditure		
Insurance	589	541
Accountancy	240	240
Depreciation	8,591	8,647
	<hr/> 9,420	<hr/> 9,428
 Net Deficit for Year	 <hr/> (8,777) <hr/>	 <hr/> (7,985) <hr/>