



VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)

REPORT and FINANCIAL STATEMENTS

For the year ended 31 March 2021

**VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)**

Legal and administrative information

For the year ended 31 March 2021

Directors

Daniel J Evans (Chair)
Carol M Bartholomew
Ann E Pike
Alexander Milne (resigned 1 May 2021)
Lynda A Ross-Hale
Archibald G Meikle
Margot H Ferguson
Seona Carnegie (appointed 28 October 2020)
Jennifer Dick Gilchrist (appointed 30 April 2021)
Paul Henry Keegan (appointed 30 April 2021)

Secretary

Alexander Milne (resigned 1 May 2021)

Chief Executive Officer

Alan McCloskey

Registered Office

20-22 King Street
Bathgate
EH48 1AX

Independent examiners

Malcolm Beveridge CA
Chiene + Tait LLP
Chartered Accountants and Independent Examiner
61 Dublin Street
Edinburgh
EH3 6NL

Bankers

Bank of Scotland 50 Hopetoun Street Bathgate EH48 4EU	Unity Trust Bank plc 9 Brindley Place Birmingham B1 2HB	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
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Employment advisers

Employers in Voluntary Housing
5th Floor
137 Sauchiehall Street
Glasgow
G2 3EW

Charity number: SC027612

Company number: SC244154

**VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)**

DIRECTORS' REPORT

For the year ended 31 March 2021

The Directors submit their report together with the financial statements for the year ended 31 March 2021.

OBJECTS OF THE CHARITY AND PRINCIPAL ACTIVITIES

The charitable company's objects are:

The advancement of citizenship, community development and social enterprises (where the social enterprise is asset locked and non-profit distributing and is part of the voluntary sector), urban and rural regeneration and the promotion of civic responsibility, volunteering, the voluntary sector and the effectiveness of charities.

Activities of the charity:

The above objects shall be for the benefit of the public within West Lothian, primarily but not exclusively, through the promotion, facilitation and support of:

- Engagement and involvement and the development of civic duty;
- Reacting to the challenges arising from the Covid-19 pandemic
- Volunteering: volunteers and volunteering organisations;
- Social Enterprise;
- Building capacity in the Third Sector;
- Co-operation, networking, partnership working;
- Communications dissemination of good practice, guidance and practical assistance;
- Printing, publishing and circulation of written and other materials, holding meetings, workshops and seminars.

The principal activities of the charity during the financial year were:

- Further strengthening the Governance and operation of Voluntary Sector Gateway West Lothian (VSGWL);
- Volunteering development;
- Support for Social Enterprises through our partnership with West Lothian Social Enterprise Network (WLSSEN);
- Supporting and developing a stronger Third Sector;
- Building the Third Sector relationship with Community Planning Partnership (CPP) and Integration Joint Board (IJB).

ACHIEVEMENTS AND PERFORMANCE

Significant activities in the year and their contribution to the principal activities above were:

In the Spring of 2020, a national lockdown was enforced because of Covid-19. This left many people in West Lothian feeling vulnerable, lonely and isolated, facing financial worries, unable to get food for their families and worried about their health and well-being.

VSGWL took a leadership role and responded positively by working at pace to provide a coordinated response with the wider third sector and key stakeholders in providing help and support to vulnerable individuals and communities across the local area. We played a crucial role in the emergency response, often initiating actions at a community level and working with statutory partners such as West Lothian Council and the Integrated Joint Board (IJB) to support those in need.

VSGWL chaired an important Covid-19 recovery summit to showcase the work of the third sector during the pandemic. The online event attracted 100 participants, including elected members, MPs, MSPs and a host of third sector partners. The event received very positive feedback and wide-spread recognition of the importance of the sector in the economic and social recovery and the partnership approach required to create a new West Lothian. [Summit evaluation](#)

**VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
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DIRECTORS' REPORT (CONTINUED)

For the year ended 31 March 2021

ACHIEVEMENTS AND PERFORMANCE (Continued)

We created a Covid-19 Resource information hub on our website with links to key agencies, volunteering, health and well-being resource and funding opportunities. We have been very active on social media to ensure important news and funding opportunities are communicated quickly.

Throughout the crisis, we have worked closely with West Lothian Council and IJB to coordinate communications and helped to jointly provide the best possible support to individuals and communities.

We invested in a new website to further strengthen our external communications. Following stakeholder engagement and feedback, the site was launched at the end of March 2021 - <https://www.voluntarysectorgateway.org/>. The new website has a range of improvements including:

- Simplified user journey and ease of access for public/partners
- Improved 3rd party integration (with our Service Locator Tool and Funding tool which previously sat on different platforms)
- Improved Content Management system for VSGWL staff to make content changes more easily with added security enhancements.

We submitted an application for Cyber Security Accreditation as evidence of our commitment to cybersecurity and in preventing cyber attacks. We invested in new larger premises that give us a more visible presence in the local community that will be transformed into a vibrant, volunteering and third sector hub in the future. The move to new premises took place in March 2020 but was brought to a premature halt following the Covid-19 lockdown.

Staff have been working from home throughout the pandemic and we had to adapt quickly to providing services digitally. Working from home for the team has been challenging and far from ideal. This situation has been challenging and less than ideal, however, we are hopeful of safely reopening the office later in 2021, once current lockdown restrictions ease. We worked with key partners and stakeholders to reflect on the pandemic and the lessons learned. We have taken the health and wellbeing of our staff and volunteers seriously and proactively invested in a counselling support service to help our people.

Coordination of volunteering opportunities

Over 1,200 people from across West Lothian have signed up to be volunteers during the crisis. We created a volunteering database that allows us to manage and respond to requests from partners for volunteers. We signposted individuals to our online Directory of Services which has details about all organisations providing help and support during the crisis.

Individuals have secured opportunities with a range of third sector partners. Individuals have been helping with food parcel deliveries to those in need, PPE supplies to carers, medicine pick-ups and support as ward helpers in St John's. It is hoped that individuals will be able to secure long term volunteering opportunities post Covid-19. One particularly positive (and unexpected) outcome has been the number of individuals expressing interest in volunteering as trustees. To date, over 60 people have been sign-posted to third sector partners to help with the important role Boards play in governing and supporting voluntary organisations.

Support to the vaccination rollout programme

To support the onsite health professionals and Event Management teams, VSGWL put out a call for volunteers across West Lothian to support the mass vaccination site at the Pyramids, Bathgate. Working closely with NHS Lothian, we coordinated the astonishing public response to this volunteering support. We ensured a team of 'meet and greet' volunteers were present at three shifts per day, 7 days per week from February 2021. The site is expected to operate until Autumn 2021.

£52k VSGWL Covid-19 fund, WLSN and National Lottery partnership

VSGWL and West Lothian Social Enterprise Network (WLSN) made a successful bid to partner with The National Lottery to provide a £52,000 emergency fund to support local, grass roots organisations and groups that responded to the Covid-19 pandemic. We launched the fund in May 2020 inviting organisations to apply for grants of £600 – £2,400 to help them with their plans to support local communities. We worked at speed to process applications and ensure monies were distributed quickly.

**VOLUNTARY SECTOR GATEWAY WEST LoTHIAN
(A Company Limited by Guarantee)**

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 March 2021

ACHIEVEMENTS AND PERFORMANCE (Continued)

The evaluation report captures the approach taken and the successful outcomes in helping those in most need in local communities with help during the crisis. In particular, the evaluation shows how organisations used awards to provide support focussed on increasing health and wellbeing, reducing isolation, reducing poverty and reducing digital poverty. [National Lottery Evaluation report.](#)

TSI Network and Covid-19 lessons learned

Along with 5 other Third Sector Interfaces (TSIs), VSGWL worked with Evaluation Support Scotland (ESS) on a TSI Covid-19 learning project. ESS gathered case studies and research on the direct role played by TSIs, third sector and communities in the Covid-19 response. They also captured information on what's worked well and lessons learned. Locally, interviews with key stakeholders from West Lothian Council and IJB were secured and their contributions were included in the final report presented to the Scottish Government in Spring 2021.

VSGWL has proactively promoted, developed and supported the third sector across West Lothian. We have further developed and strengthened our relationship with key funders and stakeholders at both local and national level. We have continued to see support and confidence in our work from partners as well as continued engagement and enthusiasm about VSGWL from across the Sector.

Outcomes work

We have delivered against a number of key outcomes, summarised below;

Build capacity - Improved sector governance by exploring and developing a range of internal skills, knowledge, and expertise to better support organisations

- Provided intensive one to one support to organisations on change of legal status, asset transfer and funding concerns.

Supported Social Enterprises through commissioning of WLSSEN

- Monthly social enterprise bulletin distributed to 71 organisations including members and partner agencies about procurement, events, funding, support and learning opportunities
- Weekly bulletins on social enterprise development produced
- Provided direct one to one support to 12 organisations
- Support to 3 start-up social enterprises
- Created a West Lothian Third Sector Mental Health Support Providers Collaborative Group
 - WLSSEN are playing a coordinating role for this group of our members and other third sector organisations who provide support to those with mental health needs.

Voice - Ensured voice of Sector appropriately represented in key Council decision making forums and meetings.

- VSGWL referenced in 71 West Lothian Council official reports and minutes
 - Contributed to quarterly Community Partnership (CPP) meetings and one CPP Development event
 - Contributed to quarterly IJB Board meetings and Strategic Planning Group meetings

Connect - Chaired Third Sector summit to showcase role and response of sector to Covid-19 and the partnerships required to create a new west Lothian.

- Significantly increased our communication reach on website and social media
- Sourced and invested in a new website
- Contributed to Funding Working Group with Sector Reps and Council officials on development of Voluntary Orgs revenue budget

Intelligence - Promoted Locator Tool with key CPP partners including Police Scotland, Scottish Fire and Rescue Service, Skills Development Scotland and DWP.

**VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)**

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 March 2021

FINANCIAL REVIEW

The financial statements for the year to 31 March 2021 have been independently examined by Chiene + Tait LLP.

Results for year

Total income has increased from £284,276 in 2020 to £368,764 in the year to 31 March 2021.

Core funding from Scottish Government has remained at standstill level for a further year and has been confirmed at that level until March 2022. The Scottish Government carried out a funding formula review during the year and determined to maintain the historical funding arrangements. Proposals for a three-year funding arrangement did not materialise.

West Lothian Council core funding remained at the same level as the previous year. A funding sub-group has been established with the participation of VSGWL to assist the Council develop its future funding strategy for the Third Sector. The Working Group has developed proposals for a new investment model of funding for the Sector including plans for multi-year funding moving forward.

Total expenditure has increased from £276,452 in 2020 to £334,551 in the year to 31 March 2021, however this includes a pension scheme remeasurement and discounting adjustment of £4,565 for 2021 (2020: credit of £1,415), and grant distributions made from special funding in 2020-21 of £51,537 to local voluntary organisations. Excluding these items, total expenditure has increased by £582 compared to the prior year.

At 31 March 2021 staff costs represented 57% (2020: 70%) of total expenditure excluding pension scheme movements.

Cash resources at 31 March 2021 were £147,808, a level which gives us encouragement to progress with our future plans.

Net assets

The net asset position at 31 March 2021 has increased by £34,213 from the prior year. This reflects a decrease in restricted funds of £33,282, whilst unrestricted funds increased by £67,495 to £292,859 at the year end. The reserves continue to reflect the requirement of Charities SORP (FRS 102) to recognise our liabilities under the multi-employer defined benefit scheme in which the Charity participates by accruing the cost of agreed deficit reduction plan payments which amounted to £64,403. Each participating member is exposed to future funding risks arising from both members becoming unable to meet their obligations as well as to market levels. Note 19 provides further information on the significance of this.

Reserves and 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.

As the charity has no overdraft facilities it relies entirely on cash flow and its reserves to finance its day to day operations. In order to provide a stable platform for the delivery of outcomes expected by our stakeholders the directors' policy is that at least three months' operational expenditure is represented by unrestricted reserves, and this amounts to around £66,943, based on budgeted costs. Unrestricted reserves at 31 March 2021 were £292,859 but this includes £224,866 represented by fixed assets, and £25,000 set aside for the installation of a lift at the charity's new premises. Unrestricted reserves "free" of fixed assets and designations are therefore £42,993 but this includes the provision for long term pension obligations at 31 March 2021 of £53,204. The directors are relying on it being very unlikely that any of this long term obligation will fall due within the next 12 months, and in view of this and, for the purposes of our reserves policy only, we exclude this liability to give us unrestricted free reserves of £96,197, which is well in excess of the policy.

As at 31 March 2021, restricted funds were £7,397 and unrestricted funds £292,859, of which £25,000 were designated. In order to improve the financial security of the Charity the directors continue to explore opportunities for growing unrestricted funds.

**VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)**

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 March 2021

FINANCIAL REVIEW (continued)

Going concern

As highlighted earlier in this report, the charity has operated in a remote working environment since March 2020, which has proved to be stable and effective at allowing operations to continue at a level of activity similar to that seen in the office environment. There remains no significant impact to the charity's funding or operations.

The directors have considered financial forecasts for the next twelve months which take into account expenditure expected to be incurred in order to continue the development and improvement plan for the Charity. Key to this is the assumption that core funding will remain at historic levels. On this basis the directors are confident that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further information is set out in Note 20 of the financial statements.

Plans for future

Planned in the financial year to 31 March 2022 are:

- Lead and support the third sector's recovery and renewal from the Coronavirus pandemic
- Promote and help secure additional funding and grants for the Sector to cope with impact of Covid-19
- Explore and develop funding partnership with the National Lottery
- Explore and support Covid-19 volunteering opportunities
- Manage the volunteer resource at the mass vaccination site at the Pyramids, Bathgate
- Create the volunteering hub within the new office premises
- Explore income diversification streams including sub-let opportunities of new premises
- Look to secure additional funding for VSGWL and sector to cope with the impact of Covid-19
- Maintain, develop, and strengthen external influence with key stakeholders and partners
- Develop proposals through the local Funding Working Group on a new investment model to better support wider sector
- Progress our submission for Cyber Essentials Accreditation
- Support wider policy engagement with wider TSI network

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

Membership is open to Third Sector, Community, Public, and Private Sector Organisations and individuals operating within West Lothian who support the objects of the charity and agree to pay any subscription set by the directors. There are Full and Associate categories of membership, with only Third Sector and Community organisations active in West Lothian being able to become Full members and having voting rights. Associate members have the right to attend members' meetings.

Organisational Structure

VSGWL has a board of directors who meet every two months and are responsible for the strategic direction and policy of the charity.

The directors are responsible for ensuring that the charity delivers the services specified and that key performance indicators are met.

**VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)**

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 March 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Sub-Committees:

The following sub-committees are in place:

- Finance
- HR
- Quality Governance and Compliance
- Business Development

The organisation is managed on a day to day basis by the Chief Executive Officer under which the staff team deliver the agreed Work Plan.

Organisation of our Work

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.

The Board remains responsible for overall governance. This includes ensuring senior management establish and maintain adequate systems of risk management and that the level of capital held is consistent with the risk profile of the organisation.

The Board has a clear strategy of what to delegate to management and how to monitor and evaluate the implementation of policies, strategies and business plans.

The Board has delegated the management of the organisation to the Chief Executive Officer (CEO). This delegation of authority includes responsibility for:

- Developing business plans, budgets and company strategies for consideration by the Board and, to the extent approved by the Board, implementing these plans, budgets and strategies;
- Identifying and managing operational risks on a daily basis and, where those risks could have a material impact on the company's business, formulating strategies for managing these risks for consideration by the Board;
- Managing the company's current financial and other reporting mechanisms as well as its control and monitoring systems to ensure that these mechanisms and systems capture all relevant material information on a timely basis and are functioning effectively;
- Ensuring that the Board and its sub-committees are provided with sufficient information on a timely basis in regard to the company's business to enable the board and those committees to fulfil their governance responsibilities;
- Implementing the policies, processes and codes of conduct approved by the Board.

Board Management Induction and Development

A clear open and transparent policy and procedure has been developed for the recruitment of new directors.

All directors are given an induction which seeks to ensure their familiarity and understanding of the objectives of the Company, an understanding of its Governing Documents and familiarisation with the work plan for the current year.

Copies of past minutes, Annual Report and Financial Statements are made available as is a copy of the OSCR guidance for Charity Trustees.

Periodically the Board will meet with Senior Staff in attendance, to discuss strategic planning and organisational development needs.

Directors are encouraged to attend training events and conferences which will enhance their abilities and skills in undertaking their role as directors with the company and Trustees of the charity.

The Board is committed to individual and collective performance review.

**VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)**

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 March 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Key management personnel remuneration

The directors consider the board and the chief executive officer as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee remuneration was paid in the year.

The pay of the charity's chief executive officer is reviewed annually and in line with available funding.

Risk Management

Systems and procedures have been established to mitigate the risks the charity faces. The Quality, Governance and Compliance Committee provides reports to the Board on its activities and the effectiveness of risk management, internal controls, compliance and governance matters. The Committee escalate any matters of significant concern and exception reports to the Board for their consideration and action. The Board carried out a review of our Governance arrangements in line with Code of Conduct guidance.

The risk management strategy includes:

- regular review of the principal risks and uncertainties that the charity faces;
- establishment of policies, systems and procedures to mitigate those risks identified in the annual review;
- implementing procedures to minimise or manage any potential impact on the charity from those risks;
- Directors are committed to individual and collective performance review at Board level and have identified a need to prioritise this.

Financial sustainability is considered to be the main risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular discussions with funders, and active management of trade debtors and creditors balances to ensure sufficient working capital is available.

Reference and administrative details

Information about the charity is set out on page 1.

Statement of directors' responsibilities

The directors (who are also trustees of Voluntary Sector Gateway West Lothian for the purposes of charity law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the 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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

**VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)**

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 March 2021

Statement of directors' responsibilities (continued)

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 irregularities.

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

Daniel Evans

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Daniel J Evans, Director

24 August 2021

**INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF
VOLUNTARY SECTOR GATEWAY WEST LOTHIAN**



I report on the financial statements of Voluntary Sector Gateway West Lothian for the year ended 31 March 2021 which are set out on pages 11 to 24.

This report is made to the Directors of Voluntary Sector Gateway West Lothian, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the financial statements on behalf of the Directors and to report my opinion as set out below and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Trustees and members of Voluntary Sector Gateway West Lothian, as a body, for my work or for this report.

Respective responsibilities of Directors and independent examiner

The charity's Directors (who are also the Trustees of the charity for the purposes of charity law) are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the Regulations). The charity Directors consider that the audit requirement of Regulation 10(1)(a) to (c) of the Regulations does not apply. It is my responsibility to examine the financial statements 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 Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the Directors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

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 Act and Regulation 4 of the Regulations, and
 - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 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 financial statements to be reached.

Malcolm R Beveridge

**Malcolm Beveridge CA
For and on behalf of
CHIENE + TAIT LLP
Chartered Accountants and Independent Examiners
61 Dublin Street
Edinburgh, EH3 6NL**

25 August 2021

**VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)**

**STATEMENT of FINANCIAL ACTIVITIES
(including Income and Expenditure Account)**

For the year ended 31 March 2021

	Notes	Un- Restricted Funds £	Restricted Funds £	Total 2021 £	Un- Restricted Funds £	Restricted Funds £	Total 2020 £
Income from:							
Donations and grants	3	300,480	64,005	364,485	237,095	41,679	278,774
Charitable activities	4	4,250	-	4,250	-	2,670	2,670
Other trading activities		-	-	-	2,638	-	2,638
Investments – bank interest		29	-	29	194	-	194
Total income		304,759	64,005	368,764	239,927	44,349	284,276
Expenditure on:							
Charitable activities	5	277,014	57,537	334,551	272,782	3,670	276,452
Total expenditure		277,014	57,537	334,551	272,782	3,670	276,452
Net income/(expenditure)		27,745	6,468	34,213	(32,855)	40,679	7,824
Transfers							
Gross transfers between funds	14,15	39,750	(39,750)	-	-	-	-
Net movement in funds for the year		67,495	(33,282)	34,213	(32,855)	40,679	7,824
Reconciliation of funds:							
Fund balances brought forward at 1 April	14,15	225,364	40,679	266,043	258,219	-	258,219
Fund balances carried forward at 31 March	14,15	292,859	7,397	300,256	225,364	40,679	266,043

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 13 to 24 form part of these financial statements.

VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)

BALANCE SHEET

As at 31 March 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	9		220,758		217,844
Intangible assets	10		4,108		5,808
			-----		-----
			224,866		223,652
Current assets					
Debtors	11	500		500	
Cash at bank and in hand		147,808		145,258	
		-----		-----	
		148,308		145,758	
Liabilities: amounts due within one year	12	(19,714)		(43,529)	
		-----		-----	
Net current assets			128,594		102,229
			-----		-----
Total assets less current liabilities			353,460		325,881
Liabilities: amounts due after more than one year	13		(53,204)		(59,838)
			-----		-----
Net assets			300,256		266,043
			=====		=====
Funds					
Unrestricted funds					
General funds	15	267,859		225,364	
Designated funds	15	25,000		-	
		-----		-----	
			292,859		225,364
Restricted funds	14		7,397		40,679
			-----		-----
			300,256		266,043
			=====		=====

Audit Exemption Statement

The Directors are satisfied that the company is entitled to exemption from the requirement to have an audit of the financial statements for the year ended 31 March 2021, under the provisions of section 477 of the Companies Act 2006 (the Act), and that no notice has been deposited with the company under section 476 of the Companies Act 2006 requiring an audit to be carried out.

The Directors acknowledge their responsibility for:

- ensuring the company keeps accounting records in accordance with section 386 of the Companies Act 2006; and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for that financial year in accordance with the requirements of sections 394 and 395, and which otherwise comply with the requirements of the Act relating to financial statements insofar as they are applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The financial statements were approved by the Directors on 24 August 2021 and are signed on their behalf by:

Daniel Evans

Daniel J Evans, Director

Ann E Pike

Ann E Pike, Director

Company No. SC244154

The notes on pages 13 to 24 form part of these financial statements.

VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2021

1. Company information

Voluntary Sector Gateway West Lothian is a private limited company without share capital, incorporated and domiciled in Scotland with registered company number SC244154. The registered office and principal place of business is 20-22 King Street, Bathgate, West Lothian, EH48 1AX. The financial statements have been presented in Pounds Sterling as this is the functional and presentational currency of the company.

2. Accounting policies

Basis of accounting

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 Republic of Ireland (FRS 102) (second edition – October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Voluntary Sector Gateway West Lothian meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The financial statements have been prepared on a going concern basis. The directors have assessed the charitable company's ability to continue as a going concern and have reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these financial statements and are satisfied that no material uncertainties exist in respect of going concern. Further information relating to going concern is set out in note 20.

Significant judgements and estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. As the estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Defined benefit pension scheme

The charity has certain obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in liaison with the pension scheme administrators in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

Taxation

Voluntary Sector Gateway West Lothian's charitable activities fall within the exemptions afforded by part 11 of the Corporation Tax Act 2010. Accordingly, there is no Corporation Tax charge in these financial statements.

Donations, legacies and similar income

Donations, legacies and similar income is included in the year in which it is receivable, which is when the charity becomes entitled to the income, it is probable that it will be received and the amount can be measured reliably.

Investment income

Income from all investments is included in the year in which it is receivable.

**VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)**

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2021

2. Accounting policies (Contd.)

Grants receivable

Grants received, including capital grants, are reflected in the Statement of Financial Activities when relevant conditions for entitlement have been met, it is probable they will be received, and the amounts can be quantified with sufficient reliability. Where donors specify that grants are for particular purposes, this income is included in incoming resources within restricted funds when receivable. Where grants are specifically made for the performance of charitable activities in a period subsequent to the year-end they are deferred and excluded from the Statement of Financial Activities.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities, with the exception of support costs which have been allocated to activities on the basis of the proportion of total staff involved in each category. Costs of charitable activities consist of those applied by the charity in meeting its charitable objectives. Within support costs are governance costs, which include the costs of general governance of the charity as opposed to direct management inherent in meeting charitable objectives, and are those associated with strategic, constitutional and statutory requirements.

Operating leases

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

Tangible fixed assets

All fixed assets over £500 are initially capitalised at cost, plus any incidental costs of acquisition.

Depreciation

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:

Equipment	- 20% straight line
Furniture & Fittings	- 20% straight line
Property	- 2% straight line

Intangible fixed assets

Intangible assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset on a straight line basis over its useful economic life as follows:

Software	- 20% straight line
----------	---------------------

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2021

2. Accounting policies (Contd.)

Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pensions

The company participates in a multi-employer defined benefit pension scheme in respect of certain employees. Normal contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme. In addition, a deficit reduction plan is in place to which monthly contributions are made. The present value of the future cashflows have been recognised as a liability as set out in note 19.

The company also participates in a defined contribution scheme.

Funds

Unrestricted general funds are the funds which can be used in accordance with the charitable objects at the discretion of the directors. Restricted funds are the funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

3. Donations and grants	Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£	£	£	£
Scottish Government – Core	187,200	-	187,200	187,200	-	187,200
Scottish Government – Change Management	-	-	-	-	1,000	1,000
WLC Development – Core	48,770	-	48,770	48,770	-	48,770
Donations – VSGWL	-	-	-	1,125	-	1,125
WLC Town Centre Capital Grant	-	-	-	-	39,750	39,750
WLC Third Sector Hardship Fund	8,600	-	8,600	-	-	-
WLC Business Rate Support Grant	10,000	-	10,000	-	-	-
Scottish Govt – TSI Funding Boost	45,910	-	45,910	-	-	-
WLC Community Hub Development	-	5,000	5,000	-	-	-
Volunteer Awards Ceremony	-	1,000	1,000	-	929	929
National Lottery Community Fund	-	58,005	58,005	-	-	-
	300,480	64,005	364,485	237,095	41,679	278,774
	=====	=====	=====	=====	=====	=====
4. Charitable activities - income	Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£	£	£	£
Community Jobs Fund/SCVO	-	-	-	-	2,670	2,670
Volunteer Edinburgh	4,250	-	4,250	-	-	-
	4,250	-	4,250	-	2,670	2,670
	=====	=====	=====	=====	=====	=====

VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2021

5. Charitable activities expenditure	Un- restricted Funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Staffing costs:				
Gross salaries	164,193	4,500	168,693	172,644
Employers' national insurance	10,215	-	10,215	10,389
Employers' pension contributions	9,340	-	9,340	9,402
Other staff costs	1,020	-	1,020	1,554
Pension scheme - remeasurement and discounting adjustments	4,565	-	4,565	(1,415)
	-----	-----	-----	-----
	189,333	4,500	193,833	192,574
	-----	-----	-----	-----
Supplies and services:				
Volunteer and other direct project expenses	-	-	-	678
Social Enterprise support	18,600	1,500	20,100	15,000
	-----	-----	-----	-----
	18,600	1,500	20,100	15,678
	-----	-----	-----	-----
Grant payments				
Grants to third sector organisations	-	51,537	51,537	-
	-----	-----	-----	-----
Support costs:				
Premises costs	24,373	-	24,373	28,561
Postage, stationery, telephones and fax	4,997	-	4,997	7,282
Computer expenses	16,874	-	16,874	4,299
Travel expenses	118	-	118	1,592
Training and conferences	1,216	-	1,216	4,365
Bank charges	276	-	276	280
Professional fees	1,282	-	1,282	-
General expenses	1,630	-	1,630	3,115
Subscriptions and marketing	4,376	-	4,376	7,825
Depreciation and amortisation	11,039	-	11,039	7,981
	-----	-----	-----	-----
	66,181	-	66,181	65,300
	-----	-----	-----	-----
Governance costs:				
Independent examination and legal fees (note 6)	2,900	-	2,900	2,900
	-----	-----	-----	-----
Total	277,014	57,537	334,551	276,452
	=====	=====	=====	=====

VOLUNTARY SECTOR GATEWAY WEST LoTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2021

5. Charitable activities (continued)

	2021	2020
	£	£
Grant payments made		
Westfield School - BSLS	2,140	-
WL Boomerang	1,000	-
West Lothian 50+	1,281	-
West Lothian Financial Inclusion	2,140	-
The School Bank West Lothian	2,400	-
The New Well	2,250	-
Stoneyburn Primary PTA	1,000	-
Stoneyburn & Bent	810	-
Nei's Hugs Foundation	2,400	-
MOOD SCIO	2,400	-
Livingston United Parish Church	1,500	-
Livingston Round Table	2,400	-
Lanthorn Community Association	2,000	-
Kidz-Eco CIC	2,400	-
Fauldhouse Food Support Group	2,000	-
Acredale House DC	1,900	-
Answer Project Ltd	2,400	-
Longridge Community Association	2,400	-
Blackridge Primary	1,700	-
Musically Active Dudes	660	-
1st Step Development Ventures	860	-
Armadale CFC Blues 2006 (Unincorporated)	750	-
Bridge Community Project	1,000	-
Craigshill Good Neighbour Network	1,000	-
Kidz-Eco CIC	600	-
Kirknewton Community Development Trust	500	-
Lanthorn Community Education Association	1,000	-
Livingston United Parish Church	1,000	-
Longridge Community Association	500	-
Reuse and Thrive	1,000	-
River Kids	1,000	-
The New Well	1,000	-
The School Bank West Lothian	1,000	-
The Vennie	504	-
West Calder Community Education Association	500	-
West Lothian 50+ Network	500	-
West Lothian Boomerang Talking Newspaper	642	-
West Lothian Financial Inclusion Network	1,000	-
	-----	-----
	51,537	-
	=====	=====

6. Governance costs

	2021	2020
	£	£
Independent examination	2,900	2,900
	=====	=====

VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2021

7. Net income **2021** **2020**
£ £

This is stated after charging:

Rentals payable in respect of operating leases	16,707	16,848
	=====	=====

8. Analysis of staff costs and numbers, Directors' remuneration and expenses, and the cost of key management personnel

	2021	2020
	£	£
Wages and salaries	168,693	172,644
Social security costs	10,215	10,389
Employer pension contributions	9,340	9,402
Other staff costs	1,020	1,554
Remeasurement and discounting adjustments – defined benefit scheme (Note 19)	4,565	(1,415)
	-----	-----
	193,833	192,574
	=====	=====

8. Analysis of staff costs and numbers, Directors' remuneration and expenses, and the cost of key management personnel

No individual employees earned £60,000 or more, excluding employer pension contributions, during the year (2020: Nil). None of the directors were remunerated for their duties as directors during the year. Out of pocket expenses totalling £Nil (2020: £1,057) were reimbursed during the year in respect of directors.

The key management personnel of the charitable company, aside from the directors who are not remunerated, comprised the Chief Executive. The total employee benefits of the key management personnel of the charitable company during the year, including employer pension contributions and employer's National Insurance, were £50,422 (2020: £38,312).

The average number of employees during the year was 8 (2020: 9).

The average number of employees on the full-time equivalent basis during the year was 6 (2020: 7).

	Heritable Property	Office Equipment	Furniture & Fittings	Total
	£	£	£	£
9. Tangible fixed Assets				
Cost				
At 1 April 2020	208,123	13,703	3,072	224,898
Additions	3,450	7,676	1,127	12,253
	-----	-----	-----	-----
At 31 March 2021	211,573	21,379	4,199	237,151
	-----	-----	-----	-----
Accumulated depreciation				
At 1 April 2020	2,532	3,192	1,330	7,054
Charge for year	4,224	4,275	840	9,339
	-----	-----	-----	-----
At 31 March 2021	6,756	7,467	2,170	16,393
	-----	-----	-----	-----
Net book value				
At 31 March 2021	204,817	13,912	2,029	220,758
	=====	=====	=====	=====
At 31 March 2020	205,591	10,511	1,742	217,844
	=====	=====	=====	=====

**VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)**

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2021

10. Intangible Assets		Software
		£
Cost		
At 1 April 2020		8,500
Additions		-

At 31 March 2021		8,500

Accumulated depreciation		
At 1 April 2020		2,692
Charge for year		1,700

At 31 March 2021		4,392

Net book value		
At 31 March 2021		4,108
		=====
At 31 March 2020		5,808
		=====
11. Debtors	2021	2020
	£	£
Other debtors	500	500
	-----	-----
	500	500
	=====	=====
12. Liabilities: amounts falling due within one year	2021	2020
	£	£
Other creditors	1,107	971
Other taxes and social security costs	2,996	3,198
Pension deficit reduction plan payments (Note 19)	11,199	10,873
Accruals	4,412	28,487
	-----	-----
	19,714	43,529
	=====	=====
13. Liabilities: amounts falling due after more than one-year	2021	2020
	£	£
Pension deficit reduction plan payments (Note 19)	53,204	59,838
	=====	=====

VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2021

14. Restricted funds 2021	Brought Forward	Incoming Resources	Resources Expended	Transfer of funds	Carried Forward
	£	£	£	£	£
WLC Town Centre Capital Grant	39,750	-	-	(39,750)	-
Volunteer Awards Ceremony	929	1,000	-	-	1,929
National Lottery Community Fund	-	58,005	(57,537)	-	468
WLC Locator Tool Funding	-	5,000	-	-	5,000
	-----	-----	-----	-----	-----
	40,679	64,005	(57,537)	(39,750)	7,397
	=====	=====	=====	=====	=====

Restricted funds 2020	Brought Forward	Incoming Resources	Resources Expended	Transfer of funds	Carried Forward
	£	£	£	£	£
SCVO – Cyber essentials	-	1,000	(1,000)	-	-
WLC Town Centre Capital Grant	-	39,750	-	-	39,750
Volunteer Awards Ceremony	-	929	-	-	929
Community Jobs Scotland	-	2,670	(2,670)	-	-
	-----	-----	-----	-----	-----
	-	44,349	(3,670)	-	40,679
	=====	=====	=====	=====	=====

The use of the funds held in each of the restricted funds identified above is limited to the purposes for which the projects were established and for which funding was made available.

Details of the nature of each fund are noted below:

SCVO – Cyber essentials

This grant has been provided by the SCVO to fund training and validation of IT systems.

WLC Town Centre Capital Grant

This funding has been provided by West Lothian Council for the creation of a Volunteering / Third Sector Hub. A property was acquired and renovations were completed just before the end of March 2020. Following authorisation of expenditure by WLC during the year to 31 March 2021, the directors are satisfied that the funds can be released to unrestricted general funds.

Volunteer Awards Ceremony

Funding received in respect of the volunteer award ceremony which has not been expended in the year to 31 March 2021.

Community Jobs Scotland

Community Jobs Scotland funding was provided for the employment of selected staff members to undertake a general role within the charity.

National Lottery Community Fund

This grant is to fund £52,005 for direct grant distribution, £4,500 for Consortia Development and £1,500 for coordination of support for social enterprise across West Lothian.

WLC Locator Tool Funding

This funding is to be used to improve the functionality of the Locator Tool so that more organisations are registered on the system and also to support community engagement to take the learning from the pandemic and use the information to ensure that the community hubs play an active role in supporting recovery from the pandemic.

**VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)**

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2021

15. Unrestricted Funds 2021	Brought Forward	Income	Expenditure	Transfer	Carried Forward
	£	£	£	£	£
General unrestricted funds	225,364	304,759	(277,014)	14,750	267,859
Designated fund – Lift installation	-	-	-	25,000	25,000
	-----	-----	-----	-----	-----
	225,364	304,759	(277,014)	39,750	292,859
	=====	=====	=====	=====	=====

Unrestricted Funds 2020	Brought Forward	Income	Expenditure	Transfer	Carried Forward
	£	£	£	£	£
General unrestricted funds	71,219	239,927	(272,782)	187,000	225,364
Designated fund - New property fund	187,000	-	-	(187,000)	-
	-----	-----	-----	-----	-----
	258,219	239,927	(272,782)	-	225,364
	=====	=====	=====	=====	=====

General unrestricted funds which comprise the general funds, are expendable at the discretion of the directors, in furtherance of the objects of the company.

Lift installation – The directors agreed to set aside £25,000 for the future installation of a lift in the charity's new premises.

New property fund - The directors agreed to set aside £187,000 of the proceeds from the sale of its previous premises during 2019 to go towards the relocation and acquisition costs of new permanent premises. The new property was acquired and the renovation was completed just before the end of March 2020, after which the designated funds were released to general funds.

16. Analysis of net assets between funds 2021	Fixed Assets	Net Current Assets	Due after More than One year	Total
	£	£	£	£
Unrestricted funds	224,866	121,197	(53,204)	292,859
Restricted funds	-	7,397	-	7,397
	-----	-----	-----	-----
	224,866	128,594	(53,204)	300,256
	=====	=====	=====	=====

Analysis of net assets between funds 2020	Fixed Assets	Net Current Assets	Due after More than One year	Total
	£	£	£	£
Unrestricted funds	183,902	101,310	(59,838)	225,364
Restricted funds	39,750	929	-	40,679
	-----	-----	-----	-----
	223,652	102,239	(59,838)	266,043
	=====	=====	=====	=====

VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2021

17. Financial commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Within one year	-	16,708
Within 2 to 5 years	-	-
	-----	-----
	-	16,708
	=====	=====

18. Related party transactions

There were no related party transactions in the current or prior year.

19. Pensions

Pension schemes

The charity participates in the Scottish Voluntary Sector Pension Scheme which is a multi-employer defined benefit scheme. The Scheme is funded and was contracted-out of the State scheme until 31 March 2010, when the scheme was closed to future accrual. From 1 April 2010 contributions in respect of future service ceased.

The Pension Trustee commissions an actuarial valuation of the Scheme every three years. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by expected future benefit payments using a discounted rate calculated by reference to future investment returns.

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 £120.0m, liabilities of £145.9m and a deficit of £25.9m.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme, and it therefore accounts for the scheme as a defined contribution scheme.

As a result of pension scheme legislation there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up.

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buyout basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2021

19. Pensions (Contd.)

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme was classified as a 'last-man standing arrangement', and therefore the company 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. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

Due to the actuary calculating a significant potential employer debt a recovery plan came into effect whereby the charity is contracted to make payments to eliminate the past service deficit. These payments will have to be made on an on-going funding basis by 31 March 2022.

The charity was also contractually obligated to pay the past service deficit of Voluntary Action West Lothian. The contributions made in respect of this deficit and that of Voluntary Sector Gateway West Lothian totalled £10,873 (2020: £10,556).

Deficit contributions

From 1 April 2016 to 30 September 2029 a total of £1,323,116 per annum (payable monthly and increasing by 3% each year on 1 April) is payable by the participating employers (Voluntary Sector Gateway West Lothian's share is £11,199 pa).

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost in the Statement of Financial Activities.

	2021	2020
	£	£
Present value of provision	64,403	70,711
	=====	=====
Reconciliation of opening and closing provisions	2021	2020
	£	£
Provision at start of period	70,711	82,682
Unwinding of discount factor	1,666	1,124
Deficit contribution paid	(10,873)	(10,556)
Remeasurements – impact of any change in assumptions	2,899	(2,539)
Remeasurements – amendments to the contribution schedule	-	-
	-----	-----
Provision at end of period	64,403	70,711
	=====	=====

**VOLUNTARY SECTOR GATEWAY WEST LOTHIAN
(A Company Limited by Guarantee)**

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2021

19. Pensions (continued)

Assumptions	2021 % pa	2020 % pa
Rate of discount	0.86 =====	2.57 =====

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

Defined contribution scheme

Voluntary Sector Gateway now contributes to a Group Personal Pension Scheme and the contributions to this plan are included in note 8.

20. Going concern

The charity relies upon funding from the local authority, the Scottish Government and reserves to meet its day to day working capital requirements. The directors have prepared cash flow forecasts up to 31 March 2022 on the assumption of the continuation of core funding from the local authority and the Scottish Government which has been confirmed subsequent to the year end.

As a result of the recognition of the charity's future defined benefit pension scheme deficit reduction plan payment obligations following the adoption of the Charity SORP FRS102 during the year to 31 March 2016, unrestricted funds now include a provision of £64,403. The directors consider that the actual payments required over future years can be met from unrestricted funds and cash reserves when they fall due, and therefore consider it appropriate to prepare the accounts on the going concern basis.