

Charity registration number: SC020023

Borders Scrap Store

Annual Report and Financial Statements
for the Year Ended 31 March 2026

Borders Scrap Store

Contents (continued)

Reference and Administrative Details	1
Trustees' Report	2 to 3
Statement of Trustees' Responsibilities	4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 to 13

Borders Scrap Store

Reference and Administrative Details

Trustees	Mr David Campbell Mrs Patricia Miller Mrs Denise Hanks
Senior Management / Leadership Team	Mr J P Cannell, Manager
Charity Registration Number	SC020023
Principal Office	4 Shepherds Mill Dunsdale Road Selkirk TD7 5NY
Independent Examiner	Lorna Rankine 27 North Bridge Street Hawick TD9 9BD
Bankers	Bank of Scotland Tweedside Road Newtown St Boswells TD6 0PG

Borders Scrap Store

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 March 2026.

Objectives and activities

Objects and aims

We aim to advance the understanding and participation in recycling, creative reuse of materials, advance community development and advance environmental protection or improvement.

Objectives, strategies and activities

The principal activity is the preparation and sale of waste and recovered goods. We aim to use waste and other unwanted items from local businesses and individuals to improve the range and quality of creative materials available to children and the wider community. The Scrapstore is headquartered in Selkirk with a base at Musselburgh, altogether covering most of South-East Scotland. Materials processed include textiles, yarns, paper and card, wood, tools, plastic, craft supplies, paint and natural materials. New craft items are also sold to help raise funds.

Fundraising disclosures

The principal source of income is funds from the sale of salvaged and new art, craft and educational materials, with contributions from local councils and donations.

Use of volunteers

The trustees are grateful to the various volunteers who give their time freely, and without whom we would not be able to deliver the services currently provided.

Achievements and performance

Borders Scrapstore continues to operate from both Selkirk and Musselburgh, and it has been another eventful year.

Helen Greig retired in June 2025 after some seventeen years running the Scrapstore in The Fisherrow Centre. We would like to extend our thanks to Helen for her long years of reliable and loyal service, and we wish her well for the future. Helen has been superseded by Lauren Coull, who has worked hard to get up to speed with all the aspects of Borders Scrapstore and is proving a worthy replacement, giving us some optimism for the future.

We also thank Liz Neilson, long term Trustee and volunteer, and Irene Mackay, store volunteer, both now retired, for their help over the years.

We have continued to offer our core services, promoting waste reduction and creative re-use, from both Scrapstores.

However, trading conditions have proved difficult; customers generally have less money to spend, and while we continue to receive large quantities of surplus materials for re-use, much of it tends to be lower value or unusable items which affects our turnover. This has led to a deficit of over £5,000 for the year.

We are grateful for a substantial personal donation which has been a great help.

We continue to hold open days and clearance days at Selkirk, and these are a useful source of income. We attended various Open Days and Craft Fairs at Fisherrow, but these days we are restricted to the Scrapstore room there.

Towards the end of the financial year we submitted a funding bid to The National Lottery Awards for All scheme and are hopeful that a successful bid will enable us to continue our work in the future.

Borders Scrap Store

Trustees' Report (continued)

Financial review

Policy on reserves

The trustees aim to build the reserves, but given the difficult financial situation this will be kept under review. We have approximately 3.5 months worth of expenses in reserves at the year end.

Funds in deficit

There are no funds in deficit.

Principal funding sources

The principal sources are grants, donations, memberships and sale of materials.

Going concern

The trustees consider the charity to be a going concern.

Structure, governance and management

Nature of governing document

The charity is governed by a constitution that was updated in 2010. A review of the constitution will be undertaken in 2025.

Recruitment and appointment of trustees

Trustees are elected at an annual AGM, under the terms as specified in the constitution.

Arrangements for setting key management personnel remuneration

The salary for the manager is set by the trustees and reviewed on an annual basis.

Organisational structure

The charity is an unincorporated organisation with trustees responsible for setting the aims and objectives. A manager is employed to deliver the aims and objectives.

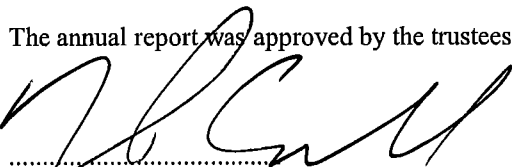
Funds held as custodian trustee on behalf of others

No funds are held on behalf of other organisations.

Creditor payment policy

Supplier invoices are paid within normal credit terms.

The annual report was approved by the trustees of the charity on 2 July 2026 and signed on its behalf by:



.....
Mr David Campbell
Trustee

Borders Scrap Store

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

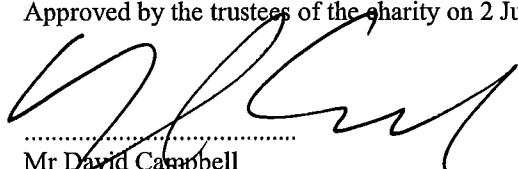
The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

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

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

Approved by the trustees of the charity on 2 July 2026 and signed on its behalf by:



.....
Mr David Campbell
Trustee

Borders Scrap Store

Independent Examiner's Report to the trustees of Borders Scrap Store

I report on the accounts of the charity for the year ended 31 March 2026 which are set out on pages 6 to 13.

Respective responsibilities of trustees and examiner

The 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. The trustees consider that the audit requirement of Regulation 10(1)(d) 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 report

My examination was carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. 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 seeking explanations from you as trustees 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 accounts.

Independent examiner's statement

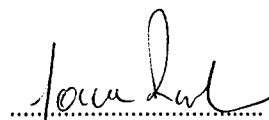
In the course of my examination, no matter has come to my attention:

(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
- to prepare accounts which accord with the accounting records and comply with Regulation 9 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.



Lorna Rankine
ICAS

27 North Bridge Street
Hawick
TD9 9BD

2 July 2026

Borders Scrap Store

Statement of Financial Activities for the Year Ended 31 March 2026

	Note	Unrestricted funds £	Total 2026 £
Income and Endowments from:			
Donations and legacies	2	3,716	3,716
Other trading activities	3	<u>67,230</u>	<u>67,230</u>
Total income		<u>70,946</u>	<u>70,946</u>
Expenditure on:			
Charitable activities	4	<u>(76,234)</u>	<u>(76,234)</u>
Total expenditure		<u>(76,234)</u>	<u>(76,234)</u>
Net expenditure		<u>(5,288)</u>	<u>(5,288)</u>
Net movement in funds		(5,288)	(5,288)
Reconciliation of funds			
Total funds brought forward		<u>15,777</u>	<u>15,777</u>
Total funds carried forward	12	<u>10,489</u>	<u>10,489</u>
	Note	Unrestricted funds £	Total 2025 £
Income and Endowments from:			
Donations and legacies	2	3,176	3,176
Other trading activities	3	<u>71,131</u>	<u>71,131</u>
Total income		<u>74,307</u>	<u>74,307</u>
Expenditure on:			
Charitable activities	4	<u>(80,588)</u>	<u>(80,588)</u>
Total expenditure		<u>(80,588)</u>	<u>(80,588)</u>
Net expenditure		<u>(6,281)</u>	<u>(6,281)</u>
Net movement in funds		(6,281)	(6,281)
Reconciliation of funds			
Total funds brought forward		<u>22,058</u>	<u>22,058</u>
Total funds carried forward	12	<u>15,777</u>	<u>15,777</u>

All of the charity's activities derive from continuing operations during the above two periods.

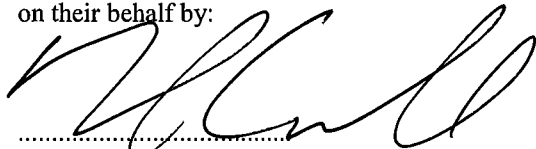
The funds breakdown for 2025 is shown in note 12.

Borders Scrap Store

(Registration number: SC020023)
Balance Sheet as at 31 March 2026

	Note	2026 £	2025 £
Current assets			
Cash at bank and in hand	11	<u>10,489</u>	<u>15,777</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>10,489</u>	<u>15,777</u>
Total funds	12	<u>10,489</u>	<u>15,777</u>

The financial statements on pages 6 to 13 were approved by the trustees, and authorised for issue on 2 July 2026 and signed on their behalf by:



.....
Mr David Campbell
Trustee

Borders Scrap Store

Notes to the Financial Statements for the Year Ended 31 March 2026

1 Accounting policies

Statement of compliance

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) (effective October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Accounts (Scotland) Regulations 2006.

Basis of preparation

Borders Scrap Store meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements are presented in Sterling (£) and rounded to the nearest £0.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. Income generation post year end has been good, with a reduction in costs being achieved. For these reasons, the trustees consider it appropriate that the accounts are prepared on a going concern basis.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Other trading activities

Shop sales are recognised when goods are paid in full.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the basis of direct attribution.

Borders Scrap Store

Notes to the Financial Statements for the Year Ended 31 March 2026 (continued)

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the cash basis and are measured at the fair value of the asset received or receivable. Grants relating to revenue are recognised in income over the period in which the related costs are recognised.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Asset purchases are expended to the income statement as incurred.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure

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

Pensions and other post retirement obligations

Pension contributions payable under a defined contribution scheme are charged to the income statement as they are paid.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Borders Scrap Store

Notes to the Financial Statements for the Year Ended 31 March 2026 (continued)

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2 Income from donations and legacies

	Unrestricted funds General £	Total 2026 £	Total 2025 £
Donations and legacies;			
Donations from individuals	1,256	1,256	276
Grants, including capital grants;			
Government grants	2,460	2,460	2,900
	3,716	3,716	3,176

3 Income from other trading activities

	Unrestricted funds General £	Total funds £	Total 2025 £
Trading income;			
Shop income from sale of goods and services	66,811	66,811	70,331
Membership subscriptions	419	419	800
	67,230	67,230	71,131

Borders Scrap Store

Notes to the Financial Statements for the Year Ended 31 March 2026 (continued)

4 Expenditure on charitable activities

	Unrestricted funds General £	Total 2026 £	Total 2025 £
Shop purchases	7,454	7,454	8,308
Wages and salaries	42,129	42,129	46,854
Rent & rates	17,121	17,121	16,461
Heat & light	1,767	1,767	2,110
Insurance	894	894	851
Telephone	925	925	946
Motor upkeep	2,522	2,522	1,872
Repairs	164	164	274
Other costs	837	837	883
Hire of machine terminal	771	771	588
Credit card charges	1,192	1,192	1,029
	<u>75,776</u>	<u>75,776</u>	<u>80,176</u>

5 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2026 £	Total 2025 £
Independent examiner fees			
Examination of the financial statements	458	458	412
	<u>458</u>	<u>458</u>	<u>412</u>

6 Government grants

East Lothian Council and Scottish Borders Council provide grants tied to service level agreements.

The amount of grants recognised in the financial statements was £2,460 (2025 - £2,900).

Borders Scrap Store

Notes to the Financial Statements for the Year Ended 31 March 2026 (continued)

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

8 Staff costs

The aggregate payroll costs were as follows:

	2026 £	2025 £
Staff costs during the year were:		
Wages and salaries	41,081	45,597
Pension costs	<u>1,048</u>	<u>1,257</u>
	<u><u>42,129</u></u>	<u><u>46,854</u></u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2026 No	2025 No
Direct	<u>3</u>	<u>2</u>

1 (2025 - 1) of the above employees participated in the Defined Contribution Pension Schemes.

No employee received emoluments of more than £60,000 during the year

9 Independent examiner's remuneration

	2026 £	2025 £
Examination of the financial statements	<u>458</u>	<u>412</u>

Borders Scrap Store

Notes to the Financial Statements for the Year Ended 31 March 2026 (continued)

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Cash and cash equivalents

	2026 £	2025 £
Cash on hand	13	60
Cash at bank	10,476	15,717
	<u>10,489</u>	<u>15,777</u>

12 Funds

	Balance at 1 April 2025 £	Incoming resources £	Resources expended £	Balance at 31 March 2026 £
Unrestricted funds				
General	<u>15,777</u>	<u>70,946</u>	<u>(76,234)</u>	<u>10,489</u>

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Balance at 31 March 2025 £
Unrestricted funds				
General	<u>22,058</u>	<u>74,307</u>	<u>(80,588)</u>	<u>15,777</u>

13 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 March 2026 £
Current assets	<u>10,489</u>	<u>10,489</u>
	Unrestricted funds General £	Total funds at 31 March 2025 £
Current assets	<u>15,777</u>	<u>15,777</u>