

Borders Further Education Trust

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

BORDERS FURTHER EDUCATION TRUST
ANNUAL REPORT
FOR THE YEAR ENDED
31 MARCH 2026

Registered Number: SC044668

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REFERENCE AND ADMINISTRATION INFORMATION

Trustees: Heather Anderson – Chair
Marshall Wilson – Secretary
Linda Ross – Treasurer
Pete Smith
Angela Farnish
Ewan Jackson
Bruce Aitchison (26 January 2026)
David Peace (17 July 2025)

Registered Address: Scottish Borders Campus
Nether Road
Netherdale
GALASHIELS
TD1 3HE

Charity Number: SC044668

Independent Examiner: Andrew W Wayness CA
JRW Hogg & Thorburn
Riverside House
Ladhope Vale
GALASHIELS
TD1 1BT

Bankers: Bank of Scotland
The Mound
EDINBURGH
EH1 1YZ

REPORT OF THE BOARD OF TRUSTEES

The Board of Trustees presents its annual report and financial statements of the charity for the year ended 31 March 2026.

The Borders Further Education Trust (the Trust) is a Scottish Charitable Incorporated Organisation (SCIO), registered in Scotland by the Office of the Scottish Charity Register (OSCR) under number SC044668. Registration was approved by OSCR on 14 February 2014.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charities Accounts (Scotland) Regulations 2006 (as amended) 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) (as amended for accounting periods commencing from 1 January 2016)

The Trust is a grant-making charity dedicated to advancing further education in the Scottish Borders.

Background

In October 2010, the Office for National Statistics (ONS) reclassified Scottish incorporated colleges as public bodies, effective from 01 April 2014. A consequence was that colleges ceased to have the ability to accumulate reserves to use across financial years. The Trust was established to receive a donation of college reserves held at 31 March 2014 and any reserves subsequently generated.

Organisation Structure

The structure of the organisation consists of the charity trustees who are members of the charity and comprise the Board. Borders College is the only other member of the charity.

The Trust is a SCIO and as such has a constitution. The constitution of the Trust states that there shall be a maximum of eight trustees. Two of these are 'College Trustees' appointed by Borders College, the remaining 'Independent Trustees' are appointed by the Board of the Trust and serve for a term of up to four years after which they are eligible for re-appointment. New appointments to the Board will be made on the basis of candidates being able to demonstrate:

- a strong interest in Further Education
- an excellent knowledge of the region
- the most appropriate person irrespective of gender
- the ability to commit time to the work of the Trust.

The Board met on two occasions during the year.

REPORT OF THE BOARD OF TRUSTEES (CONTINUED)

Objectives and Activities

As set out in its constitution, the purpose of the Trust is to advance education, and in particular to enhance learning experience for students engaged in further education in the Scottish Borders, by supporting:

- the delivery of improved teaching accommodation, facilities and/or equipment; and/or
- the development of teaching materials; and/or
- the delivery of courses.

To this end the Trust has considered requests for grants from those eligible under the constitution and made awards where these meet the criteria set down.

Achievements and Performance

The agreement between the Trust and Pines Burn Windfarm LLP, whereby the Trust will receive annual grants from the LLP for the purpose of advancing Further Education in the Borders, has progressed and a formal agreement was signed by both parties on 3 March 2025. In 2025/26 the Trust received the first two annual installments of funding and these donations are shown as restricted reserves.

Financial Review

Total income for the year was £27,787 (2025 - £32,185). At 31 March 2026, the charity had total cash balances of £70,644 (2025 - £184,642).

Grant Making

The Trust aims to provide grants to support organisations in their provision of further education and training in the Scottish Borders region.

During 2025/26 financial year the trustees awarded no grants to local organisations (2025 - £200,000).

Reserves Policy

As the purpose of the Trust is to disburse funds to projects under a policy of cash in, cash out there is no requirement for the Trust to retain a minimum amount of reserves. However, at the current time, the trustees have agreed that a minimum of £5,000 will be retained in unrestricted reserves to meet the cost of independent examination, insurance and ongoing administration.

REPORT OF THE BOARD OF TRUSTEES (CONTINUED)

Risks and Uncertainties Facing the Charity

The Trust has minimised the risk and continues to be committed to remaining independent from any of its' related parties.

Trustees' Responsibilities in Relation to the Financial Statements

The charity trustees are responsible for preparing a trustee's annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each 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 the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the applicable Charities Statement of Recommended Practice (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
- 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 to enable them to ensure that the financial statements comply with the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

Approved by the trustees on 29th July 2026 and signed on their behalf by:



H Anderson
Chair

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BORDERS FURTHER EDUCATION TRUST

I report on the accounts of the charity for the year ended 31 March 2026 which are set out on pages 8 to 14.

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 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 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 seeks explanations from the 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 Regulation 4 of the 2006 Accounts Regulations
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave 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.



Andrew W Wayness Chartered Accountant (ICAS)

JRW Hogg & Thorburn
Riverside House
Ladhope Vale
Galashiels
TD1 1BT

Date: 29 July 2026

STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds £	Restricted Funds £	Total 2026 £	Total 2025 £
Income from:					
Donations and legacies		0	25,480	25,480	24,990
Investments		1,733	574	2,307	7,195
Total income		1,733	26,054	27,787	32,185
Expenditure on:					
Charitable Activities	2	1,895	0	1,895	201,534
Total resources expended		1,895	0	1,895	201,534
Net income/(expenditure) for the year		(162)	26,054	25,892	(169,349)
Fund balances at 1 April 2025	6	19,282	24,990	44,272	213,621
Fund balances at 31 March 2026	6	19,120	51,044	70,164	44,272

The notes on pages 11 to 15 form part of these financial statements.

The Trust has no recognised gains or losses other than the net movement in funds for the year.

All income and expenditure transactions derive from continuing activities.

BALANCE SHEET AS AT 31 MARCH 2026

	Note	Unrestricted Funds £	Restricted Funds £	Total 2026 £	Total 2025 £
Current assets					
Cash at bank		19,600	51,044	70,644	184,642
Debtors	4	0	0	0	24,990
Prepayments and accrued income		0	0	0	0
Total current assets		19,600	51,044	70,644	209,632
Current liabilities:					
Creditors: falling due within one year	5	480	0	480	165,360
Net current assets		19,120	51,044	70,164	44,272
Total assets less current liabilities		19,120	51,044	70,164	44,272
Creditors: falling due after one year	5	0	0	0	0
Net assets		19,120	51,044	70,164	44,272
The funds of the charity					
Unrestricted funds	6	19,120	0	19,120	19,282
Restricted funds	6	0	51,044	51,044	24,990
		19,120	51,044	70,164	44,272

The notes on pages 11 to 15 form part of these financial statements.

Approved by the trustees on 29th July 2026 and signed on their behalf by:



H Anderson
Chair

STATEMENT OF CASH FLOWS

		Total	Total
	Note	2026	2025
		£	£
Cash flows from operating activities	11	(116,305)	(36,540)
Cash flows from investing activities			
Bank interest		2,307	7,195
Net cash used in investing activities		2,307	7,195
Net (decrease)/increase in cash and cash equivalents		(113,998)	(29,255)
Cash and cash equivalent beginning of year		184,642	213,897
Cash and cash equivalents at end of year	12	70,644	184,642

NOTES TO THE ACCOUNTS

1. Accounting Policies

Charity information

The continuing activity of the Trust is to provide grant funding to advance the public participation in education - all within Scotland.

The Trust is incorporated in Scotland and its registered number is SC044668. The Trust's registered address is Scottish Borders Campus, Nether Road, Galashiels TD1 3HE.

a) Basis of preparation

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 have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014, the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

b) Funds structure

Unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objectives.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed.

c) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

d) Grants and donations

Grants and donations are only included in the Statement of Financial Activities when the charity has unconditional entitlement to them.

e) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings.

f) Grants payable

Grants payable are payments to third parties in the furtherance of the charitable objectives of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive a one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attached to that grant is outside of the control of the Trust.

g) Irrecoverable VAT

Irrecoverable Value Added Tax (VAT) is charged against the expenditure heading for which it was incurred.

h) Charitable activities

Costs of charitable activities include grants made, support costs and governance costs.

	Note	2026 £	2025 £
2. Analysis of charitable activities			
Grants Made		0	200,000
Support costs		1,295	1,174
Governance costs	3	600	360
Total		1,895	201,534

3. Independent Examiner's remuneration

The Independent Examiner's fee and taxation services was £600 (2025 - £360).

4. Debtors	2026 £	2025 £
Amounts falling due within one year		
Donations receivable	0	24,990
Total	0	24,990

5. Creditors	2026 £	2025 £
Amounts falling due within one year		
Grants payable	0	165,000
Other creditors	480	360
Total	480	165,360

6. Movement in Funds	Unrestricted Funds £	Restricted Funds £	Total £
Balance brought forward	19,282	24,990	44,272
Income	1,733	26,055	27,788
Expenditure	(1,895)	0	(1,895)
Balance carried forward	19,120	51,045	70,164

7. Related Party Transactions

During the year, the Trust obtained administrative services amounting to £1,292 (2024 - £780) from Borders College. These services were purchased on an arm's length basis.

8. Commitments

The Trust has made no commitments after the reporting period.

9. Contingencies

The Trust had no contingencies at the Balance Sheet date.

10. Guarantees

The Trust has given no guarantees or other indemnities.

11. Reconciliation of net movement in funds to net cash used in operating activities.

	2026	2025
	£	£
Net income/(expenditure) for the reporting year	25,893	(169,349)
Adjustments for:		
Investment income recognised in the statement of financial activities	(2,308)	(7,195)
Movements in working capital: increase/(decrease) in creditors	(164,880)	(840)
Movement in working capital: decrease/(increase) in debtors	24,990	(24,906)
Net cash used in operating activities	116,305	(36,540)

12. Cash and cash equivalents

	2026	2025
	£	£
Cash at bank and in hand	70,644	184,642
	70,644	184,642

13. Trustees remuneration and expenses

None of the Trustees (or any person connected with them) received any remuneration or expenses during the year.

