REGISTERED CHARITY NUMBER: SC051365

Report of the Trustees and

Financial Statements for the Year Ended 31 December 2025

for

THE SHED PROJECT (SCIO)

Mann Judd Gordon Ltd
Chartered Accountants
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

Contents of the Financial Statements
for the Year Ended 31 December 2025

Chair's Report
for the Year Ended 31 December 2025

2025 has been a truly significant year in the life of The Shed Project - a year marked by growth, partnership, and the fulfilment of a vision that has been many years in the making.

In September, we celebrated the completion and opening of the Barn Family Centre, a £1 million development undertaken by Martin's Memorial Church. This new space represents far more than a building; it is a place of welcome, connection and hope, and now provides a dedicated home for our children and families work. It stands as a visible expression of what can be achieved when vision, faith and community come together.

A key milestone in 2025 has been the appointment of Christeen MacDonald as Barn Family Centre Manager. This has been a pivotal step in strengthening and developing the work of The Shed Project at an important time of growth. Christeen brings strong leadership, relational insight and a clear commitment to our vision, and is already making a significant contribution across the organisation. Her role is central to building and nurturing positive partnerships with our stakeholders, strengthening and supporting our staff teams, and increasing our internal capacity through a focus on development and succession. She is also playing an important role in engaging with the local business community, helping to develop new partnerships and opportunities for sponsorship that will support the sustainability and future growth of our work.

Alongside these strategic developments, we have continued to see growing demand for our services across all areas of the project. This has been particularly evident in our Youth and Schools work, where our mentoring services are becoming more embedded within our local schools, and in our community recovery programmes, where The Well, The Ark and the Shed Café continue to support individuals with dignity and compassion on their journey towards recovery.

At the heart of all that we do is a commitment to a whole-family, trauma-informed approach, recognising that meaningful, lasting change comes through relationships, early intervention and sustained support. We are encouraged to see the impact of this approach, as individuals and families grow in confidence, resilience and hope.

Partnership has been a defining theme of 2025. We are deeply grateful for our ongoing collaboration with Comhairle nan Eilean Siar, NHS Western Isles and other statutory partners, whose support enables us to continue delivering early intervention and preventative services across the Western Isles. We remain committed to working together to achieve the best outcomes for our communities.

We have also been encouraged by the strengthening of relationships across the third sector, including our developing partnership with Cothrom. Through shared learning and collaboration, we are seeing how communities across the islands can be better connected and supported, particularly within our recovery work.

None of this would be possible without the dedication and commitment of our staff team and volunteers. Their compassion, professionalism and unwavering belief in the value of each individual is what brings our work to life each day. We are also deeply thankful to our funders, supporters and partners who continue to stand with us and invest in the work of The Shed Project.

As we look ahead, we do so with a strong sense of purpose. The Barn Family Centre provides new opportunities to grow and develop our services, and we remain committed to strengthening our partnerships, deepening our impact, and continuing to serve our community with excellence. Above all, we remain grounded in our belief that every person matters, and that through love, support and community, lives can be transformed.

Claire Smith
Chair
The Shed Project Trustees

Report of the Trustees
for the Year Ended 31 December 2025

The trustees present their report with the financial statements of the charity for the year ended 31 December 2025. The trustees have adopted the provisions of 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 1 January 2019).

OBJECTIVES AND ACTIVITIES
Objectives and aims
The organisation's purposes are to improve the wellbeing of the community of the Isle of Lewis by providing a safe place to come to and participate in a range of services that seek to give support, encouragement, and relief by the advancement of citizenship or community development through providing a social meeting place and enhancing networks:

- for children and young people, across the age range of 3-18
- adults in recovery from addiction.
- for families through our intergenerational work across the age range 0-3
- for families through our partnership with Safe Families (Homes for Good) across the age range 3-15

We promote the drug forum network and the service develops volunteers, and both the adult services and the youth club offer supported volunteering opportunities. The Shed provides modern recreational facilities including a lounge, kitchen, recreation area including pool table, darts, and a range of gaming activities for all user groups to enjoy free of charge with the object of improving the conditions of life for all user groups, encouraging users to take up pastimes that are beneficial to their health and reduces social exclusion.

We work to ensure the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage by providing youth clubs and a meeting place for disadvantaged groups with free food and shelter.

Significant activities
The Shed Project is a purpose-built community facility based in the heart of Stornoway. Working with children and young people, those on their recovery journey from drugs and alcohol, those who are financially disadvantaged and marginalised, we have a passion to help all in the community. Our services seek to support every age group from young to old.

The Shed has two main areas of work; youth and community and across these arms we have developed a range of projects that have been codesigned by our local community and we have successful partnerships with our local authority, schools, education, social work, NHS Western Isles and various other local and national public and third sector agencies. These partnerships are key to the success of both our youth and community work, and include our family support work with our Intergenerational Programme and the Safe Families Western Isles outreach programme.

ACHIEVEMENTS AND PERFORMANCE
Charitable activities
2025 has been a landmark year for The Shed Project, marked by both significant growth in our services and the realisation of a long-held vision through the completion of the Barn Family Centre in September. This £1 million development, undertaken by Martin's Memorial Church, now provides a dedicated, modern home for our expanding children and families work and represents a major step forward in our ability to serve the community with excellence.

Across all areas of the project, we have continued to respond to increasing demand for support, strengthening our whole-family, trauma-informed approach. Our services are intentionally designed to work together - recognising that challenges faced by children and young people are deeply connected to family, community, mental health, and wellbeing.

As demand continues to grow, we remain committed to delivering preventative, early-intervention support, recognising that this approach not only strengthens families but also contributes to reducing pressure on statutory services across the Western Isles.

Report of the Trustees
for the Year Ended 31 December 2025

ACHIEVEMENTS AND PERFORMANCE

Community Work

Our weekly recovery drop-ins, The Well and The Ark, continue to provide vital, relational support to individuals on their recovery journey. These spaces are built on dignity, belonging and peer support, helping to break down isolation and stigma while enabling individuals to move forward with confidence and hope.

The Shed Café has continued to flourish in 2025 as both a community hub and a key part of our therapeutic employment pathway. The appointment of a dedicated Café Worker has supported the development of the café through menu expansion, cookery classes and food hygiene training. The café remains a safe and welcoming environment where individuals in recovery can build confidence, develop skills and reconnect with their community.

A significant development this year has been the continued growth of our Lived Experience Panel - "Been There, Worn the T-Shirt", which is providing a powerful and authentic voice for the recovery community. This work promotes dignity, reduces stigma and helps shape services that reflect lived experience and positive pathways.

Partnership working has been a defining feature of 2025. We have developed a collaborative relationship with Cothrom in South Uist, with both organisations visiting each other to share learning and best practice across our recovery programmes.

Our Community Team were welcomed to South Uist by Adam Keltie, Manager at Cothrom, who shared the organisation's experience of delivering a therapeutic horticulture programme, demonstrating the positive impact of outdoor, nature-based approaches to wellbeing and recovery. This has provided valuable insight as we explore the development of similar initiatives within our own recovery work in 2026.

We were also delighted to welcome Adam Keltie to Stornoway, where he met with our teams and experienced the work of The Shed Project, including the Shed Café and its role in supporting individuals through therapeutic employment. A tour of the newly opened Barn Family Centre, hosted by Christeen Macdonald, provided an opportunity to share the wider vision for our work as a hub for families and community support.

This exchange of learning has strengthened relationships between recovery communities across the islands, and plans are now underway to bring our communities together for a shared gathering in Harris, further building connection, encouragement and shared identity.

In addition, The Shed Project worked in partnership with Hebrides Alpha to take a group to the Scottish Recovery Consortium Recovery Walk in Stirling, with a strong representation from the Outer Hebrides. This was a significant moment of connection with the wider national recovery community and a powerful expression of hope and progress.

Intergenerational Work

Our Intergenerational Work programme delivered a highly active and impactful year throughout 2025. Little Stars continued to provide a safe, nurturing, and inclusive environment for parents and young children, initially within the sanctuary setting before transitioning later in the year to The Barn Family Centre. Approximately 60 parents engaged with the programme across the year, supported consistently by our two Intergenerational Workers, Sandra and Rosie, alongside a dedicated team of volunteers.

The transition to The Barn Family Centre has significantly enhanced delivery, providing a more suitable and contained environment that better supports the emotional regulation, safety, and developmental needs of participating children. This improved setting has strengthened the quality of engagement and allowed for more structured and responsive session planning.

Little Stars is carefully designed to meet the developmental, sensory, and emotional needs of early years children. Considerable preparatory work is undertaken to ensure sessions are inclusive, child-centred, and responsive to varying levels of need. This approach supports early development, strengthens parent-child bonding, and contributes to improved confidence and wellbeing among participating families.

The programme is increasingly recognised as a vital early intervention offer, providing both social support and developmental enrichment for families who may otherwise experience isolation. It plays a key role in strengthening community connection, parental confidence, and early childhood development outcomes.

Report of the Trustees
for the Year Ended 31 December 2025

ACHIEVEMENTS AND PERFORMANCE

Looking ahead, the programme will expand to include targeted parenting support initiatives designed to further assist young parents in navigating the early years. This includes the development and forthcoming pilot of structured parenting classes, which will build on existing engagement to enhance parental knowledge, confidence, and capacity. These developments are intended to further strengthen early intervention impact and improve long-term outcomes for families engaged with the service.

Who let the Coves out, our provision for male guardians and their children has again gone from strength to strength with an increase in numbers since the transition to The Barn Family Centre with an average of 8 male guardians attending with their children. The set up is the same to that of Little Stars and as it grows we hope to welcome more Dads and male guardians along.

Safe Families Western Isles

Safe Families Western Isles began accepting referrals in January 2023 and, since inception, has received 52 referrals and supported 32 families. In 2025 alone, the project received 12 new referrals and supported 19 families, with 43 children and 31 adults benefiting directly from the support provided.

Support is delivered through a trained and carefully vetted volunteer "Family Friend" model, whereby volunteers journey alongside families for a period of approximately 3-9 months. This relationship-based approach focuses on agreed goals designed to empower families, strengthen resilience, and enable parents to make informed and positive decisions for themselves and their children.

The project continues to demonstrate strong volunteer engagement, with a further three volunteers recruited during the year, bringing the total number of active volunteers to 40. This level of volunteer involvement is particularly notable when compared with similar initiatives across Scotland and reflects strong community commitment to supporting local families.

The mission of Safe Families Western Isles extends across the entire geographical area, not solely Stornoway and Lewis. In line with this, the team has undertaken several outreach visits to Uist and Barra to explore need, raise awareness, and strengthen engagement with both potential families and volunteers. These visits have consistently highlighted significant demand for family support across the wider Western Isles, and ongoing outreach activity continues with the aim of increasing accessibility and engagement across all islands.

Community engagement has also been strengthened through the delivery of key events. In May, a Family Fun Day was held in partnership with Cothrom in South Uist, attended by 23 adults and 26 children. The event provided a free, inclusive community activity and was delivered in partnership with local organisations, whose support and hospitality were greatly valued.

In August, the annual The Shed Project Family Fun Day was held in Stornoway, attracting 308 attendees. This large-scale community event provided free access to family activities and created a welcoming space for connection and enjoyment. The event was delivered through a significant collective effort from staff and volunteers and demonstrated strong community reach and engagement.

There have also been changes within the staff team during the reporting period. Anne Campbell joined the organisation in late 2024, working alongside Jo Macleod prior to Jo's maternity leave in January 2025. Anne has since integrated effectively into the team and now serves as Family Support Manager alongside Fiona Douglas. During the year, Rochelle MacLeod also moved on to pursue new opportunities. The organisation extends its sincere gratitude for her contribution to Safe Families Western Isles and wishes her every success for the future.

Report of the Trustees
for the Year Ended 31 December 2025

ACHIEVEMENTS AND PERFORMANCE

Youth and Schools Work

2025 has seen continued growth and strengthening of our Youth and Schools Team, with our youth mentoring service becoming more established within the Nicolson Institute and expanding our partnerships with Stornoway Primary School and Laxdale Primary School.

Our P7 Transition Programme continues to play a vital role in supporting young people as they move into secondary education. This work forms a key part of our early intervention approach, building positive, trusted relationships with children and young people at a critical stage in their lives, helping them to feel supported, confident and connected as they transition into S1.

We were delighted to employ two Youth and Schools Interns, who have provided invaluable support to the team while gaining important life and workplace skills and working towards accredited training. This initiative reflects our commitment not only to supporting young people, but also to creating meaningful development opportunities within our community.

The appointment of a dedicated Administrator within the Youth and Schools Team has further strengthened our ability to deliver a high-quality, high-impact service. This additional capacity has supported improved co-ordination, communication, and monitoring of outcomes, ensuring that we continue to operate to the highest standards.

Intern Training Programme

One of the main focuses of our Youth Work in The Shed is not just that the services we provide would be for the young people, but that they would also be from the young people. Incorporating the voices of the young people is crucial towards our increased engagement and development of our services as this approach emphasises the value the young people experience to their contribution we value and bring to life. The approach with employing Interns welcomed the increased input from their younger perspective of how we can improve, adapt and develop our services to the young people in the community.

Furthermore, the ethos of The Shed is recognised in looking to "support our community to the best of our ability." This is accomplished not just in the support the Interns contribute to this goal, but mutually in the support we as an organisation can afford them through their development in their employment. The Intern Training Programme looks to not only benefit the services we provide, but equally to benefit the Interns who are bringing such an investment. As they invest in our delivery and development of services, we invest in them as individuals and the development of the skills and expertise they can grow in.

Additionally, it was immediately recognised that although the core members of the Youth Team of The Shed have strong relationships that have been maintained over time with many of the young people we engage with, there was an immediate engagement recognised between the Interns and the young people. Their younger age and stage affords a unique opportunity of approachability and relatability that enables them to immediately build relationships with many of the young people which otherwise could have taken months to establish. We have found therefore that our desire to engage with and support more young people in our community is accomplished even more with the unique contribution the Interns bring to the team.

Following their introduction, the Interns were encouraged to set goals for their employment, some of which include the following;

- *"To build relationships with the young people and understand their needs and interests."*
- *"Encouraging a space where young people can grow, feel comfortable and loved."*

What's remarkable is even at this stage halfway through their employment, these goals have been met and even exceeded expectations both for the Interns and for us as their employer. They are an exceptional credit to the workplace of The Shed, we are incredible indebted to all their contribution thus far and we greatly look forward to all that is yet to come from their ongoing input to the young people in our community.

Safe Families Western Isles

2025 has been a year of significant strategic growth for Safe Families Western Isles, with the service expanding into the Southern Isles.

Report of the Trustees
for the Year Ended 31 December 2025

ACHIEVEMENTS AND PERFORMANCE

Volunteers have now been recruited and trained across the Uists, with referrals beginning to come through, and expansion into Barra is progressing well through active partnership engagement.

A Community Family Fun Day, delivered in partnership with Cothrom in South Uist, was warmly received and provided an important opportunity to connect with local families and strengthen relationships within the community.

These developments represent a significant step forward in extending the reach of early intervention, whole-family support, ensuring that more families across the Western Isles can access support before reaching crisis point.

Intergenerational Work

Our intergenerational programmes, *"Little Stars"* and *"Who Let the Coves Out",* successfully transitioned into the new Barn Family Centre during 2025 and continue to flourish within this purpose-built environment.

The availability of modern, flexible community space and kitchen facilities has created new opportunities for programme development. Plans are now in place to introduce life skills workshops, parenting classes, cookery sessions, and wider community-building activities in partnership with local agencies.

This work remains central to our whole-family approach, creating opportunities for connection, mutual support and shared learning across generations.

The Barn Family Centre

The completion and opening of the Barn Family Centre in September 2025 marks a transformational milestone for The Shed Project.

As a £1 million investment by Martins Memorial Church, the Barn provides a dedicated, high-quality space from which to deliver integrated children and families services. It enables closer collaboration across our teams, strengthens partnership working, and enhances our ability to respond to the needs of the community in a coordinated and sustainable way.

To mark this significant development, a Business Dinner was held at Lews Castle, bringing together local businesses, partners and supporters of The Shed Project. We were honoured to welcome Sir Brian Souter, who shared an inspiring message on *"Buses, Business and Blessings",* encouraging all those present as we celebrated both the journey to this point and the opportunities ahead. "Hope at the Barn" is the banner which we operate to within the Barn Family Centre.

Report of the Trustees
for the Year Ended 31 December 2025

FINANCIAL REVIEW

Financial position

The overall financial position remained reasonably stable throughout 2024, helped by the huge effort in grant applications. The exception to this was funding the youth programme which at times became challenging but ended the year on a more secure financial footing.

During the year, income increased from the previous twelve months, from £337,467 to £381,590. Expenditure increased by 22%, to £313,905 (2023 - 44% increase). The cost of wages now accounts for over 70% of total expenditure, with the total number of staff (full-time and part-time) averaging at 20, compared to 18 in 2024.

Most of the main funding came from grant applications to funders such as Comhairle nan Eilean Siar, Outer Hebrides Alcohol & Drugs Partnership, Corra Foundation, The UK Youth Fund and The Robertson Trust. Over the past year the Shed has also been successful in attracting smaller, but equally valuable grants from the following funders, all listed in Note 4 of the accounts. Without these valuable funds, the Shed could not operate and is grateful for the support and confidence shown by these funders, enabling the Shed to continue and develop its services. The Shed is also grateful for the many donations received.

The cost of general overheads, including un-funded core salaries is allocated between Youth (45%) and Community (40%), Safe Families (10%) and Intergenerational (5%)..

The finances at the year-end are encouraging, with the breakdown of year-end funds in Note 12 of the accounts showing restricted funds held as follows:

- Community - £31,719
- Youth - £48,387
- Safe Families - £57,965
- Intergenerational - £12,510

Although these balances are strong, constant fundraising and grant applications are essential in order to have finance in place to maintain service levels.

Reserves policy

The Reserves Policy sets a target of a minimum of three months core running costs to be held. At the year-end, the charity held total reserves of £178,338 (2024 - £180,369), of which £27,757 (2024 - £15,558) were unrestricted. The trustees calculate that these unrestricted reserves fell just short of the target of three months core running costs target and are seeking to build reserves further during 2026.

As can be seen from the accounts, almost all of the activities run by The Shed are recorded through Restricted Funds, to reflect the nature of the funding received. Should funding for a particular activity cease, then that activity would also need to cease, in an orderly manner. The trustees and management have therefore developed strong financial recording systems which are continuously reviewed to ensure financial management is tightly controlled and limited resources used effectively and best value achieved. The positive financial position at the year-end ensures the Shed is in a good position, but needs to maintain fundraising effort throughout the year ahead.

FUTURE PLANS

As we move forward, The Shed Project remains committed to strengthening our partnership working with statutory services, community organisations and local agencies, recognising that collaboration is key to delivering the best outcomes for individuals and families.

Building on the foundations established in 2025, and with the Barn Family Centre now fully operational, we look ahead with confidence as we continue to develop services that are relational, preventative and rooted in the needs of our community.

Our vision remains to walk alongside people with dignity, compassion and hope - supporting individuals and families across the Western Isles to thrive.

Report of the Trustees
for the Year Ended 31 December 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document - constitution - and is a Scottish Charitable Incorporated Organisation. The Shed Project (SCIO) - SC051365 - was registered on 29 October 2021.

The Charity Trustees are also known as the Management Team; the two are synonymous. These individuals are also the members of the organisation for the purposes of the Charities and Trustee Investment (Scotland) Act 2005. Under the provisions of this constitution, no-one can be a member unless he/she is also a charity trustee of the organisation. The Charities and Trustee Investment (Scotland) Act 2005 requires certain decisions to be taken by the charity trustees in their capacity as members of the organisation.

Recruitment and appointment of new trustees

The Charity Trustees may at any time appoint any person to be a charity trustee - by way of a resolution passed by majority vote at a Management Team meeting. In addition, Martin's Memorial Church of Scotland shall appoint no less than three of its office bearers to act as trustee.

Charity Trustees can retire from holding office at any point. Charity Trustees do not require to stand down for re-election each year. The appointment of a new Charity Trustee will be done by means of a majority vote. The Management Team shall, at the first Management Team meeting following the appointment of any individual as the Chairperson of the organisation, appoint him/her as a charity trustee. The Chairperson shall continue to be a charity trustee unless and until he/she ceases for any reason to hold the post of Chairperson of the organisation.

Organisational structure

The general structure of the organisation consists of the Management Team - which holds regular meetings, and generally controls the activities of the organisation; for example, the Management Team is responsible for monitoring and controlling the financial position of the organisation.

The people serving on the Management Team (in their capacity as members of the organisation) have power to make changes to the constitution itself.

Relationship with Martin’s Memorial Church of Scotland

The Shed Project was wholly owned by Martins Memorial Church of Scotland (SC000753) until 29 October 2021 when the Shed Project was constituted as a charity. The Shed building construction was completed and formally opened in May 2014 and is owned by Martins Memorial Church of Scotland (SC000753).

The Management Team will have no less than three Office Bearers of Martin's Memorial Church of Scotland.

The Shed Project Management Team has the power to borrow money and to give security in support of any such borrowings by the Shed at the discretion of the Kirk Session of Martin's Memorial Church of Scotland.

All other decision making comes under the Shed Project Management Team.

<u>Service Level Agreement</u>

During 2025, a formal Service Level Agreement (SLA) was established between The Shed Project and Martin's Memorial Church of Scotland to provide a clear framework for the occupation and shared use of buildings, governance arrangements, and financial and operational responsibilities. Under the terms of the Agreement, Martin's Memorial Church retains ownership of both The Shed building and The Barn Family Centre, while granting The Shed Project full operational use of The Shed building and shared occupation of the Barn Family Centre.

The Agreement sets out the basis on which The Shed contributes proportionately to the running costs of the Barn, including utilities and insurance, and clarifies responsibilities for maintenance, insurance, and compliance. It also ensures appropriate arrangements for safeguarding, data protection, audit assurance, and funder reporting. The SLA does not constitute a lease or tenancy but provides a robust governance framework to support transparency, accountability, and the sustainable delivery of charitable activities by both organisations.

Report of the Trustees
for the Year Ended 31 December 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Trustees will monitor issues and risks across every area of operation of the Shed Project including financial management and assurances, staffing/resourcing, data protection, business continuity and safeguarding.

Trustees will ensure that all areas are managed and monitored through a robust policy framework system, operational procedures, training and awareness and evaluation of activities.

Specific controls exist to protect the children and vulnerable adults involved in our work and all employees, workers and volunteers who are part of our service delivery by way of training, awareness and information around the regulated work that we undertake.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
SC051365

Registered office
The Shed
11 Francis Street
Stornoway
Isle of Lewis
HS1 2NB

Trustees

C M Smith	
J F Ingram	
T MacNeil	
K Burley	
L Macaulay	(appointed 7.5.25)
C MacDonald	(resigned 7.5.25)
R Macleod	(resigned 7.5.25)

Independent Examiner
A Cumming CA
Mann Judd Gordon Ltd
Chartered Accountants
26 Lewis Street
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HS1 2JF

Website
www.theshedproject.org.uk

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Report of the Trustees
for the Year Ended 31 December 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued
Charity law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those 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;
- 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 which 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 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 22 April 2026 and signed on its behalf by:

C M Smith - Trustee

22 April 2026

Independent Examiner's Report to the Trustees of
The Shed Project (SCIO)

I report on the accounts for the year ended 31 December 2025 set out on pages twelve to twenty.

Respective responsibilities of trustees and examiner
The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 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 the independent examiner's report
My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and 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 connection with my examination, no matter has come to my attention :

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Andrew Cumming

A Cumming CA
The Institute of Chartered Accountants of Scotland

Mann Judd Gordon Ltd
Chartered Accountants
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

22 April 2026

Statement of Financial Activities
for the Year Ended 31 December 2025

	Notes	Unrestricted funds £	Restricted funds £	31.12.25 Total funds £	31.12.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	13,071	5,354	18,425	8,273
Charitable activities	4				
Charitable activities		19,799	334,010	353,809	312,788
Other trading activities	3	7,777	1,579	9,356	16,406
Total		40,647	340,943	381,590	337,467
EXPENDITURE ON					
Raising funds		-	4,120	4,120	-
Charitable activities	5				
Charitable activities		28,450	351,051	379,501	313,905
Total		28,450	355,171	383,621	313,905
NET INCOME/(EXPENDITURE)		12,197	(14,228)	(2,031)	23,562
RECONCILIATION OF FUNDS					
Total funds brought forward		15,558	164,811	180,369	156,807
TOTAL FUNDS CARRIED FORWARD		27,755	150,583	178,338	180,369

The notes form part of these financial statements

Balance Sheet
31 December 2025

	Notes	Unrestricted funds £	Restricted funds £	31.12.25 Total funds £	31.12.24 Total funds £
CURRENT ASSETS					
Debtors	10	-	21,000	21,000	6,000
Cash at bank and in hand		37,757	135,464	173,221	218,523
		37,757	156,464	194,221	224,523
CREDITORS					
Amounts falling due within one year	11	(10,000)	(5,883)	(15,883)	(44,154)
NET CURRENT ASSETS		27,757	150,581	178,338	180,369
TOTAL ASSETS LESS CURRENT LIABILITIES		27,757	150,581	178,338	180,369
NET ASSETS		27,757	150,581	178,338	180,369
FUNDS	12				
Unrestricted funds				27,757	15,558
Restricted funds				150,581	164,811
TOTAL FUNDS				178,338	180,369

The financial statements were approved by the Board of Trustees and authorised for issue on 22 April 2026 and were signed on its behalf by:

J F Ingram - Trustee

22 April 2026

Notes to the Financial Statements
for the Year Ended 31 December 2025

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities and Trustee Investment (Scotland) Act 2005. The financial statements have been prepared under the historical cost convention.

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Taxation
The charity is exempt from corporation tax on its charitable activities.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. DONATIONS AND LEGACIES

	31.12.25	31.12.24
	£	£
Donations	18,425	8,273

3. OTHER TRADING ACTIVITIES

	31.12.25	31.12.24
	£	£
Fundraising events	-	13
Tuck shop	-	2,628
Youth events income	-	3,082
Intergenerational	1,106	773
Magnitude	473	-
Room Hire	820	840
Shed cafe income	6,957	9,070
	9,356	16,406

continued...

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2025**

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.12.25 £	31.12.24 £
Grants	Charitable activities	353,809	312,788

Grants received, included in the above, are as follows:

	31.12.25 £	31.12.24 £
Comhairle nan Eilean Siar	136,500	158,412
The Robertson Trust	10,000	1,000
The Corra Foundation	78,981	12,994
The Vardy Foundation	2,000	-
Souter Community Fund	-	3,000
The Trusthouse Foundation	-	10,000
Martin's Memorial CoS	15,000	-
Alcohol and Drugs Partnership	71,828	83,831
Anchor Foundation	-	4,000
CM Hendrie	-	4,000
Anton Jurgens	-	5,000
The Benefact Trust	-	3,250
Drummond Miller	-	5,000
Garfield Weston	-	15,000
The New Park Trust	-	1,500
The Sir I Stewart Foundation	-	1,500
Western Isles RDC	-	4,301
Pixel	2,500	-
The DWF Foundation	2,000	-
Uist Council of Voluntary Organisations	5,000	-
The UK Youth Fund	29,000	-
Western Isles Development Trust	1,000	-
	353,809	312,788

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Charitable activities	375,786	3,715	379,501

continued...

Notes to the Financial Statements - continued
for the Year Ended 31 December 2025

6. SUPPORT COSTS

	Finance	Governance costs	Totals
	£	£	£
Charitable activities	104	3,611	3,715

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2025 nor for the year ended 31 December 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2025 nor for the year ended 31 December 2024.

8. STAFF COSTS

	31.12.25	31.12.24
	£	£
Wages and salaries	269,608	226,996
	269,608	226,996

The average monthly number of employees during the year was as follows:

	31.12.25	31.12.24
All staff	20	18

No employees received emoluments in excess of £60,000.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	-	8,273	8,273
Charitable activities			
Charitable activities	-	312,788	312,788
Other trading activities	8,078	8,328	16,406
Total	8,078	329,389	337,467
EXPENDITURE ON			
Charitable activities			
Charitable activities	6,385	307,520	313,905
NET INCOME	1,693	21,869	23,562
RECONCILIATION OF FUNDS			
Total funds brought forward	13,866	142,942	156,808

continued...

Notes to the Financial Statements - continued
for the Year Ended 31 December 2025

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	15,559	164,811	180,370

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.25 £	31.12.24 £
Accrued income	21,000	6,000

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.25 £	31.12.24 £
Social security and other taxes	3,723	3,373
Income in advance	10,000	38,981
Accrued expenses	2,160	1,800
	15,883	44,154

12. MOVEMENT IN FUNDS

	At 1.1.25 £	Net movement in funds £	At 31.12.25 £
Unrestricted funds			
General fund	13,866	13,891	27,757
The Shed Cafe (Designated Fund)	1,692	(1,692)	-
	15,558	12,199	27,757
Restricted funds			
Community	67,092	(35,373)	31,719
Youth	80,585	(32,198)	48,387
Safe Families	12,032	45,933	57,965
Intergenerational	5,102	7,408	12,510
	164,811	(14,230)	150,581
TOTAL FUNDS	180,369	(2,031)	178,338

continued...

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2025**

12. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	23,891	(10,000)	13,891
The Shed Cafe (Designated Fund)	16,756	(18,448)	(1,692)
	40,647	(28,448)	12,199
Restricted funds			
Community	50,561	(85,934)	(35,373)
Youth	124,455	(156,653)	(32,198)
Safe Families	133,321	(87,388)	45,933
Intergenerational	32,606	(25,198)	7,408
	340,943	(355,173)	(14,230)
TOTAL FUNDS	381,590	(383,621)	(2,031)

Comparatives for movement in funds

	At 1.1.24 £	Net movement in funds £	Transfers between funds £	At 31.12.24 £
Unrestricted funds				
General fund	13,866	-	-	13,866
The Shed Cafe (Designated Fund)	-	1,692	-	1,692
	13,866	1,692	-	15,558
Restricted funds				
Community	61,124	5,378	590	67,092
Youth	34,129	46,456	-	80,585
Safe Families	46,238	(34,206)	-	12,032
Winter	590	-	(590)	-
Intergenerational	861	4,241	-	5,102
	142,942	21,869	-	164,811
TOTAL FUNDS	156,808	23,561	-	180,369

 continued...

Notes to the Financial Statements - continued
for the Year Ended 31 December 2025

12. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
The Shed Cafe (Designated Fund)	8,078	(6,386)	1,692
Restricted funds			
Community	81,634	(76,256)	5,378
Youth	183,631	(137,175)	46,456
Safe Families	40,351	(74,557)	(34,206)
Intergenerational	23,773	(19,532)	4,241
	329,389	(307,520)	21,869
TOTAL FUNDS	337,467	(313,906)	23,561

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.24 £	Net movement in funds £	Transfers between funds £	At 31.12.25 £
Unrestricted funds				
General fund	13,866	13,891	-	27,757
Restricted funds				
Community	61,124	(29,995)	590	31,719
Youth	34,129	14,258	-	48,387
Safe Families	46,238	11,727	-	57,965
Winter	590	-	(590)	-
Intergenerational	861	11,649	-	12,510
	142,942	7,639	-	150,581
TOTAL FUNDS	156,808	21,530	-	178,338

continued...

Notes to the Financial Statements - continued
for the Year Ended 31 December 2025

12. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	23,891	(10,000)	13,891
The Shed Cafe (Designated Fund)	24,834	(24,834)	-
	48,725	(34,834)	13,891
Restricted funds			
Community	132,195	(162,190)	(29,995)
Youth	308,086	(293,828)	14,258
Safe Families	173,672	(161,945)	11,727
Intergenerational	56,379	(44,730)	11,649
	670,332	(662,693)	7,639
TOTAL FUNDS	719,057	(697,527)	21,530

13. RELATED PARTY DISCLOSURES

Transactions with Trustees are recorded in the "Trustees' Remuneration and Benefits" note.

Detailed Statement of Financial Activities for the Year Ended 31 December 2025

	31.12.25 £	31.12.24 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	18,425	8,273
Other trading activities		
Fundraising events	-	13
Tuck shop	-	2,628
Youth events income	-	3,082
Intergenerational	1,106	773
Magnitude	473	-
Room Hire	820	840
Shed cafe income	6,957	9,070
	9,356	16,406
Charitable activities		
Grants	353,809	312,788
Total incoming resources	381,590	337,467
EXPENDITURE		
Raising donations and legacies		
Fundraising costs	4,120	-
Charitable activities		
Wages and Pensions	269,608	226,996
Insurance & licences	8,797	6,622
Utilities	6,369	4,641
Postage, stationery & phone	1,364	795
Public Relations & Advertising	410	1,527
Sundries	952	409
Repairs & maintenance	8,916	1,345
Equipment & Software	7,189	6,779
Training	10,139	2,057
Travel and Subsistence	5,599	5,257
Volunteer costs	1,716	359
Well activity	2,925	1,707
Ark activity	2,681	1,035
Shed cafe costs	10,957	7,331
Tuck shop	687	3,493
Youth Events & Conferences	6,784	10,082
Youth Mentoring	5,885	3,435
Schools work	312	135
Business dinner	340	-
Share Point costs	184	-
Management fees (external)	8,000	8,000
Intergenerational costs	2,866	2,514
Carried forward	362,680	294,519

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Detailed Statement of Financial Activities
for the Year Ended 31 December 2025

	31.12.25	31.12.24
	£	£
Charitable activities		
Brought forward	362,680	294,519
Shed Fun Day	1,482	-
The Barn costs	914	-
Safe Families running costs	7,366	5,360
Staff welfare	3,084	2,862
10th Anniversary costs	-	4,669
Management meeting costs	260	1,087
Grants to institutions	-	1,484
	375,786	309,981
Support costs		
Finance		
Bank charges	104	-
Governance costs		
Accountancy fees	2,520	2,758
Payroll and Pensions admin	1,091	1,167
	3,611	3,925
Total resources expended	383,621	313,906
Net (expenditure)/income	(2,031)	23,561

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