

**SCOTTISH BORDERS COUNCIL**  
**SELKIRK COMMON GOOD FUND SUB COMMITTEE**

MINUTE of MEETING of the SELKIRK COMMON GOOD FUND SUB COMMITTEE held in the Committee Room, Victoria Hall, Selkirk on Wednesday, 23 October 2013 at 3.00 p.m.  
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Present: Councillors G. Edgar (Chairman), M. Ballantyne.  
Community Councillor T. Combe.  
Apologies: Councillor V. Davidson.  
In attendance: Legal & Licensing Services Manager, Senior Financial Analyst (A. Mitchell),  
Democratic Services Officer (F. Walling).

Member of the Public – 1  
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**MINUTE**

1. There had been circulated copies of the Minute of 4 September 2013.

**DECISION**

**APPROVED the minute for signature by the Chairman.**

**FINANCIAL MONITORING**

3. There had been circulated a report by the Chief Financial Officer setting out details of transactions for the 6 months to 30 September 2013, the projections of the annual outturn with variances from the current budget, virement to address a required budget change and the projected effect on Revenue and Capital Reserves at 31 March 2014. It also provided information to enable the Sub Committee to recommend a level of funding to transfer into the Council's new Investment Fund. Details were set out in appendices to the report and the Senior Financial Analyst, Andrew Mitchell, highlighted the main points for Members. Total expenditure was projected to be in line with the approved budget for 2013/14, whilst income was projected to be less than budgeted by £127 due, in the main, to minor adjustments to rent and interest outturn projections. A surplus of £7,376 was projected to increase Reserves producing a projected Revenue Reserve at the end of the financial year of £136,017. With regard to paragraph 6 of the Minute of 4 September 2013 the agreement to enter into a five-year management agreement with the Selkirk Hill Management Group required the creation of a definitive annual budget of £10,000 out of the funds budget for Grants and Donations. To this end a budget virement was proposed. Following Council's approval of the setting up of a new Investment Fund in line with the approved Single Investment Strategy for Common Good and Trust Funds there was a requirement for the Sub Committee to consider and determine how much of Selkirk Common Good's funds should be recommended to be invested in this way. An appendix to the report set out the total level of funds and identified a level of retention of funds for short term use and the level of funds which could be considered available for medium and long term investment. After considering the funds available for investment, the level of revenue income and the projected funding requirements it was agreed to recommend to transfer £130,000 to the new Investment Fund.

**DECISION**

- (a) **NOTED the key figures, grants analysis, projected balances on Revenue and Capital Reserves and the performance of the Property Portfolio, as shown in appendices to the report.**
- (b) **AGREED:-**
  - (i) **the financial performance for 2013/14 as shown in Appendix 2 to the report;**

(ii) **the budget virement of £10,000 from ‘Grants and Donations’ to a definitive annual budget headed ‘Management Fee’ in respect of the annual payment to Selkirk Hill Management Group; and**

\* (iii) **to recommend that a sum of £130,000 be transferred from Revenue Reserves to the Council’s new Investment Fund for Common Good and Trust Funds.**

**PROPERTY UPDATE**

4. The Estates Surveyor was not in attendance but had forwarded an update following the site visits by Members of the Sub Committee to properties owned by the Common Good which had taken place on 18 September 2013. With regard to the need for replacement windows at Linglie Farmhouse, he reported that the three houses at Linglie had been visited by a Green Deal Assessor but assessment reports had not yet been received. With regard to the visit to Smedheugh Farm and the discussion about building works to the straw shed, the Property Officer was arranging for quotes to be obtained. In the discussion that followed about property issues Members requested that an item be added to the agenda of the next meeting to consider and agree a proactive future maintenance plan for properties owned by Selkirk Common Good. With this in mind Members agreed to request an options appraisal from the estates section to assist in their deliberations. It was also suggested and agreed that a training/information session for Members of the Sub Committee, in respect of a maintenance regime for Common Good properties, be held in the meantime.

**DECISION**

**AGREED to discuss at the next meeting the setting up of a proactive maintenance plan for the future management of properties owned by Selkirk Common Good.**

**DECLARATION OF INTEREST**

5. Community Councillor Combe declared an interest in the application discussed in the paragraph below and took no part in the discussion. However, at the request of the Sub Committee he remained in the room as, being a member of the Selkirk Christmas Illuminations Group, he was able to provide some additional factual information.

**APPLICATION FOR FINANCIAL ASSISTANCE**

**Selkirk Christmas Illuminations Group**

6. With reference to paragraph 9 of the Minute of 4 September 2013, there had been circulated copies of a request from the secretary of the Selkirk Christmas Illuminations Group for a grant of £1000 - £1500 to help fund the installation of five new power points. A copy of an email from David Richardson (Asset Manager, Scottish Borders Council) was included with the application which referred to the assistance already being given by the Council through the Council’s Festive Lighting Project. The work by Scottish Power to install the power points would be arranged through Scottish Borders Council, the contribution from the community amounting to £3500. Once installed the new LED energy efficient lights could be run from these power points instead of from the supply of private individuals and businesses in the town centre as had happened in the past. It was explained that applications for financial assistance had also been made to the Community Grant Scheme and Awards for All. However Members were advised that there would be no further money available from these funds until next year. After further discussion Members agreed that they wished to support the project if funding could not be obtained from an alternative source and subject to the project being funded in total. Councillor Ballantyne offered to look into whether the project could be supported from the Council’s Small Schemes Budget.

**DECISION**

**AGREED to grant a maximum of £1500 towards the installation of Power Points in Selkirk, should funding not be secured from alternative sources and subject to sufficient funding being available in total to complete the project.**

**PRIVATE BUSINESS**

**DECISION**

**AGREED** under Section 50A(4) of the Local Government (Scotland) Act 1973 to exclude the public from the meeting during consideration of the business detailed in the Appendix to this Minute on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 6 of Part I of Schedule 7A to the Act.

**SUMMARY OF PRIVATE BUSINESS**

**Minute**

1. Members approved the private section of the Minute of 4 September 2013.

*The meeting concluded at 4.05 p.m.*

**SCOTTISH BORDERS COUNCIL**  
**SELKIRK COMMON GOOD FUND SUB COMMITTEE**

MINUTE of SPECIAL MEETING of the SELKIRK COMMON GOOD FUND SUB COMMITTEE held in Committee Room 4, Council Headquarters, Newtown St Boswells on Tuesday, 3 December 2013 at 1.45 pm.

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Present: Councillors G. Edgar (Chairman), M. Ballantyne, V. Davidson;  
Community Councillor T. Combe  
In attendance: Legal & Licensing Services Manager, Democratic Services Officer (F. Walling).

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**APPLICATION FOR FINANCIAL ASSISTANCE**

**Selkirk Parish Church**

1. With reference to paragraph 6 of the Minute of 19 June 2013, there had been circulated copies of a further request from the Congregational Board of Selkirk Parish Church for financial assistance towards work connected with the project to renovate the Church building. At the meeting in June consideration of the original application for £5000 towards the cost of the project was continued by Members until such time as the responses to other grant applications were known. However it was explained that during renovation of the Church a patch of dry rot was discovered that required immediate treatment. A roof repair would then be required to prevent further damage. As this was outwith the budget for renovation a donation of £2,000 was now sought towards the extra costs. Work on the renovation had begun using the Church's Reserve Fund. However the dry rot repair and roofing work would not be covered by the contingency allowance. Members discussed the application and unanimously agreed to grant the sum requested.

**DECISION**

**AGREED to grant £2000 for dry rot repair and roofing work at Selkirk Parish Church.**

*The meeting concluded at 1.55 pm*

**SCOTTISH BORDERS COUNCIL**  
**SELKIRK COMMON GOOD FUND SUB COMMITTEE**

MINUTE of SPECIAL MEETING of the SELKIRK  
COMMON GOOD FUND SUB COMMITTEE held  
in Committee Room 3, Council Headquarters,  
Newtown St Boswells on Friday, 17 January 2013  
at 10.15 am.

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Present: Councillors G. Edgar (Chairman), M. Ballantyne (from para 2), V. Davidson;  
Community Councillor T. Combe  
In attendance: Legal & Licensing Services Manager, Estates Surveyor (J. Morison), Senior  
Financial Analyst (A. Mitchell), Democratic Services Officer (F. Walling).

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**SIR WALTER SCOTT'S COURTROOM**

1. The Chairman explained that the special meeting of the Sub Committee had been arranged so that Members could receive a briefing about the scale and scope of a project to undertake interior improvements within the display space at Sir Walter Scott's Courtroom, Selkirk. The Town Hall was owned by the Common Good but the section of building in question was used by the Council's Museum Service. The Cultural Services Manager, Ian Brown, and the Senior Museums Curator, Fiona Colton, were welcomed to the meeting to give the update. Ms Colton explained that a total of £50k had been allocated from Scottish Borders Council's Capital Budget 2013-14 to carry out a refurbishment project within Sir Walter Scott's Courtroom. She circulated at the meeting copies of an internal plan of the venue, a tourist information leaflet and a summary of the work that was planned. The priorities were to install important health and safety improvements; to ensure the venue complied with health and safety and legal requirements for public access; and to refresh displays and interpretation for improved visitor experience. Reports had been obtained on infrastructure, security and electrics in addition to a Health and Safety requirements report from the Wellbeing and Safety section. In a survey carried out of the display needs of the collections, there was evidence of light damage to watercolours and textile banners. A feasibility report on display lighting requirements had also been obtained with a view to installing lighting for period ambience whilst complying with legislation. A recent survey carried out at a Selkirk Conservation Area Regeneration Scheme (CARS) event had produced feedback on what the public would like to see at the venue. This referred to the re-creation of a more period ambience in the courtroom display; important subjects, themes and display items; and the formats of interpretation that people would most enjoy.

**MEMBER**

Councillor Ballantyne joined the meeting.

2. Ms Colton went on to list the detailed works being carried out as part of the priority improvements to which she had referred. There would also be some refresh painting of walls and ceilings in the Courtroom. The current workplan, as proposed, had an anticipated date for re-opening of Good Friday, 18 April 2014. A private viewing would take place on 17 April. From 2015/16 there would be a rolling programme of improvements to introduce if and when funding was identified. This would include re-decoration of the entrance stairs and bell tower access area; refurbishment of the current reception area; refurbishment of the current staff toilets, store and disabled exit area; a full revamp of display cases and mannequins; and the introduction of audio visuals, touch screen information and interpretation boards.
3. As part of the work in hand Members agreed to the officers' recommendation to dispose of the late 1960s style table and chairs from the centre of the courtroom and the two brass chandeliers to allow for the installation of new period light fittings. The Sub Committee had no objection to the Museum Service organising disposal of these items through public auction with any net profits from the sale proceeds being invested back into more improvements in Scott's Courtroom.

#### **Item No 4(c)**

Ms Colton also reported that a member of the public had requested that the Selkirk Provost's Board be moved into the main period Courtroom area following refurbishments, its current position being in the Scott's Courtroom reception area. After discussion Members did not believe that the contemporary Provost's Board could sit appropriately within the reconstruction of an early 19<sup>th</sup> century Courtroom. It was suggested that if, as proposed, the reception area was improved as part of a rolling capital programme of improvements, the Board could be put in a more prominent position there and linked in display with the Ex-Standard Bearers Roll. The Chairman thanked Mr Brown and Ms Colton for their attendance.

#### **DECISION AGREED:-**

- (a) **the proposed health and safety improvements and work to refresh displays and interpretation in Sir Walter Scott's Courtroom;**
- (b) **that the Sub Committee have no objection to the disposal of the table/chairs and two brass chandeliers and the re-investment of any proceeds from that disposal into further improvement works in the Courtroom; and**
- (c) **that it would not be appropriate to move the Selkirk Provost's Board from its current position to be displayed in the period Courtroom.**

#### **URGENT BUSINESS**

- 4. Under Section 50B(4)(b) of the Local Government (Scotland) Act 1973, the Chairman was of the opinion that the item dealt with in the following paragraph should be considered at the meeting as a matter of urgency, in view of the need to keep Members informed.

#### **TOWN HALL CLOCK**

- 5. The Chairman reported that an urgent problem had arisen in the tower section of the Town Hall where there was water ingress through the spire, the Town Hall Clock having ceased to work since before New Year. Property officers Stuart Mawson and Tom Holmes had hired a cherry-picker to arrange for the spire to be inspected and a stonemason would be consulted, with a view to a solution being found. The Legal and Licensing Services Manager advised that as the Scottish Borders Council Museum Service had the use of part of the building the service should contribute to the cost of the inspection. However as the building was owned by the Common Good any subsequent repair bill would be proportionate between the Council and the Common Good.

#### **DECISION NOTED**

*The meeting concluded at 11.15 am.*

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**Monitoring Report for 9 Months to end December 2013**

**Report by the Chief Financial Officer**

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**Selkirk Common Good Sub Committee**

**25 February 2014**

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**1 PURPOSE AND SUMMARY**

- 1.1 **This report sets out details of transactions for the 9 months to 31 December 2013, the projections of the annual outturn with variances from the current budget, virement to address required budget changes and the projected effect on Revenue and Capital Reserves at 31 March 2014.**
- 1.2 Total expenditure is projected to be in line with the approved budget for 2013/14, whilst income is projected to be higher than budgeted by £6,526 due to an unbudgeted donation, the impact of rent adjustments and a one off rental charge and the previously reported reduced interest projection.

**2 RECOMMENDATIONS**

- 2.1 **It is recommended that the Common Good Sub Committee approves:-**
- (a) the financial performance for 2013/14 as shown in Appendix 2**
  - (b) the virement proposed in Appendix 6**
- And notes:-**
- (c) the key figures shown in Appendix 1**
  - (d) the Grants Analysis provided in Appendix 3**
  - (e) the projected balances on Revenue and Capital Reserves as shown in Appendix 4**
  - (f) the performance of the Property Portfolio as shown in Appendix 5.**

### **3 PROJECTED OUTTURN 2013/14**

- 3.1 Appendix 1 brings together key financial data on the Revenue performance and Balance Sheet situation for 2013/14.
- 3.2 Appendices 2 to 5 provide details on the Revenue budget in an extended format, Grants paid and payable, Revenue and Capital reserves and the performance of the Property Portfolio.
- 3.3 Appendix 6 sets out a virement request to create a budget for the £50 donation received from the fishing club and increase the rental income budget by £6,576 to account for the one off rent charged to the Power Company and sundry rent adjustments.
- 3.4 Projected income from interest on balances invested in the Council's Loan Fund is projected to be £100 less than the budget since currently the capital advanced to SBC Loans Fund is only earning half of the interest rate used to set the budget. No account has been taken of any changes which could happen to investment income following any transfers of funds into the approved investment fund under the Common Good & Trust Fund Single Investment Strategy. Interest is not credited until the end of the year and therefore the amount is dependent on interest rates over the remainder of the year. Appendix 6 proposes that the interest budget be reduced by £100.
- 3.5 Taking all of the above into consideration the Common Good Fund is projecting total expenditure of £114,666 and income of £74,131 supplemented by a draw down of £54,564 from the Revaluation Reserve, resulting in an outturn net income of £14,029 being £6,526 higher than the budget.

### **4 REVENUE & CAPITAL RESERVES**

- 4.1 Appendix 4 shows the effect on accumulated reserves of the projected outturn for 2013/14.

### **5 IMPLICATIONS**

#### **5.1 Financial**

There are no financial implications, other than those explained above in Sections 3 and 4.

#### **5.2 Risk and Mitigations**

No significant risk to the financial position of the fund is identified.

#### **5.3 Equalities**

It is anticipated that there are no adverse equality implications arising from the proposals contained in this report.



#### 5.4 **Acting Sustainably**

Whilst there are no economic, social or environmental effects arising from the proposals contained in this report, there are, through the activities reported upon, positive impacts upon the economy through protection of employment, positive impacts upon the quality of community life, improvements in local amenities and nurturing of local talent.

#### 5.5 **Changes to Scheme of Administration or Scheme of Delegation**

There are no changes required to the Scheme of Administration or Scheme of delegation arising from the proposals contained in this report.

### **6 CONSULTATION**

6.1 The Head of Corporate Governance, the Head of Strategic Policy, the Head of Audit and Risk, the HR Manager and the Clerk to the Council have been consulted and their appropriate comments have been incorporated into this report.

#### **Approved by**

**David Robertson - Chief Financial Officer**    **Signature .....**

#### **Author(s)**

Name	Designation and Contact Number
Andrew R S Mitchell	Senior Financial Analyst, Corporate Finance. 01835 824000 Extn 5974

#### **Background Papers:**

#### **Previous Minute Reference:**

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Andrew Mitchell can also give information on other language translations as well as providing additional copies.

Contact us at Andrew Mitchell, Senior Financial Analyst, Corporate Finance, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA. Tel: 01835 824000 Extn 5974  
Fax: 01835 825011, email: [amitchell@scotborders.gov.uk](mailto:amitchell@scotborders.gov.uk)

**Scottish Borders Council  
Selkirk Common Good**

**Appendix 1**

<b>Key Figures</b>	<b>2013/14</b>	<b>£</b>	<b>£</b>
<b><u>Projected Outturn</u></b>			
Property	Rental Income		69,229
	Less Expenditure on property		-15,000
	Net Income		54,229
Add Other income sources:-			
	Interest on Capital & Revenue Loans Funds with SBC	900	
	Donations - Fishing Club annual donation	50	
			950
			55,179
Less Expenditure on running costs:-			
	Expenditure on Selkirk Hill management agreement	-10,000	
	Net Central Support Service		
	Costs	-11,150	
			-21,150
Excess of income over running costs			34,029
Less Expenditure other than running costs			
	Grants & Donations made to local bodies	-20,000	
			-20,000
Projected Surplus available to increase Reserves			14,029

<b><u>Revenue Reserve</u></b>			
Revenue Reserve at start of year			128,641
	Add Excess of income over expenditure for year from above		14,029
Projected Revenue Reserve at end of year			142,670

<b><u>Grants &amp; Donations</u></b>			
Total Grants budget for the year			20,000
	Less Prior year grants approved to be paid in 2013/14	-11,590	
	Less Grants approved in 2013/14 to date	-3,900	
			-15,490
Remaining available budget			4,510

<b><u>Investments &amp; Loans</u></b>			
Approved transfer to Investments externally managed			130,000
Revenue in SBC Loans Funds			
	Funds invested in SBC Revenue Loans Fund at start of current year		127,440
	Transfer to external investment		(81,394)
			46,046
Capital in SBC Loans Funds			
	Funds invested in SBC Capital Loans Fund at start of current year		48,606
	Transfer to external investment		(48,606)

**SCOTTISH BORDERS COUNCIL  
SELKIRK COMMON GOOD FUND  
REVENUE BUDGET MONITORING 2013/14**

**Appendix 2**

<b>Description</b>	<b>Current Budget for the year to 31.3.14</b>	<b>Actual Transactions to 31.12.13</b>	<b>Over spend to date against full year budget</b>	<b>Under spend to date against full year budget</b>	<b>Projected Outturn for year to 31.3.14</b>	<b>Projected over spend for year against full year budget</b>	<b>Projected under spend for year against full year budget</b>
	<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>	<b>(6)</b>	<b>(7)</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Expenditure</b>							
Property costs	15,000	11,992		3,008	15,000	0	0
Selkirk Hill Management Agreement	10,000	10,000		0	10,000	0	0
Central Support Services recharges	15,102	0		15,102	15,102	0	0
Administration	0	2,023	2,023		0	0	0
Depreciation/Impairment	54,564	0		54,564	54,564	0	0
Donations and contributions	20,000	9,100		10,900	20,000	0	0
<b>Total Expenditure</b>	<b>114,666</b>	<b>33,115</b>	<b>2,023</b>	<b>83,574</b>	<b>114,666</b>	<b>0</b>	<b>0</b>

Description	Current Budget for the year to 31.3.14	Actual Transactions to 31.12.13	Under generation of income to date against full year budget	Over generation of income to date against full year budget	Projected Outturn for year to 31.3.14	Projected under generation of income for year against full year budget	Projected over generation of income for year against full year budget
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	£	£	£	£	£	£	£
<b>Income</b>							
Rents etc	62,653	74,693		12,040	69,229		6,576
Donation	0	50		50	50	0	50
Interest received	1,000	0	1,000		900	100	0
Central Support Services support grant	3,952	0	3,952		3,952	0	0
	<b>67,605</b>	<b>74,743</b>	<b>4,952</b>	<b>12,090</b>	<b>74,131</b>	<b>100</b>	<b>6,626</b>
Funding from Fixed Asset Restatement Reserve	54,564	0	54,564		54,564	0	0
<b>Total Income</b>	<b>122,169</b>	<b>74,743</b>	<b>59,516</b>	<b>12,090</b>	<b>128,695</b>	<b>100</b>	<b>6,626</b>

<b>Net Income Totals</b>	<b>7,503</b>	<b>41,627</b>			<b>14,029</b>		
<b>Net expenditure under spend &amp; under generation of Income</b>				<b>34,124</b>			
<b>Net expenditure under spend &amp; income over generation</b>							<b>6,526</b>

**SCOTTISH BORDERS COUNCIL  
SELKIRK COMMON GOOD FUND  
DONATIONS AND CONTRIBUTIONS PAID AND APPROVED  
2013/14**

**Appendix 3**

	<b>Date</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Approved 2013/14 Budget</b>				<b>20,000</b>
<b>Paid as at 31 December 2013</b>				
Flodden 500- Interpretation boards & benches for memorial garden	31/10/2012	3,000		
Selkirk Rhinos P7 Mini Rugby Tour to Dublin	01/03/2013	700		
Selkirk Football Club Stand	01/03/2013	5,000		
Selkirk Silver Band Slow Melody Contest	04/09/2013	400		
			<hr/>	
<b>Total paid as at 31 December 2013</b>				<b>9,100</b>
<b>Approved but not paid as at 31 December 2013</b>				
Selkirk Chamber of Commerce- Improve prospects for retailing in town	31/10/2012	2,890		
Selkirk Christmas Illuminations Group Underwriting power points up to	23/10/2013	1,500		
Selkirk Parish Church Dry rot repairs	03/12/2013	2,000		
			<hr/>	
<b>Total approved but not paid as at 31 December 2013</b>				<b>6,390</b>
			<hr/>	
<b>Total paid and approved as at 31 December 2013</b>				<b>15,490</b>
			<hr/>	
<b>Remaining available 2013/14 budget</b>				<b><u>4,510</u></b>

## SCOTTISH BORDERS COUNCIL

### Appendix 4

## SELKIRK COMMON GOOD FUND

### RESERVES AT 31 MARCH 2014

<b>Revenue Reserve</b>	<b>£</b>
Balance as at 31 March 2013	128,641
Add Projected Net Surplus for 2013/14	14,029
<b>Projected balance at 31 March 2014</b>	<b><u>142,670</u></b>
<b>Capital Reserve</b>	<b>£</b>
Balance as at 31 March 2013	48,606
Movement during 2013/14	0
<b>Balance at 31 March 2014</b>	<b><u>48,606</u></b>

**SCOTTISH BORDERS COUNCIL  
SELKIRK COMMON GOOD FUND  
Property Portfolio Performance**

**Appendix 5**

**2013/14**

1.4.13 Book Value	Rental Income		Expenditure to 31 December 2013									
	Current Budget	Projected Outturn	Plumbing / Central Heating	Insurance	Painting	Roof	General repairs	Dykes Fencing & Drains	Common Riding related	Estates & Property Service	Total	
£	£	£	£	£	£	£	£	£	£	£	£	
Linglie Farm Farmouse & Cottages	353,029	(7,500)	(7,300)		392			375	1,886		9	2,662
Linglie Farm Shootings	7,500	(750)	(600)									0
Linglie Mast Site	68,500	(10,832)	(10,832)									0
Linglie Plantation	10,000											0
Pant Well	0											0
Pringle Park	0											0
Pringle Park Play Area	0											0
Shawburn Rd Amenity Ground	0											0
Shawburn Toll Embankment	0											0
Bog Park Recreation Ground	0											0
Rosebank Quarry	0											0
Rosebank Quarry Play Area	0											0
River Ettrick Salmon Fishing	700											0
Selkirk Golf Course	69,000											0
Selkirk Shooting Range	0	(11)	(11)									0
Selkirk Hill	20,500	(410)	(410)									0
Selkirk Town Hall Clock	0											0
Selkirk Town Hall	122,240				95		279				61	435

1.4.13 Book Value	Rental Income		Expenditure to 31 December 2013								
	Current Budget	Projected Outturn	Plumbing / Central Heating	Insurance	Painting	Roof	General repairs	Dykes Fencing & Drains	Common Riding related	Estates & Property Service	Total
£	£	£	£	£	£	£	£	£	£	£	£
Selkirk Town Hall Shops	0				0	0	465				465
Shop - 26 Market Place	22,776	(5,600)	(5,600)								0
Shop - 28 Market Place	31,160	(4,125)	(4,160)								0
Smedheugh Farm Shooting	1,750	(175)	(194)								0
South Common Farm Shootings	1,750	(175)	(194)								0
Smedheugh Farm & Farmhouse	293,867	(23,500)	(23,253)	479	416			6,565		52	7,512
Smedheugh Plantation	5,600										0
South Common Farm Farmhouse & Cottages	304,600	(8,400)	(10,300)		370					0	370
South Common Plantation Selkirk	2,400										0
Riverside Amenity Site land	75,000										0
The Green Hut	20,167	(1,175)	(1,175)								0
Shawpark Rd Development Site	37,500										0
Victoria Hall & Caretakers Flat	707,224								532		532
Victoria Park & Caravan Park	0										0
Victoria Park Pavilion site General	1,750		(5,200)		0					17	17
<b>2,157,013</b>	<b>(62,653)</b>	<b>(69,229)</b>	<b>479</b>	<b>1,273</b>	<b>0</b>	<b>279</b>	<b>840</b>	<b>8,451</b>	<b>532</b>	<b>139</b>	<b>11,993</b>



**Budget Virement Requirement**

**1 Virement is required from**

Department	Selkirk Common Good	2013/14	2014/15	2015/16
	Selkirk Common Good			
Service	General	£	£	£
Budget Head	Rents	(6,576)	0	0
	Donations	(50)		
	Total	(6,626)	0	0

**To**

Department	Selkirk Common Good	2013/14	2014/15	2015/16
	Selkirk Hill	£	£	£
Budget Head	Interest	100	0	0
	Revenue Reserve transfer	6,526	0	0
	Total	6,626	0	0

**Because**

Unbudgeted one off rental charge and adjustments to rents during the year to date required the setting of a higher budget for rent and donated income, which is unbudgeted at the start of the year now requires a budget to be set whilst reduced projected income from interest requires a reduction in the budget. The net impact is to increase the transfer to Revenue Reserve.

**From:** John Cannell [<mailto:john@bordersscrapstore.org.uk>]  
**Sent:** 17 February 2014 14:44  
**To:** Isles, Anne  
**Subject:** Borders Scrapstore

Dear Anne,

Referring to your letter to us dated 6<sup>th</sup> September 2012 regarding financial assistance from Selkirk Common Good Fund (scan attached) I thought it was an appropriate time to update you on our current position.

With a £4,000 grant from SBC Community Grants Scheme and £1,000 from a Service Level Agreement with Technical Services, Scrapstore has managed to survive until now. For the financial year to 31<sup>st</sup> March 2014 we have also been supported by a continuing Revenue Grant Support of £7,140 from East Lothian Council, £2,000 from The Hugh Fraser Foundation, £2,000 from Foundation Scotland Express Grants, and £10,000 from Santander Enterprise Development Awards.

Except for part of the Santander grant, all that support ends on 31<sup>st</sup> March this year. £5,000 of the Santander grant is ring-fenced towards the cost of a new van, so is not available to help with core costs.

One of our two small vans had to be scrapped last summer, and the other is now 12 years old, so we are trying to raise the funds for, eventually, two new vans. The vehicles are a one-off cost and we would expect to get at least ten years use from a van. One van is kitted out as a mini-Scrapstore that visits schools, nurseries and other settings, the other was used for collecting materials and general business travel.

We have applied to East Lothian Council again, for costs related to our work in that local authority area, including for this year only asking for £5,000 towards the new vehicle. After discussion with Linda Cornwall, who intimated that the Community Grants Scheme would not be available for core funding, we intend applying to that fund for a portion of our new van costs. Ideally, and if all the applications are successful, that would give us £15,000 for a new van (£5,000 from Santander, £5,000 from SBC Community Grants and £5,000 from East Lothian Community Services).

While that would help our transport situation, it leaves us with no core funding from SBC for the first time in well over ten years. We have contacted SBC Estates, asking for a rent reduction (currently £10,500 pa including unrecoverable VAT) and await their response. Another empty building owned by SBC would simply be another drain on scarce resources and benefits no one.

Given Scrapstores' continuing contribution towards reducing waste, enhancing community cohesion, supplying schools, early years settings, youth clubs, SBC Arts Service, Libraries, craft groups and more with low cost, low-carbon salvaged materials for creative reuse, we would like to think that even in these straitened times, (and we're under no illusions about SBC's financial position) the council could

offer Scrapstore some longer term core assistance to give us some small measure of security rather than us scratching around to survive month by month.

While we fully appreciate that we are no one's top priority, our three part time staff, eight trustees and ten volunteer helpers have created a vibrant, inspirational resource that is clearly a valued asset for over 300 memberships (about half groups and half individuals) in Scottish Borders area alone. But we are not just sitting around with our hands outstretched. Since 2006, we have increased our trading income from £12,000 to a forecast £40,000 this year. However, the steady reduction in council support coupled with equally steady increases in our costs (though staff have not had even a cost of living increase since 2006) means that we still need some continuing support in order to function as a viable organisation.

Your letter notes that you would try to see if there are any other ways to fund assistance to Borders Scrapstore. We would greatly appreciate any help that may be available, and emphasise that any funding is directly used to benefit the communities in which we operate.

We look forward to hearing from you

With best wishes

John Cannell  
Manager, Borders Scrapstore

Selkirk Store and main office: Unit 4 Shepherd's Mill, Dunsdale Road, Selkirk TD7 5NY tel. 01750 725961. Scrap Store at Selkirk open Tuesdays 10am - 4pm, Wednesdays 10am - 4pm, Thursdays 2pm - 5.30pm.

Musselburgh: Borders Scrap Store, The Fisherrow Centre, South Street, Musselburgh EH21 6AT, tel 0131 665 8232. Scrap Store at Fisherrow open Mondays 1.30pm - 4.30pm, Wednesdays 9.30am - 4pm, and Fridays 12 to 4pm.

# Borders Scrap Store

Annual Report and Financial Statements

for the Year Ended 31 March 2013

# **Borders Scrap Store**

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The following page does not form part of the statutory financial statements:

Statement of financial activities per fund	11
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# **Borders Scrap Store**

## **Reference and Administrative Details**

<b>Charity name</b>	Borders Scrap Store
<b>Charity registration number</b>	SC020023
<b>Principal office</b>	4 Shepherds Mill Dunsdale Road Selkirk TD7 5EA
<b>Registered office</b>	4 Shepherds Mill Dunsdale Road Selkirk TD7 5EA
<b>Trustees</b>	Mr David Campbell Mrs Janine Gordon Mrs Gina Tebbutt Mr Barry Tebbutt Mrs Patricia Miller Mrs Lena Hutton Mrs Maureen Black Mrs Liz Neilson Mrs Denise Hanks
<b>Bankers</b>	Bank of Scotland Tweedside Road Newtown St Boswells TD6 0PG
<b>Accountant</b>	Deans Accountants and Business Advisors 1 Melgund Place Hawick TD9 9HY

# **Borders Scrap Store**

## **Trustees' Report**

The Trustees present their annual report together with the financial statements of Borders Scrap Store (the charity) for the year ended 31 March 2013. The Trustees confirm that the Annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

### **Structure, governance and management**

#### **a. CONSTITUTION**

The principal objects of the charity are to : advance the education of understanding and participation in recycling; advancement of citizenship or community development; advancement of environmental protection or improvement.

#### **b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the charity is the responsibility of the Trustees who are elected and coopted under the terms of the Constitution.

#### **c. ORGANISATIONAL STRUCTURE AND DECISION MAKING**

(a) the MEMBERS who have the right to attend the annual general meeting (and any special general meeting) and have important powers under the constitution; in particular, the members elect people to serve on the management committee and take decisions in relation to changes to the constitution itself (b) the MANAGEMENT COMMITTEE who hold regular meetings during the period between annual general meetings, and generally control and supervise the activities of the association; in particular, the management committee is responsible for monitoring the financial position of the association.

#### **d. RELATED PARTY RELATIONSHIPS**

Lena Hutton is an employee of East Lothian Council. Barry Tebbutt is an employee of Scottish Borders Council. All parties are not involved in the grant making decisions of their employers.

#### **e. RISK MANAGEMENT**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

### **Objectives and Activities**

#### **a. POLICIES AND OBJECTIVES**

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

#### **b. ACTIVITIES FOR ACHIEVING OBJECTIVES**

To use waste materials from local business and industry to improve the range and quality of creative and educational play materials for children and young people. The Scrap Store also has a travelling van and a base at Musselburgh. Materials are collected, stored at the central bases and made available to members. Help is available to make most effective use of the materials. These include: paper, cloth, card, yarn, plastic, wood, buttons, bobbins, paint, natural materials. Training can be provided.

#### **c. VOLUNTEERS**

The charity is grateful for the unstinting efforts of its volunteers who are involved in all aspects of our work.

### **Achievements and performance**

#### **a. REVIEW OF ACTIVITIES**

Financially, it has been a difficult year, with a deficit of £6,341 being incurred. This deficit is as a result of reduced grant income and SLA income from local authorities. Self generated income continues to grow and this trend has continued after the year end. However, financial pressure on local authority funding has resulted in reduced income for this year and next year so further funding is to be sought to cover the deficit. From an operations point of view, we have added additional opening times in Musselburgh and we have scheduled additional van runs during the year. This expansion should help increase our own generated income in the coming year. We have attended various scrap swaps throughout the country, sourcing good materials and we also have a number of new scrap suppliers who we are extremely grateful to for their support.

### **Financial review**

#### **a. RESERVES POLICY**

## **Borders Scrap Store**

### **Trustees' Report**

The committee are presently reviewing the financial situation of the charity. It is intended to set aside a fund to cover redundancy when funds allow. Decisions will also be required on future grant applications to cover vehicle replacements. It is intended to build up reserves so that 6 months expenditure is held within reserves.

#### **b. PRINCIPAL FUNDING**

The principal funding is received from Scottish Borders Council and East Lothian Council in the form of grants and Service Level Agreements.

#### **Plans for the future**

We are currently reviewing the funding options of a van replacement and applications have been submitted to various funders for this purpose. With the reduction in council funding, the Trustee's are reviewing current operations with a view to reducing costs.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

The law applicable to charities in Scotland 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 judgments 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 operation.

The Trustees are responsible for keeping 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 Charities Accounts (Scotland) Regulations 2006. 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 the Trustees on 28 May 2013 and signed on their behalf by:

.....

Mr David Campbell  
Trustee



# **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 2013, which are set out on pages 5 to 10.

## **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 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (the Accounts Regulations). The trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply and that an independent examination is needed.

It is my responsibility to:

- examine the financial statements as required under section 44(1)(c) of the 2005 Act and Regulation 4 of the Accounts Regulations;
- 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 Charities Accounts (Scotland) Regulations 2006 (as amended). 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 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 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.

.....  
Neil Garden FCCA  
Deans Accountants and Business Advisors  
Chartered Accountants and Business Advisors

1 Melgund Place  
Hawick  
TD9 9HY

28 May 2013

## Borders Scrap Store

### Statement of Financial Activities for the Year Ended 31 March 2013

		Unrestricted Funds	Total Funds 2013	Total Funds 2012
	Note	£	£	£
<b>Incoming resources</b>				
Incoming resources from generated funds				
Voluntary income	2	18,815	18,815	27,592
Activities for generating funds	4	37,578	37,578	32,571
Investment income	5	-	-	5
Total incoming resources		<u>56,393</u>	<u>56,393</u>	<u>60,168</u>
<b>Resources expended</b>				
Charitable activities	6	62,374	62,374	65,731
Governance costs	6	360	360	360
Total resources expended		<u>62,734</u>	<u>62,734</u>	<u>66,091</u>
Net movements in funds		(6,341)	(6,341)	(5,923)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>11,195</u>	<u>11,195</u>	<u>17,118</u>
Total funds carried forward		<u>4,854</u>	<u>4,854</u>	<u>11,195</u>

All incoming resources and resources expended derive from continuing activities.

The charity has no recognised gains or losses for the year other than the results above.

## Borders Scrap Store

### Balance Sheet as at 31 March 2013

	2013		2012	
	£	£	£	£
<b>Current assets</b>				
Cash at bank and in hand		<u>4,854</u>		<u>11,195</u>
<b>Net assets</b>		<u><u>4,854</u></u>		<u><u>11,195</u></u>
<b>The funds of the charity:</b>				
<b>Unrestricted funds</b>				
Unrestricted income funds		<u>4,854</u>		<u>11,195</u>
<b>Total charity funds</b>		<u><u>4,854</u></u>		<u><u>11,195</u></u>

Approved by the Board on 28 May 2013 and signed on its behalf by:

.....

Mr David Campbell  
Trustee

# **Borders Scrap Store**

## **Notes to the Financial Statements for the Year Ended 31 March 2013**

### **1 Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, applicable accounting standards and the Charities Act 2011.

#### **Fund accounting policy**

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

Further details of each fund are disclosed in note 11.

#### **Incoming resources**

Voluntary income including legacies and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income derived from events is recognised as earned (that is, as the related goods or services are provided).

Investment income is recognised on a receivable basis.

#### **Resources expended**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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.

#### **Governance costs**

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

#### **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.

#### **Operating leases**

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

## Borders Scrap Store

### Notes to the Financial Statements for the Year Ended 31 March 2013

#### 2 Voluntary income

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
<b>Donations and legacies</b>			
Donations	210	210	400
<b>Grants</b>			
Local Authority grants & SLA's	18,605	18,605	27,192
	<u>18,815</u>	<u>18,815</u>	<u>27,592</u>

#### 3 Grants receivable

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Local Authority grants & SLA's	18,605	18,605	27,192
	<u>18,605</u>	<u>18,605</u>	<u>27,192</u>

#### 4 Activities for generating funds

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
<b>Scrap Store</b>			
Membership	4,169	4,169	3,457
Raffle	460	460	-
Primary purpose trading	32,949	32,949	29,114
	<u>37,578</u>	<u>37,578</u>	<u>32,571</u>

#### 5 Investment income

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Interest on cash deposits	-	-	5
	<u>-</u>	<u>-</u>	<u>5</u>

## Borders Scrap Store

### Notes to the Financial Statements for the Year Ended 31 March 2013

#### 6 Total resources expended

	Scrap Store	Governance	Total
	£	£	£
<b>Direct costs</b>			
Fundraising costs	152	-	152
Purchases	6,524	-	6,524
Wages and salaries	34,073	-	34,073
	<u>40,749</u>	<u>-</u>	<u>40,749</u>
<b>Support costs</b>			
Volunteer expenses	70	-	70
Rent	13,017	-	13,017
Water & drainage	484	-	484
Light, heat and power	1,223	-	1,223
Insurance	926	-	926
Equipment repairs and renewals	221	-	221
Telephone and fax	938	-	938
Printing, postage and stationery	699	-	699
Trade subscriptions	35	-	35
Room hire	21	-	21
Sundry expenses	121	-	121
Motor expenses	3,821	-	3,821
Accountancy fees	-	360	360
Conference costs	49	-	49
	<u>21,625</u>	<u>360</u>	<u>21,985</u>
	<u>62,374</u>	<u>360</u>	<u>62,734</u>

#### 7 Trustees' remuneration and expenses

The treasurer is a director and shareholder in Deans Accountants and Business Advisors Ltd, who were paid fees of £360 for the provision of payroll services during the year. No trustees received any remuneration in the year.

#### 8 Net outgoing resources

Net outgoing resources is stated after charging:

	2013	2012
	£	£
Hire of other assets - operating leases	<u>13,038</u>	<u>13,741</u>

## Borders Scrap Store

### Notes to the Financial Statements for the Year Ended 31 March 2013

#### 9 Employees' remuneration

The average number of persons employed by the charity (including trustees) during the year was as follows:

	<b>2013</b> <b>No.</b>	<b>2012</b> <b>No.</b>
Charitable activities	<u>4</u>	<u>4</u>

The aggregate payroll costs of these persons were as follows:

	<b>2013</b> <b>£</b>	<b>2012</b> <b>£</b>
Wages and salaries	<u>34,073</u>	<u>34,781</u>

No employee received emoluments of more than £60,000 during the year (2012 - No. 0).

#### 10 Related parties

##### Controlling entity

The charity is controlled by the trustees.

#### 11 Analysis of funds

	<b>At 1 April</b> <b>2012</b>	<b>Incoming</b> <b>resources</b>	<b>Resources</b> <b>expended</b>	<b>At 31 March</b> <b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>General Funds</b>				
Unrestricted income fund	<u>11,195</u>	<u>56,393</u>	<u>(62,734)</u>	<u>4,854</u>

#### 12 Net assets by fund

	<b>Unrestricted</b> <b>Funds</b>	<b>Total Funds</b> <b>2013</b>	<b>Total Funds</b> <b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Current assets	<u>4,854</u>	<u>4,854</u>	<u>11,195</u>
Net assets	<u>4,854</u>	<u>4,854</u>	<u>11,195</u>

## Borders Scrap Store

### Statement of financial activities by fund Year Ended 31 March 2013

	Unrestricted income fund 2013	Unrestricted income fund 2012
	£	£
<b>Incoming resources</b>		
Incoming resources from generated funds		
Voluntary income	18,815	27,592
Activities for generating funds	37,578	32,571
Investment income	-	5
Total incoming resources	<u>56,393</u>	<u>60,168</u>
<b>Resources expended</b>		
Charitable activities	62,374	65,731
Governance costs	360	360
Total resources expended	<u>62,734</u>	<u>66,091</u>
Net movements in funds	(6,341)	(5,923)
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>11,195</u>	<u>17,118</u>
Total funds carried forward	<u>4,854</u>	<u>11,195</u>



## Borders Scrap Store

### Accounts

Year ended 31 March 2013

	2013		2012	
	£	£	£	£
<b>Income</b>				
Local Authority grants & SLA's		18,605		27,192
Membership		4,169		3,457
Donations		210		400
Trading income		32,949		29,114
Fundraising		460		0
Interest received		0		5
		<u>56,393</u>		<u>60,168</u>
<b>Expenditure</b>				
Fundraising costs		152		0
Goods purchased		<u>6,524</u>		<u>6,762</u>
		<u>6,676</u>		<u>6,762</u>
Wages & salaries		34,073		34,781
Volunteer costs		70		89
		<u>34,143</u>		<u>34,870</u>
Rent		13,017		13,539
Water & drainage		484		502
Heat & light		1,223		1,282
Repairs & maintenance		221		350
Insurance		926		1,400
		<u>15,870</u>		<u>17,073</u>
Telephone		938		929
Stationery		674		520
Postage		25		74
Subscriptions		35		35
Motor expenses		3,821		5,181
Room hire		22		202
Accountancy fees		360		360
Conference costs		49		33
Sundries		121		52
		<u>6,045</u>		<u>7,386</u>
		<u>62,734</u>		<u>66,091</u>
		<u>-6,341</u>		<u>-5,923</u>
<b>Statement of Funds</b>				
Funds as at 1 April 2012		11,195		17,118
Deficit for the year		<u>-6,341</u>		<u>-5,923</u>
Funds as at 31 March 2013		<u>4,854</u>		<u>11,195</u>
<b>Represented by Bank Balance</b>		<u>4,854</u>		<u>11,195</u>