

Cornwall Scrap Store

A company limited by guarantee.

Charity No. 1079557

Company No. 02981605

Trustees' Report and Unaudited Accounts

31 December 2020

Cornwall Community Accountancy Service
The Elms,
61 Green Lane
Redruth
Cornwall
TR15 1LS

Cornwall Scrap Store
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**Cornwall Scrap Store
TRUSTEES ANNUAL
REPORT**

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 02981605

Charity No. 1079557

Registered Office

Drinnick No 8
Goonamarris
St Austell
Cornwall
PL26 7QX

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.
The following Directors and Trustees served during the year:

| | |
|----------------------|------------------------------|
| Christopher Morrison | (Resigned 10 September 2020) |
| Gary King | |
| Nicholas Cook | (Resigned 20 October 2020) |
| Tarn Lamb | |

Company Secretary

Benjamin Read

Accountants

Cornwall Community Accountancy
Service
The Elms, 61 Green Lane
Redruth
Cornwall
TR15 1LS

Bankers

Barclays Bank
10 Church Street
St Austell
Cornwall
PL25 4AS

**Cornwall Scrap Store
TRUSTEES ANNUAL
REPORT**

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 December 2020.

OBJECTIVES AND ACTIVITIES

The Company's objects as per the governing document are:-

- 1) Purposes beneficial to the people and communities of Cornwall.
- 2) To promote recycling and waste minimisation.
- 3) To educate and train the public, communities and industry in the benefits of recycling and waste management.
- 4) To advance the vocational preparation, training and education of people.
- 5) To provide training courses, instruction and recreational and artistic facilities for people so as to develop their physical, mental and spiritual capacities in order that their conditions of life may be improved.
- 6) To recruit persons for training courses and work programmes.
- 7) To provide, equip and carry on workshops or other facilities for training.
- 8) To encourage the expansion of employment opportunities for people.

This is translated into charitable objects as follows:

- 1) By means of the distribution of donated materials to provide or assist in the provision of facilities for recreation, education and other leisure time activities for children and adults in Cornwall so that their education and social welfare is enhanced.
- 2) To advance education particularly in connection with the reuse of scrap and waste materials so as to protect the environment.
- 3) To do all such things as are incidental or conducive to the attainment of the above objects or any or them.

The trustees have had regard to the charity commission guidance on public benefit in preparing this report and have ensured that in planning activities year on year that identifiable benefits are attained for our beneficiaries

ACHIEVEMENTS AND PERFORMANCE

Not suprisingly 2020 has been fraught with uncertainty and clearly most planning and development has been pushed aside. With the Pandemic dominating the year it is commendable that CSS was able to continue operations outside of the Lockdowns throughout the year.

CSS had already received approximately 2/3 of the projected/expected membership uptake before the first lockdown in March.

Memberships continued to trickle in throughout the year between lockdowns and it is a testament to our loyal membership that not a single member sought a refund on a disrupted year.

This was in part due to the fact that by adopting covid safe precautions in line with the government advice, we were able to operate for nearly 8 months of the year.

Cornwall Scrap Store
TRUSTEES ANNUAL
REPORT

FINANCIAL REVIEW

The results for the year show an increase in income of £9,780 to £32,623 (2019: £22,843). Expenditure has increased slightly by £355 to £22,590 (2019: £22,235). Thus a surplus has been maintained of £10,033 (2019: £608).

CSS was able to retain most of its membership and this is reflected by a modest drop of a few thousand in membership income during 2020 despite the pandemic. The government furlough and grant schemes have been a massive help. Overall despite the situation CSS finances are looking secure.

PLANS FOR FUTURE PERIODS

In the short term going forward we will be concentrating on keeping our core operations strong and continue to offer a fantastic and positive service. We expect 2021 and even 2022 to be difficult, but are confident that Cornwall Scrapstore can continue to offer a great resource.

Beyond a space to simply house the Scrapstore it is has been the ambition of Cornwall Scrapstore for a while now to create a bigger hub that concentrates on the circular economy, sustainability, upcycling remaking and reuse. Housing a Scrapstore, makers spaces/resident artists, retail, cafe, tool library and workshop/meeting/conference space. We are in the process of writing a detailed project proposal

We are inspired by and would hope to deliver something like this and more
...<https://www.dailyscandinavian.com/worlds-first-recycling-mall-in-sweden/>

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Cornwall Scrap Store is a company limited by guarantee originally incorporated as The Scrap Store on 20th October 1994. We changed to our current name on 8th June 1999 and applied for registration with the charity commission which was effective from 25th February 2000.

Our governing document is the memorandum and articles approved on incorporation in 1994.

TRUSTEES RESPONSIBILITIES

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

Gary King
Trustee
29 October 2021

Cornwall Scrap Store
INDEPENDENT EXAMINERS
REPORT

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

I report to the charity trustees on my examination of the accounts of Cornwall Scrap Store for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act).

Having satisfied myself that the accounts of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I can confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that:

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Debbie Risborough
Association of Chartered Certified Accountants
Cornwall Community Accountancy Service
The Elms, 61 Green Lane
Redruth
Cornwall
TR15 1LS
29 October 2021

**Cornwall Scrap Store
STATEMENT OF
FINANCIAL ACTIVITIES**

for the year ended 31 December 2020

| | Notes | Unrestricted funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|---|-------|------------------------------------|-----------------------------|-----------------------------|
| Income and endowments from: | | | | |
| Charitable activities | 4 | 32,623 | 32,623 | 22,843 |
| Total | | 32,623 | 32,623 | 22,843 |
| Expenditure on: | | | | |
| Charitable activities | 5 | 22,590 | 22,590 | 22,235 |
| Total | | 22,590 | 22,590 | 22,235 |
| Net gains on investments | | - | - | - |
| Net income | 6 | 10,033 | 10,033 | 608 |
| Net income before other gains/(losses) | | 10,033 | 10,033 | 608 |
| Other gains and losses: | | | | |
| Net movement in funds | | 10,033 | 10,033 | 608 |
| Reconciliation of funds: | | | | |
| Total funds brought forward | | 11,419 | 11,419 | 10,811 |
| Total funds carried forward | | 21,452 | 21,452 | 11,419 |

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

**Cornwall Scrap Store
BALANCE SHEET**

| Company No. 02981605 | at | 31 December 2020 | |
|--|-------|-------------------------|-------------|
| | Notes | 2020 | 2019 |
| | | £ | £ |
| Fixed assets | | | |
| Tangible assets | 8 | 2,019 | 2,682 |
| | | 2,019 | 2,682 |
| Current assets | | | |
| Debtors | 9 | 222 | 374 |
| Cash at bank and in hand | | 19,767 | 8,790 |
| | | 19,989 | 9,164 |
| Creditors: Amount falling due within one year | 10 | (556) | (427) |
| Net current assets | | 19,433 | 8,737 |
| Total assets less current liabilities | | 21,452 | 11,419 |
| Net assets excluding pension asset or liability | | 21,452 | 11,419 |
| Total net assets | | 21,452 | 11,419 |
| The funds of the charity | | | |
| Unrestricted funds | 11 | | |
| General funds | | 21,452 | 11,419 |
| | | 21,452 | 11,419 |
| Total funds | | 21,452 | 11,419 |

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the year ended 31 December 2020 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 29 October 2021

And signed on its behalf by:

Gary King

Trustee

29 October 2021

Cornwall Scrap Store
NOTES TO THE ACCOUNTS

for the year ended 31 December 2020

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The charity constitutes a public benefit entity as defined by FRS102.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.

Designated funds

These are unrestricted funds earmarked by the trustees for particular purposes.

Revaluation funds

These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.

Restricted funds These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Cornwall Scrap Store
NOTES TO THE ACCOUNTS

Income

Recognition of income Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

Income with related expenditure Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

Donations and legacies Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

Tax reclaims on donations and gifts Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.

Donated services and facilities These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.

Volunteer help The value of any volunteer help received is not included in the accounts.

Investment income This is included in the accounts when receivable.

Gains/(losses) on revaluation of fixed assets This includes any gain or loss resulting from revaluing investments to market value at the end of the year.

Gains/(losses) on investment assets This includes any gain or loss on the sale of investments.

Expenditure

Recognition of expenditure Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on raising funds These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.

Expenditure on charitable activities These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.

Grants payable All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.

Governance costs These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.

Other expenditure These are support costs not allocated to a particular activity.

Taxation

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

Cornwall Scrap Store
NOTES TO THE ACCOUNTS

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

| | |
|-----------------------|----------------------|
| Motor vehicles | 25% Reducing balance |
| Fixtures and fittings | 20% Reducing balance |

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Intangible fixed assets and amortisation

Intangible fixed assets (including purchased goodwill, patents and trademarks) are carried at cost less accumulated amortisation and impairment losses.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other debtors

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

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

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period. Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred. All exchange differences are taken into account in arriving at net income/expenditure.

Cornwall Scrap Store
NOTES TO THE ACCOUNTS

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Statement of cash flows

The charity is exempt from preparing a statement of cash flows on the grounds that it is a small charity

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

Cornwall Scrap Store
NOTES TO THE ACCOUNTS

3 Statement of Financial Activities - prior year

| | Unrestricted funds 2019 | Total funds 2019 |
|---|--|---------------------------------|
| | £ | £ |
| Income and endowments from: | | |
| Charitable activities | 22,843 | 22,843 |
| Total | 22,843 | 22,843 |
| Expenditure on: | | |
| Charitable activities | 22,235 | 22,235 |
| Total | 22,235 | 22,235 |
| Net income | 608 | 608 |
| Net income before other gains/(losses) | 608 | 608 |
| Other gains and losses: | | |
| Net movement in funds | 608 | 608 |
| Reconciliation of funds: | | |
| Total funds brought forward | 10,811 | 10,811 |
| Total funds carried forward | 11,419 | 11,419 |

4 Income from charitable activities

| | Unrestricted | Total 2020 | Total 2019 |
|----------------------------------|---------------------|-----------------------|-----------------------|
| | £ | £ | £ |
| Grant Income | | | |
| Co-op local community fund | 1,620 | 1,620 | - |
| Cornwall Council | 11,484 | 11,484 | - |
| HMRC JRS Grant | 4,032 | 4,032 | - |
| Primary Purpose Trading | | | |
| Membership Income and Shop sales | 15,487 | 15,487 | 22,843 |
| | 32,623 | 32,623 | 22,843 |

Cornwall Scrap Store
NOTES TO THE ACCOUNTS

5 Expenditure on charitable activities

| | Unrestricted | Total | Total |
|---|---------------------|---------------|---------------|
| | £ | 2020 | 2019 |
| | | £ | £ |
| <i>Support Costs</i> | | | |
| Wages | 15,357 | 15,357 | 13,197 |
| Travel and subsistence | 1,337 | 1,337 | 2,440 |
| Rent & rates | 899 | 899 | 535 |
| Insurance | 856 | 856 | 621 |
| Telephone and fax | 668 | 668 | 711 |
| IT expenses | 201 | 201 | - |
| sundry expenses | 176 | 176 | 242 |
| Cleaning | 1,547 | 1,547 | 1,872 |
| Marketing and promotion | - | - | 193 |
| Bank charges | 101 | 101 | 166 |
| Depreciation | 663 | 663 | 1,033 |
| <i>Governance costs</i> | | | |
| Accountancy | 580 | 580 | 270 |
| Independent examination of the charity's accounts | 205 | 205 | 280 |
| Late filing | - | - | 675 |
| | <u>22,590</u> | <u>22,590</u> | <u>22,235</u> |

6 Net income before transfers

| | 2020 | 2019 |
|------------------------------------|-------------|-------------|
| | £ | £ |
| This is stated after charging: | | |
| Depreciation of owned fixed assets | 663 | 1,033 |

7 Staff costs

| | | |
|--------------------|---------------|---------------|
| Salaries and wages | <u>15,357</u> | <u>13,197</u> |
| | <u>15,357</u> | <u>13,197</u> |

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

| | | |
|--|--------|--------|
| Total employee benefits received by key management personnel | 10,949 | 10,469 |
|--|--------|--------|

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

| | 2020 | 2019 |
|-----------------------|---------------|---------------|
| | Number | Number |
| Charitable activities | <u>2</u> | <u>2</u> |
| | <u>2</u> | <u>2</u> |

Cornwall Scrap Store
NOTES TO THE ACCOUNTS

8 Tangible fixed assets

| | Motor vehicles | Fixtures and fittings | Total |
|------------------------------------|---------------------------|----------------------------------|--------------|
| | £ | £ | £ |
| Cost or revaluation | | | |
| At 1 January 2020 | 3,500 | 6,483 | 9,983 |
| At 31 December 2020 | 3,500 | 6,483 | 9,983 |
| Depreciation and impairment | | | |
| At 1 January 2020 | 969 | 6,332 | 7,301 |
| Depreciation charge for the year | 633 | 30 | 663 |
| At 31 December 2020 | 1,602 | 6,362 | 7,964 |
| Net book values | | | |
| At 31 December 2020 | 1,898 | 121 | 2,019 |
| At 31 December 2019 | 2,531 | 151 | 2,682 |

9 Debtors

| | 2020 | | 2019 |
|--------------------------------|-------------|--|-------------|
| | £ | | £ |
| Prepayments and accrued income | 222 | | 374 |
| | 222 | | 374 |

10 Creditors:

amounts falling due within one year

| | 2020 | | 2019 |
|------------------------------|-------------|--|-------------|
| | £ | | £ |
| Accruals and deferred income | 556 | | 427 |
| | 556 | | 427 |

11 Movement in funds

| | At 1 January 2020 | Incoming resources (including other gains/losses) | Resources expended | At 31 December 2020 |
|------------------------------|----------------------------------|--|-------------------------------|------------------------------------|
| | | £ | £ | £ |
| Restricted funds: | | | | |
| Unrestricted funds: | | | | |
| General funds | 11,419 | 32,623 | (22,590) | 21,452 |
| Revaluation Reserves: | | | | |
| Total funds | 11,419 | 32,623 | (22,590) | 21,452 |

Cornwall Scrap Store
NOTES TO THE ACCOUNTS

12 Analysis of net assets between funds

| | Unrestricted funds | Total |
|--------------------|-------------------------------|---------------|
| | £ | £ |
| Fixed assets | 2,019 | 2,019 |
| Net current assets | 19,433 | 19,433 |
| | <u>21,452</u> | <u>21,452</u> |

13 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.