

**Southampton Scrap Store** Charity No 292075

**Trustee Annual Report – Financial Year 2023**

**Governance, Financial Oversight and Exceptional Circumstances**

During the financial year ended FY2023, Southampton Scrap Store experienced a prolonged period of governance instability, restricted access to banking facilities, and incomplete financial records. These factors have materially affected financial oversight and delayed the preparation and submission of statutory accounts.

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**Governance Changes**

At the end of the financial year, all previous trustees resigned following a disagreement, leaving **Mrs D O'Neil** and **Mrs A Waller** as the remaining individuals in control of the charity. Other individuals associated with the charity between **April and July** also resigned; these individuals were employees and were unknown if registered with the charity, however, I have been informed that there was a grant in place previously for this, which ended in FY2022.

It is understood that **Mrs D O'Neil and Mrs A Waller assumed control of the charity in 2022**, although no formally dated trustee minutes confirming this decision have been located. The absence of documented governance decisions has made it difficult to establish clear timelines and accountability during this period.

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**Banking Arrangements and Financial Records**

Upon gaining access to the charity's **CAF bank account in December 2025**, it was identified that the charity had previously operated **three bank accounts**, of which were 2 accounts were **closed in the prior financial year**. Access to full historical records for these accounts has not been possible.

It is understood, based on information from a single source, that **Mrs D O'Neil and Mrs A Waller and Mrs C Clark opened a Co-operative Bank account** for the purpose of handling cash transactions. This account was **formally opened on 5 July 2022**.

Regarding cash income:

The till receipts do not reconcile with the amounts banked into the Co-op account. This includes late banking of **£585.93** processed in FY2024 in respect of FY2023 trading activity. After taking this adjustment into account, there remains an unreconciled variance of **£992.54** between recorded till receipts and the banking deposits. However. Later in FY2024 £52.93 cash was in the petty cash tin, which was banked in that year

figures, and processed as a sale. Therefore, reducing the unaccounted funds to (£939.61).

Cash was not retained on the premises overnight. Instead, the funds were removed from the premises by the two trustees, **Mrs A. Waller** and **Mrs D. O'Neil**, and returned for banking on their next available shift.

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### Missing Funds and Reported Concerns

Concerns were raised at the time regarding **missing funds**, as reported by **Mrs A Waller**, the only trustee remaining after the financial period of 2023. During this period in FY2023 There were differing accounts between **Mrs A Waller** and **Mrs D O'Neil** regarding responsibility for these funds, and this disagreement reportedly continued until **December 2022**, when **Mrs D O'Neil left the charity**, leaving **Mrs A Waller** in sole control.

It should be noted that:

- The information available to the preparer of this report represents **only one side of the account**, as **Mrs D O'Neil has declined to assist or respond to any requests for information** made during the reconstruction of the accounts.
- **No judgement is made regarding Mrs D O'Neil's role or responsibility** in relation to the missing funds, as there is insufficient documentary evidence to support any conclusion.
- **Mrs D O'Neil** could have simply not supplied supporting documentary evidence of a supplier that she paid.
- It is further noted that **previous trustees left Southampton Scrap Store in a similar financial and administrative position**, indicating that weaknesses in governance and record-keeping pre-dated the period under review.

It is understood that **Mrs A Waller contacted both the Charity Commission and the police** at the time the missing funds were identified. No outcomes or formal findings from these contacts have been provided for inclusion in this report.

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### Access to CAF Bank Account and Trustee Recruitment

I wrote to the CAF bank several times, and eventually got to speak to someone advising that we needed more Trustee's on the charity, and they would contact Mrs A Waller regarding the procedure during **FY2024**, advising that access to the CAF bank account could be granted to the preparer of these accounts **provided that I became a trustee**

**for the Charity, and that the charity had five trustees in place.** CAF advised that due to the previous administration four trustees were not enough.

As a result, efforts were made to recruit volunteers to join the trustee board.

Unfortunately, **several volunteers were lost during this period**, which was understood to be linked to the ongoing issues and fallout from the actions of previous trustees.

The charity achieved the required five trustees by 1 September 2024, but we back dated these so that could receive the bank statements. Despite this, access to the CAF bank account remained extremely restricted. Significant correspondence was required with CAF Bank to progress the matter, including:

- **32 written communications,**
- **16 of which were sent by recorded delivery,**

before any meaningful access was granted.

At present, access is limited to **view-only access to bank statements.**

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### **Impact on Financial Reporting and Ongoing Actions**

In **June 2023**, assistance was requested to support the preparation of the charity's accounts. At that time:

- **Mrs D O'Neil had left the charity without notifying the banks of her departure,** resulting in unresolved mandate issues.
- **Mrs A Waller advised that she did not have access to the CAF bank account,** restricting effective financial oversight.

These issues materially delayed the preparation and submission of statutory accounts.

Looking forward:

- The intention is to **close the CAF bank account and move all banking to the Co-operative Bank**, subject to trustee approval and completion of outstanding matters.
- Progress has been delayed, and the situation is now **approximately three years in arrears.**
- **Mrs A Waller has temporarily taken a step back** from day-to-day involvement due to ill health but is looking forward to returning in the future.

During this period, work is ongoing to:

- Update and formalise **all charity policies**, and

- Establish **more regular trustee meetings** to strengthen governance and oversight.
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### Trustee Statement and Limitations

The trustees acknowledge that the FY2023 accounts have been prepared under exceptional and challenging circumstances, including:

- Incomplete banking records
- Missing cash documentation
- Lack of formally recorded trustee decisions
- Prolonged restrictions on bank access
- Limited cooperation from former officers

The new trustees remain committed to restoring robust governance, financial transparency, and full regulatory compliance.

### Trustee Remuneration and Expenses

Although the preparer of these accounts is a trustee of the charity, **no expenses, remuneration, or accruals have been claimed or included** in the FY2023 accounts. Trustees are not entitled to be paid for acting in their role as trustees, and no payments have been made during this financial year.

Once the outstanding financial years have been brought up to date and the **fourth year of accounts has been completed**, it is intended that the **remaining trustees will independently consider and decide** whether any payment for services provided is appropriate. The trustee concerned will **take no part in any such discussions or decisions**, in order to avoid any conflict of interest or influence.

No such decision has been made to date, as **no trustee meeting was held prior to the submission of these accounts**. A formal meeting is intended to take place once **Mrs A Waller is well enough to attend**, at which time governance, financial matters, and future arrangements will be properly reviewed and minutes.

### Summary of the Charity's Objectives

The objects of the charity, as set out in its governing document, are to provide resources, materials, and equipment that support the **educational and social development** of children and the wider community. These resources primarily consist of "*scrap*" and surplus materials donated by local businesses and members of the

public. Access to these materials is offered through an **affordable membership scheme**, enabling individuals, families, schools, groups, and community organisations to obtain creative and educational supplies. In addition, a small shop provides members with low-cost craft goods to further support learning and creative activity.

In delivering these objectives, the charity provides a clear **public benefit**. Its purpose is to ensure that the whole community—regardless of income—can access diverse and affordable resources that support learning, creativity, and personal development. By offering accessible materials and a welcoming environment open to all, the charity contributes to improving people’s conditions of life and promotes **education, social inclusion, and both physical and mental wellbeing**. And reducing waste to landfill.

The trustee is committed to carrying out task within the community and will have more of responsibility going forward into FY2027.

## Southampton Scrap Store

Balance Sheet  
As at 31st March 2023

	FY2023	FY2022
Fixed Assest		
Motor Vehicle	£ 2,786.84	£ 4,644.00
Current Assets		
CAF Bank Balance 31.03.2023	£ 46,416.57	£ 31,521.00
Co op Bank Balance 31.03.2023	£ 6,363.26	£ -
Debtors	£ -	£ -
Stock	£ -	£ -
Total Assets	£ 55,566.67	£ 36,165.00
Current Liabilities	£ -	£ -
Trade Creditors	£ -	£ -
Tax and other Creditors	£ -	£ -
Total Liabilities	£ -	£ -
Income and Expenditure Accounts		
Balance brought forward	£ 36,165.79	£ 36,165.00
Add Excess of Income over Expenditure for the Year	£ 19,400.88	
Total Equity	£ 55,566.67	

# Southampton Scrap Store FY 2023 Income Statement

Income	FY2023	FY2022
Sales	£ 41,544.96	£ 34,229.28
Fund Raising	£ 18.97	
Grant	£ -	£ 3,797.64
Bank interest Recevied	£ 57.78	
Total	<u>£ 41,621.71</u>	<u>£ 38,026.92</u>
Cost of Goods sold ( suppliers)	£ 165.60	£ 1,394.11
Depreciation	£ 1,857.89	£ 3,096.40
Previous Audit and Accountancy Fees	£ 199.98	£ 396.66
Cleaning & Waste Collection	£ 518.16	£ 300.43
Employers NI	£ -	£ 102.60
General Expenses	£ 240.55	£ 129.11
Insurance	£ 658.70	£ 1,191.08
Bank Fee	£ 72.00	£ 184.38
IT software	£ 2,370.83	£ 3,092.52
Legal Expense		£ 326.40
Light, Heating	£ 1,108.15	£ 945.29
Motor Expenses	£ 954.91	£ 1,968.33
Pensions Costs	£ -	£ 57.43
Printing and stationery	£ 5.98	£ 13.46
Rent and Rates	£ 12,910.47	£ 12,254.30
Repairs and Maintenance	£ -	£ 1,015.70
Salaries	£ -	£ 4,380.77
Staff Training	£ -	£ 58.40
Subscriptions	£ -	£ 1,301.69
Telephone and Internet	£ 977.27	£ 962.52
Water	£ 180.34	£ 123.96
Total cost overheads	<u>£ 22,220.83</u>	<u>£ 33,295.54</u>
Excess income over Expenditure	<u>£ 19,400.88</u>	<u>£ 4,731.38</u>

## **Independent Examiner's Report to the Trustees**

**Charity name:** *Southampton Scrap Store*

**For the year ended:** *31<sup>st</sup> March 2023*

### **Respective responsibilities of trustees and examiner**

As the charity's trustees, you are responsible for the preparation of the accounts and for ensuring that they are prepared in accordance with the Charities Act 2011 ("the Act") and applicable regulations. You are also responsible for such internal control as you determine is necessary to enable the preparation of accounts that are free from material misstatement.

My responsibility is to examine the accounts in accordance with Section 43(2) of the Charities Act 2011 (independent examination) and to state whether any matters have come to my attention as a result of my review. In carrying out the examination, I have followed the **Directions** given by the Charity Commission under the Act (CC32).

[[legislation.gov.uk](http://legislation.gov.uk)], [[gov.uk](http://gov.uk)], [[assets.pub...ice.gov.uk](http://assets.publishing.service.gov.uk)]

### **Basis of independent examiner's report**

My examination was carried out in accordance with the Charity Commission's Directions and guidance for independent examiners (CC32). The examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence required in an audit and, consequently, I do **not** express an audit opinion on the accounts. [[assets.pub...ice.gov.uk](http://assets.publishing.service.gov.uk)], [[gov.uk](http://gov.uk)]

### **Independence statement**

I confirm that I am independent of the charity and its trustees and that I am **not a relative or a closely connected person** to any trustee. I have had no involvement in the day-to-day management or administration of the charity and I am satisfied that no conflict of interest exists which would inhibit the impartial conduct of this examination.

[[assets.pub...ice.gov.uk](http://assets.publishing.service.gov.uk)], [[icaew.com](http://icaew.com)]

### **Scope and applicable reporting framework**

The charity meets the criteria for independent examination and does not require a statutory audit for this reporting period; therefore, an independent examination has been carried out in accordance with **Section 43(2)** of the Charities Act 2011 and the Charity Commission's Directions (CC32). Where relevant, the Charity Commission's **Receipts &**



**Payments** report template structure has been followed; for accruals-basis accounts, the same assurance wording applies, adapted for SORP-compliant accounts.


**Examiner's statement (assurance)**

I have completed my examination. **In the course of my examination, no matter has come to my attention** (other than that disclosed below, if any) which gives me reasonable cause to believe that, in any material respect:

1. **accounting records** were not kept in accordance with the requirements of the Charities Act 2011; or
2. the **accounts do not accord** with the accounting records; or
3. for accruals accounts, the accounts have not been prepared in accordance with the applicable accounting framework.

I have **no concerns** and have come across **no other matters** in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached. *(Delete bracketed words if not applicable.)* [gov.uk], [assets.pub,...ice.gov.uk]

**Disclosure (only if required)**

Signed: 

Name: Miss Sarah Lewendon

Address: 9 Purcell Road, Basingstoke, RG22 4EL

Date: 1<sup>st</sup> March 2026