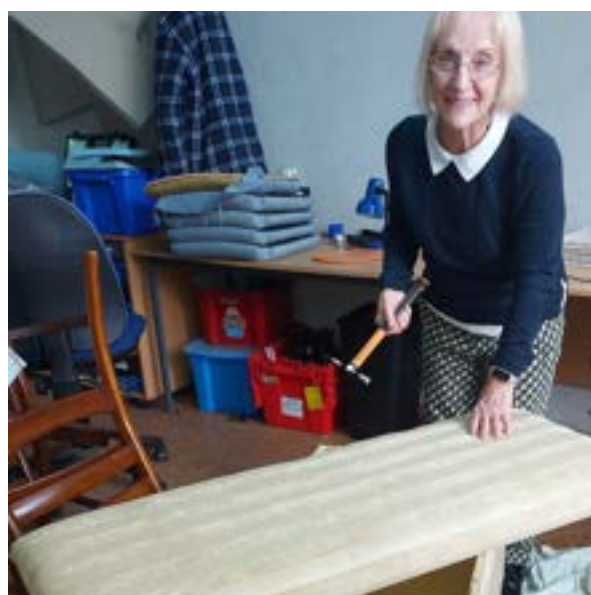


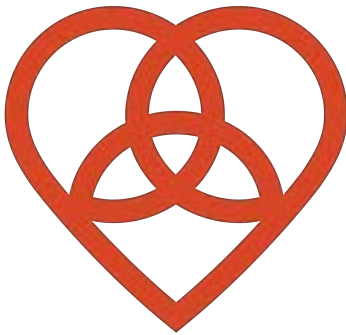
Community Gift Exchange SCIO

Trustees' Annual Report

Nov 2024 to Oct 2025



Charity contact information



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Objectives and Activities

Community Gift Exchange (CGX) was set up with the following aims (our charitable purposes):

1. to contribute to the prevention and relief of poverty and the social and professional integration of disabled and disadvantaged people through the provision of employability services and person-centred practical support.
2. the advancement of education through delivery of vocational and life skills training, where applicable, leading to recognised qualifications;
3. the advancement of religion through demonstrating and facilitating participation in a Christian model of care including compassionate social outreach and good stewardship of the environment;
4. to promote the advancement of health - mental, physical and spiritual - through the provision of occupational opportunity and person-centred holistic support.
5. to advance citizenship and community development: promoting civic responsibility and volunteering; and urban and rural regeneration by providing facilities, training, and support to businesses and unemployed people; and amenities and recreational facilities for use by the public.
6. to advance environmental protection and improvement, and the public understanding of sustainable development, through managing and promoting social enterprise projects that intentionally demonstrate low carbon-emission, low waste, and low pollution circular economy principles and practice, including repairing and reusing, repurposing or recycling material goods, and sustainable development projects that improve healthy access to open and green spaces.

To achieve these aims, CGX core volunteer and paid staff develop, implement and engage volunteers in practical work skills and experience workshops, presently collecting, preparing, selling and distributing donated bicycles, instruments, furniture and electrical appliances.

Our paid supervisory staff train volunteer supervisors who work alongside volunteer trainees to help them overcome barriers to employment. Trainees receive individual personal development coaching and support to be released into sustainable employment with a fair work employer, further training, or some other positive destination including a volunteering organisation to further their readiness for work.

For trainees, CGX can be part of the journey or a positive destination, providing workplace opportunities, companionship and other practical support including participation in free shared meals and discounted home goods. In addition to the workshops, CGX participants can help run its logistics service and our charity retail shop in Ayr High Street. Meanwhile, everyone contributes to our environmental purpose!



Structure, governance and management

Structure

Community Gift Exchange is a Scottish Charitable Incorporated Organisation (SCIO) with a Single Tier Governance structure. The Board of Trustees are the Directors and only formal Members of the organisation. At the end of this financial year, we had four Trustee Director Members.

Governance

Type of governing document

Community Gift Exchange SCIO's governing document is its Constitution. This document is based on the SCVO Model Single Tier SCIO Constitution with some subsequent amendments to include the purpose of advancing environmental protection and improvement, and

permission for Directors to be paid as employees for work beyond the remit of being a Trustee.

Trustee recruitment and appointment

CGX Trustees are nominated by members of the Board of Trustees on the basis of their fit for the general or specific role as member and director and potential office bearer of CGX SCIO. No external organisations are required to appoint CGX charity trustees.

With agreement of the Board, nominees will be invited to visit and observe the CGX charitable activity and be introduced to the Vision and Purposes of the Charity. Should they be interested in becoming a Trustee they attend a Board Meeting, giving an account of how they could participate in realising the charity's purposes through applying their skills and experience. The Board then passes a resolution by majority vote on whether and when to appoint the person.

The Trustees are delighted to welcome Rev Bob Baxter to the Board bringing to the table many years of experience in mission involving practical social action that welcomes everyone and nurtures a community that offers friendship, care and support.

He also has a passion for wood working!



Induction and training of new trustees

All new Trustee Directors receive appropriate induction and training to allow them to fulfil their role as Members of the organisation and as members of the Board of Directors. The training is given in-house based on the Office of the Scottish Charity Regulator (OSCR) guidance on Managing a Charity.

Management

Effective management of the charitable reuse social enterprise is the responsibility of the Directors, who develop its strategic policy and planning at quarterly in person or online Board Meetings and intervening communication via email.

The Managing Director (MD) has the responsibility of the day to day running of the organisation in accordance with the Organisation's Policies. The MD leads our team of Works Supervisors - paid Employees or unpaid Volunteers - supporting them to develop Procedures for their operational roles delivering safe and engaging activity in alignment with the Organisational Policies and Directors' strategic aims to achieve the Organisation's Purposes. The Supervisors sustain the productivity of each Works, directly and through their supervision of Volunteers and Trainees.

Risk Management

The principle risks to be managed by the CGX Board are the physical safety of participants carrying out reuse activities, and the protection from harm of vulnerable adults. It is the policy of CGX to comply with all of its obligations under the Health and Safety at Work Act 1974 (as amended), the Management of Health and Safety at Work Regulations 1999 (as amended), and other supporting legislation. The Board manages Health and Safety risks by developing and reviewing the CGX Health and Safety Policy, for its operational dissemination and implementation by the Managing Director through to the Supervisory Staff, Volunteers and Trainees.

The MD and Supervisor of each Works co-produce scored operational risk assessments for their activities that identify, avoid or mitigate potential hazards. Staff, Volunteer and Trainee Inductions include individual risk assessments, determining appropriate tasks, training and support needs. PVG disclosures are required of Supervisory Staff during recruitment as a preventative measure to reduce the risk of harm to vulnerable adults. A well promoted Safeguarding Policy and 'direct line' to our Safe-guarding Officer is in place as an early intervention measure to reduce the risk further.

Actively managing risk relating to the loss of personal data, the Board has oversight of the CGX Privacy Policy, directing its implementation by CGX MD as Data Protection Officer, in accordance with the Data Protection Regulations Act (2018) and Data (Use and Access) Act 2025. Physical records are locked securely in a cabinet within a locked office in secured main premises. These 3 layers of security ensure sensitive data is kept secure but accessible should it be required by management. Electronically, records are stored using Google Workspace, trusted to secure that information through proper adherence to its continually updated security measures. Individual users are assigned their own CGX Workspace accounts - setting and changing their own passwords - and permitted access to Shared Drives according to need by the CGX Account Administrator.

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CGX is registered with the Information Commissioner's Office, Reg ZB825391, with CGX MD as Data Controller.

Staff Support and Development

All employees receive at least the Scottish Living Wage, contributing to CGX achieving recognition through our Local Authority as a Fair Work employer. Developed through the Volunteer Scotland 'Volunteer Friendly' scheme, our employees, volunteers and trainees are guided through a thorough Induction to CGX Policies and Practices as readily referred to in our Employee and Volunteer Handbooks. This includes clear guidance on seeking direct support from our Board's nominated Safeguarding Officer.



We work with Volunteer Disclosure Scotland to enrol our Supervisors onto the Protection of Vulnerable Groups (PVG) Scheme to enable them to carry out regulated work with vulnerable adults. Funded by the Scottish Government Volunteer Support Fund and subsequently by the National Lottery Community Fund, we employ a Volunteer

Coordinator (VC) responsible for the development of all aspects of our Volunteer Journey. The VC develops and implements our in-house Volunteer policies and procedures.

Committed to the principle of Continuous Improvement, CGX utilises the training and guidance from Zero Waste Scotland's Revolve Standards for Reuse quality management system for safe and consumer friendly Reuse operations. The CGX MD facilitates Staff Training sessions, coaching the Supervisors in the principles and practices of Lean Continuous Improvement and working together to improve CGX productivity and sustainability as a Social Enterprise.



Sector Participation

CGX is a member of various national Third Sector, Charitable and Volunteering support organisations including: the Scottish Council for Voluntary Organisations (SCVO), Volunteer Scotland, Social Enterprise Scotland, Zero Waste Scotland, and Circular Community Scotland. They have provided guidance on governance documents, training and methods of being a financially and environmentally sustainable social enterprise.

We are also a member of local Third Sector support organisations that facilitate networking, knowledge sharing, collaborative working, securing grants, volunteer recruitment and training and contracting opportunities: South Ayrshire Social Enterprise Network (SASEN), our Local Authority Third Sector Interface, Voluntary Action South Ayrshire (VASA), and the newly established Ayrshire Climate Hub (ACH).

Local delivery partners for our supported employability services include the DWP and Local Authority Employability and Skills Services, Education Services Schools and Academies, and Ayrshire College.

Health and Wellbeing project partners include the Ayrshire Health and Social Care Partnership, NHS Community Mental Health Services and members of the South Ayrshire Alcohol and Drugs Partnership such as Recovery Ayr.



Achievements and performance

Overview of FY24-25

Quarter 1 (Nov24-Feb25)



With the closure of Reusables and end of paid employment for its Shop Supervisor, we started the financial year with 6 paid staff, four leading and supporting volunteers and trainees in our five core 'Works' all now all operating from our Reuse Hub on Ayr High Street. Bringing the team into closer proximity, we also relocated our Administration Works with our MD and 2 part-time Administrators to the same premises, adopting the staff room there as the CGX Staff Canteen. Although it was half the size of our former canteen we still squeezed in for a Christmas celebration!

The Logistics Works team continued to focus on the internal movement of goods from the Warehousing units remaining in the Kyle Shopping Centre, and the remaining stock from Reusables, into Refurnish. The Logs team also moved and assembled display units into Refurnish to display this additional leisure, media and small homeware stock, primarily reutilising the space available to display refurbished bikes – most of which were now being donated directly from Cycleworks.

A second year of Cycling Scotland's Access to Bikes for Young People project was a core focus during this period, donating bikes directly from our store, or distributing them to children at their schools. We were regularly able to combine these visits with Dr Bike servicing of the school's Bike Fleets, helping ensure there were safe bikes available to increase participation in the school's Bikeability Training.



Quarter Two (Feb - Apr 25)

Having refurbished a number of donated e-bikes, CGX Cycle Works accepted a request from South Ayrshire Community Transport to promote and hire 5 of their e-bikes from our High Street shop. We set up a system for dispatching, receiving and maintaining these e-bikes, just three-years old, manufactured by Volt in the UK. Gaining experience we were then invited to take on the on-site monthly maintenance checks of 6 further Volt e-bikes for hire at The Carrick Centre, Maybole.



Our two Volunteer Re-upholstery Supervisors and Furniture Restoration Works Supervisor continued to deliver weekly sessions involving volunteers in refurbishing simple chairs and tables, some of which they took home, and some of which they left for us to sell to raise funds in our shop. Since relaunching in 2021, our team have reupholstered a total of over 60 dining chairs, 10 office chairs, 10 piano stools, and five 'Ottoman-style' storage boxes.



In April 25 the MD and VC gathered together a new Advisory Panel, a group of long-term CGX supporters with expertise in various relevant sectors, for a Strategic Review of CGX. Meeting in the Staff Canteen, the group participated in a day of briefings and discussions, helping to shape decisions on which activities to 'Stop - Start - or Continue.'

Quarter Three (May - Jul 25)

MD and Logistics Work at Kyle Centre included clearing units, providing electricity meter readings and providing tours to potential buyers - most considering plans to demolish the Centre and replace it with town centre accommodation. However, a surprise bid from an Irish Land Developer secured the Centre intent on its redevelopment. Hence CGX, as sole occupant, negotiated further Unit clearance and refurbishment work engaging a number of keen volunteers and bringing in some additional income.



At the end of a three year programme of funding through the Volunteer Support Fund we were delighted to receive the support of the National Lottery Community Fund to continue the role of part time Volunteer Coordinator to lead the CGX Volunteering programme, the Furniture Restoration sessions and associated core costs. Our VC liaised with Voluntary Action South Ayrshire for a group of our Volunteers to attend the South Ayrshire Volunteer Awards in June and receive certificates in recognition of their service at CGX.



Quarter Four (Aug - Oct 25)

CGX Cycle Works were approached by active travel charity Co-Mobility UK (CoMoUK) to provide Dr Bike style servicing sessions at their pop-up mobility hub installed at Ayr seafront. A number of passing cyclists took advantage of a free check and adjustment service whilst the CoMoUK staff member gathered questionnaire responses and informed people about the promotion of multi-modal mobility hubs where people could switch between cars, public transport and active travel including walking, wheeling and cycling.



Funded by local small grants, CGX Cycle Works offered a Dr Bike and Free Bikes at ExplorAYR, a community-focused event at the Burns Museum celebrating active travel and sustainable connections across Ayrshire.

The event was part of the wider Ayrshire Link project, which aimed to connect communities through accessible walking and cycling routes in and around Ayr. Regrettably, this project was dropped by South Ayrshire Councillors a few months later as a cost-savings measure. At Cycle Works we are frequently told by senior citizens donating their bikes that they no longer feel safe to ride on the roads. The cancelling of dedicated cycling infrastructure that would have encouraged more people to cycle more often is in stark contrast with the investment in cycle-routes of urban areas of similar size such as Stirling. We have joined the SAC Active Travel Working Group to help promote cycling with provision of affordable bikes and servicing.



Social Impact

Advisory Panel discussions at our Strategic Review in April confirmed that the activities of CGX still fulfilled the original purposes of CGX stated in its Constitution, although noting some more than others due to actual demand for particular activities and the availability of funding, people and premises for delivering them.

Opportunities for Volunteering

During this Financial Year our community benefited from the gifts of 35 non-job-seeking Volunteers who collectively contributed over 3000 hours to the social enterprise of CGX. This includes our 5 Directors on the Board of Trustees, and the 5 additional members of our Advisory Panel, a group of long-term CGX supporters with expertise in various relevant sectors who took part in a Strategic Review of CGX, its purposes and activities in Apr 25.

Of our Volunteers, 20 were in other paid employment, 12 were retired, 5 were young people still in full-time education, and a further 3 were on long-term benefits due limited work capability. Of these participants and in addition to the Board and Advisory Panel: 12 volunteered at Cycle Works; 5 participated in our Restoration Works; 1 in our Retail Works; 3 in Logistics Works; 5 volunteered at Appliance Works.



Paul volunteered a day at CGX through his local company's charity support programme.

These Volunteers worked alongside 23 volunteer unpaid work-experience Trainees, helping them gain work skills and experience in their journey towards and into work.

Supported Business, Employment and Employability

Although employment of people with barriers to employment is not deemed charitable in itself, supported fair work is recognised as requiring additional supervision and does directly contribute to overcoming the poverty associated with long-term unemployment.



During FY24-25, CGX continued to employ three former unpaid Volunteers with barriers to employment, a Trainee having completed a paid work experience placement, and our fifth employee following redundancy from their previous employment. At 5% of our staff, CGX exceeds the ScotGov criteria of a Supported Business with its main aim to be the professional integration of people with disabilities or disadvantages and requiring at least 1% of its employees to be disabled or disadvantaged.

Gary initially volunteered during a period of job seeking, joined on a paid placement & progressed from Assistant to Cycle Works Supervisor refurbishing over 500 bikes.

Employability training - supporting people in their journey towards and into work - is considered charitable activity when carried out by a third sector organisation, especially when providing opportunities beyond those available through state-funded statutory provision. In addition to role specific skills, all CGX Trainees receive core skills training in Health and Safety at Work, customer services, charity retail operations, workplace ICT, continuous improvement, and Disability and Volunteer Friendly employee policy and practice including confidence in working with or as people with disabilities and barriers to learning.



Chad volunteered during his 6th Form Work Experience programme, refurbishing donated scooters for resale, breaking others for reusable parts or recycling.

Although we were informed that there would be no ScotGov No-one Left Behind programme funding made available by the Local Employability Partnership, CGX continued to provide free Work Experience Placements to 6 young people supported by the SAC Employability and Skills Team, and a further 4 from the DWP Job Centre. We were disappointed not to be able to employ paid work experience Trainees for the parent-friendly working hours paid placements that we offered in our Retail and Logistics Works, in spite of being able to nominate candidates from our own Volunteers for whom this would have been a welcome progression in their employment journey.

Of the total 24 Trainees during FY24-25, 9 worked in Cycle Works, 11 in Retail Works, 1 in Restoration Works, and 3 in Appliance Works. We were pleased to take on paid-for vocational skills sessions for 3 pupils of the SAC Education RISE Team who provide out-of-school alternative education for young people with barriers to mainstream education. Attending from a week to 10 sessions, these 3 Trainees learned bike maintenance skills, along with 4 of their SAC Education Supervisory Staff.



A Restorative Justice Case Study

With an interest in riding bikes of his own, James (name changed) proved a keen and able trainee bike mechanic during his weekly bike sessions as an element of his alternative educational provision, accompanied by his two SAC Education team supervisors - who also got hands on and gained some bike maintenance skills.

During the programme, it was identified that James had been involved in a break-in incident at our storage facility and theft of an item of CGX stock from our warehouse unit. It was agreed with his Supervisors that a Restorative Justice approach would be taken and James was confronted about his actions and the implications: what could have been a criminal investigation reducing his employability chances; reduced motivation by CGX to continue supporting him; the waste of time incurred by his CGX skills coach following up the incident; and the loss of income of a checked and saleable item.

Having been unaware CGX stored donated goods there, James expressed genuine regret for his actions, assisted in a clear-up of the facility, and returned the missing item. Moreso, showing signs of personal growth, James continued to engage in further CGX Cycle Works sessions until the end of the school Term and has stayed away from the location. This story subsequently featured as an SAC Education Team case study of a successful Restorative Justice intervention.

Social Inclusion and Mental Health

Not everyone participating at CGX is expected to work or is not yet ready for work due to long-term physical or mental health conditions. However, it is our experience that some people do not want to be excluded from the work-place and appreciate volunteering and being included in our reuse activities as regular team members, often keenly wearing our CGX logo branded work clothes, having personal job-titles, and enjoying the camaraderie in our canteen breaks and shared lunches.



Once demonstrating their grasp of their training in safe ways of working, we find our Volunteers like to be given as much autonomy as can be safely facilitated, usually enjoying working together for the company and mutual support. This year Steven received a Silver Volunteer Award for his exceeding five years at CGX. He and fellow long-term volunteer, Darren, continued dismantling bikes and sanding and repainting furniture. They also enjoyed working with William, our Logistics Works Supervisor repainting our staff canteen in our Reuse Hub and carrying out clearance tasks as part of the Kyle Centre redevelopment.



David received his Volunteer Award in Jun 25 recognising more than a year of his twice weekly Volunteering at CGX.

Working in the publicly visible area of our Refurnish store that forms one area of our Ayr Community Workshop, David chats with staff and customers as he separates the steel spokes from surplus aluminium wheel rims.

He knows this recycling task helps CGX process 'beyond-reuse' donated bikes as well as the environment, and enjoys contributing to the team effort. Indeed, his regular participation prompts us to select further bikes for dismantling, sustaining the flow through the yard and preventing it becoming unworkable.

David brings a chuckle and a smile with him each day!

Health and Wellbeing

The Scottish Government recognition of the importance of cycling for its health and wellbeing benefits was affirmed with a further year of Access to Bike Funding, this 24-25 round administered through Cycling Scotland. This enabled us to donate 180 refurbished bikes to young people from families in financial hardship across South Ayrshire. We are pleased to contribute to the increased health and

wellbeing benefits of so many young people riding our bikes in and around their neighbourhoods.



Although the total amount of funding we could apply for was reduced, we were pleased to continue as a delivery partner in Access to Bikes 25-26, administered by Cycling UK (Scotland), which opened up access to free bikes and free bike repairs to people of all ages. In addition to more adults, including some with long-term mental health issues, this enabled parents who might not otherwise have prioritised buying a serviceable bike to go for family rides with their children promoting whole family health and wellbeing.

This funding was augmented by grants via SAC from the Shared Prosperity Fund for the donation of a further 20 refurbished bikes to residents in financial hardship from Ayr North and Ayr South, the latter including people living in our immediate town centre neighbourhood.

The prolonged rise in oil prices following Russia's brutal war against Ukraine continued a further year of high inflation and extended the national 'cost of living crisis'. During this period of constrained household budgets, a significant form of social impact by Charity Retailers is the financial savings made buying more affordable used goods instead of buying new goods, often with expensive debt finance that can put individuals and relationships under considerable stress.



With sales of second-hand goods of £60,000, and donations of bikes over £50,000, CGX helped Ayrshire householders save over £250,000 during this Financial Year, bringing a conservative estimate of our total savings benefit to our local community since our first sale in March 2018 to £1,008,000 - over 1 Million Pounds!!!

Although our charitable purpose is primarily to relieve poverty through helping people towards and into work, we responded to a request for donated furniture for a person supported by a local church outreach with household items enabling them to occupy their social housing flat.

In 2024, Ayrshire homelessness support charity Seascapex expanded its provision of free home starter packs to large furniture items in advance of what new social housing tenants could buy using a Hardship Fund Grant. It opened a Furniture Store in Ayr Central to raise funds for this 'Pass It On Scheme.' In 2025, with the closure of our Reusables store with its first floor Appliance Works, CGX was pleased to donate our remaining stock of home appliances, along with a van load of beds. Our former Appliance Works Supervisor also joined Seascapex as a volunteer for a while and set up a washing machine testing bay.

Not forgetting the needs of people further from home, we were pleased to contribute in a small way to the medical care of Ukrainians injured by Russia's war against them by donating our 15 unused hospital beds purchased following the COVID-19 pandemic. Long term auxiliary CGX Volunteer Driver, Trev, delivered them to Dundee for onward transportation by a Ukrainian support charity.



CGX Volunteers Fiona and Trev loading hospital beds for Ukraine.

Environmental Impact

The following table presents some of the environmental impact achieved together with our donors and customers of reuse goods during the year:

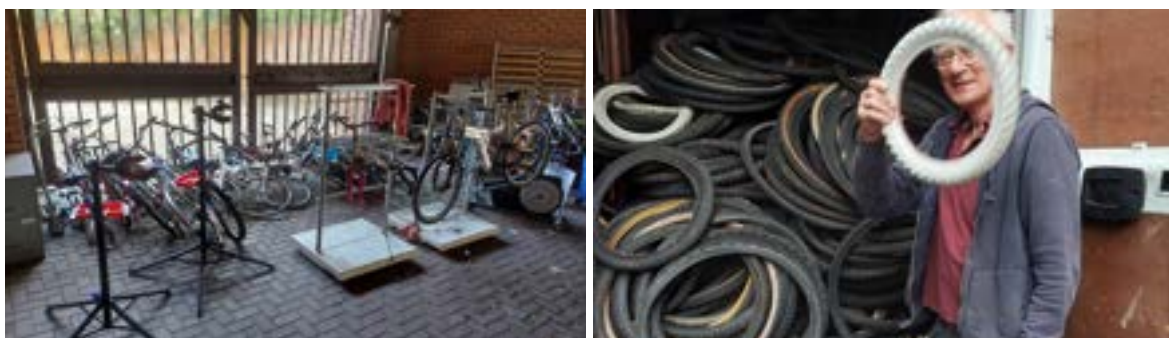
Category	# Units	Total Weight Reused (Kg)	Total diverted from Landfill (Kg) (30%)	CO2 saved from the Atmosphere (Kg)
Household Furniture	426	13,600	2,880	13,600
Upholstered Sofas & Armchairs	71	3,690	1,107	3,690
Beds & Mattresses	30	1980	594	1980
Large Household Appliances	6	174	52	174
ICT	4	32	10	276
Small Household Appliances	472	2,832	700	2,832
Whole Bikes & Wheelchairs	300	4,500	1350	4,500
Bikes for Parts Reuse	150	750	250	750
Scooters & Ride-Ons	23	115	5	115
FY24-25 Sub-Total	1,481	27,675	8303	27,919
CGX Sub-Total since Mar 2018	7,804	169,041	47,715	188,805
FY24-25 Additional Items	2,500	8,740	2,620	141,370
FY24-25 Total	3,981	36,415	10,924	30,419
CGX Total since Mar 2018	42,762	216,756	65,027	223,763

When including all other household items in the count, a total of 3,981 items were sold for reuse in FY24-25, making an overall CGX total in the 7.5 years since trading began in Mar 2018 of 42,762 items.

It would be incorrect to state that the weight of items reused are all saved from Landfill as, until mid-2025, the SAC Waste Recycling Centre advertised that they achieved a 70% material recycling rate, and that 30% was disposed of in local landfill sites. Hence, of the 36.4 tonnes sold for re-use in FY24-25, 10.9 tonnes was saved from local landfill, a cumulative total of 65 tonnes since Mar 2018.

Following its post-Millennium concession to UK industry to keep using Persistent Organic Pollutants (POPs) that include fire retardant chemicals in upholstered furniture, the UK Government eventually complied with a European 2004 Regulation banning their continued use in 2019. In 2025 the UK belatedly implemented the 2019 European Waste Regulations requiring the high temperature incineration of POPs waste to break down such 'forever-chemicals' into less harmful compounds. In FY24-25, by continuing their safe use (eg POP contaminated foam not breaking through coverings), CGX delayed the requirement to incinerate 3.5 tonnes of upholstered furnishings. We acknowledge that high temperature incineration is the currently most effective and only legal method to reduce the environmental harm of these chemicals and we comply with the 2025 UK waste handling and disposal regulations for upholstered furniture when donated pieces are determined to be no-longer suitable for re-use (eg too worn, dirty, or exposing probable POPs foam).

The 300 additional bikes in public use will contribute to a further decrease in CO2 emissions should they be used for active and sustainable travel instead of car journeys. Active travel use would contribute to a small reduction in road congestion and surface wear, and exhaust particle emissions that are harmful to human and animal health. Of every three bikes donated, one is likely to be beyond usable condition, primarily due to rust or wear. Hence we have a dedicated bike dismantling bay in which volunteers strip such bikes for reusable parts, the metal and rubber separated and responsibly recycled by local firm European Materials Recycling.



In FY24-25 we dismantled 150 bikes, receiving approximately £150 for the metal and accruing approximately £30 of rubber disposal costs paid for the following year. Generating about £1 per bike, it takes a staff member about 15 minutes of total handling time, costing approximately £10 in labour alone before overheads. It is possible that the amount saved reusing parts could average £5 per bike, but it is noted that bike material recycling is not, on balance, an income generating activity.

Although we seek to reuse most of the furniture items donated, some of the furniture presents with woodworm, is too broken, of too poor quality to fix, doesn't attract a buyer at clearance prices, and might not even be taken when offered free to carry away. Hence, continuing to reduce our dependence on the Kyle Centre, we transported approximately two van loads, weighing approximately 1000 kg, of flattened wooden furniture for recycling.

Although our Appliance Works team PAT test and function check electrical goods, some fail these tests and are not readily repairable. Registered with the Scottish Environmental Protection Agency (SEPA) as a Professional Carrier of Waste, we transported an estimated 10 unusable large appliances and 100 small appliances (circa 1000 kg) for proper recycling as Waste Electrical and Electronic Equipment (WEEE).

Financial Review

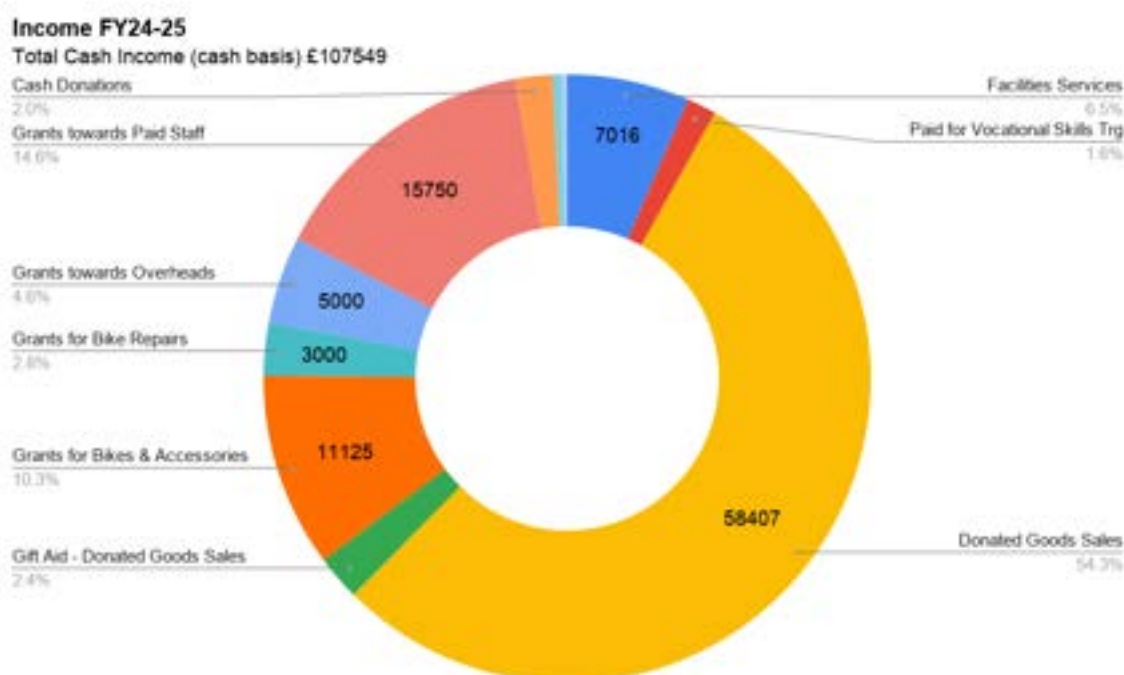
Return to OSCR format Receipts and Payments Accounts

The exceptional income of FY21-22 and FY22-23 due the employment of 20 DWP Kick Start Scheme trainees during the post-COVID recovery period required a change to accruals accounting, thereby increasing the complexity and cost of preparing our Annual Accounts. As these employment schemes ended we were not able to sustain this scale of organisation from sales and grant income, passing back under the threshold. With OSCR obtaining an increase in the threshold to £500,000, and forecasting that we would not attain this level in the future, the CGX Board agreed to return to the OSCR Receipts and Payments (R&P) accounting policies and format from FY24-25 forward. The R&P accounts still require comparison figures from the

year before and hence our Accountants carried out adjustments to our Quickbooks management accounts to provide Restated cash accounting figures for FY23-24. These no longer include an estimate of the depreciation of assets or the notional value of donated premises as income and expenditure. Grant income is accounted for on the date received and is no longer considered a liability until its conditions are fulfilled over time, including being accrued over subsequent FYs. Given that CGX fulfills its purposes through all of its various activities, its income and expenditure on the R&P accounts are now being stated as Gross Receipts from Other Charitable Activities and Payments Relating Directly to Charitable Activities.

Principal funding sources - Income

Total Receipts/Income for FY24-25 was £107,549 down 38% from last year's total of £174,986 FY23-24 restated on a cash accounting basis. This is primarily due to the receipt of reduced 'free bike' project income.



As a Social Enterprise, CGX seeks to generate a significant proportion of our core funding (56.7% in FY25, cf. 52% in FY24 Restated not including Grant Funded Bikes) through the sale of donated goods through our charity shop and the Gift Aid income from HMRC

generated on a proportion of those sales. Achieving our employability, inclusion and environmental charitable purposes through engaging participants in work and employability skills, each of our Works contributes to the movement and preparation of donated goods for resale, or hire, converting them into cash sales and additional Gift Aid contributions for the charity, this year totalling £60,987 (FY24 Restated, £90,010). This was achieved from a single High Street Shop instead of two, and with two fewer members of paid staff operating Appliance Works.

The Donated Goods Income was augmented throughout FY25 by paid-for services: Bike Maintenance, £712 (FY24, £75), Facilities Services at the Kyle Centre, £6,489 (FY24, £8,164); PAT Services to other organisations, £528 (FY24, 0); and, new in FY25, Vocational Skills Training, £1695 (FY24, 0). Each of these still involved trainees/volunteers thereby fulfilling our charitable purposes.

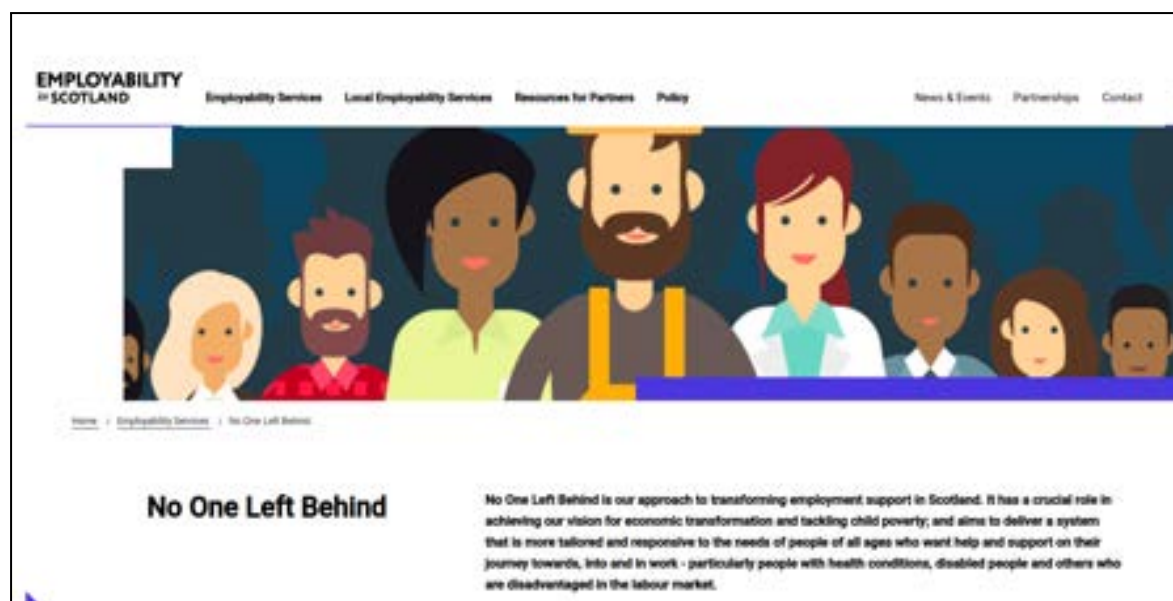
With no campaign to attract regular giving, CGX receives only a small but greatly appreciated proportion of its income from known individual donors and small donations into the shop charity box, this year totalling £2,134 (FY24, £6,888). Continuing to employ a former volunteer as a part-time Administration Assistant, we reclaimed £3,113 in Gift Aid (FY24, £4769), £533 from cash donations, and £2,579 from the processing of goods sold from Gift Aid registered donors.

Grants were our second significant source of funds, applied for to support our charitable activity and generate our social impact. Sales-like output related grants - such as bike projects involving the delivery of an agreed number of refurbished bikes - brought in £11,125 (FY24 Restated, £67,500), and bike repairs, £3000 (FY24, 0). Other grants, typically from independent funding organisations, enabled the development of specific projects, typically funding the wages of paid staff Supervisors to facilitate an estimated number of safe skills training and work experience sessions within their particular Works. Grants set up as Full Cost Recovery funding also cover a proportion of an organisation's overheads.

A bonus additional small grant (£750) through the Volunteer Support Fund concluded this four year funding stream towards our pan-CGX Volunteer Coordinator (VC). Mid-2025, the VC role, now switching to our Retail and Restoration Works Supervisor, was supported by the National Lottery Community Fund (£20,000), along with a proportion of our premises and administration overheads.

Although received at the very end of FY24, the Scottish Government's grant 'Access to Bikes for Young People' (A2BYP) fund administered through Cycling Scotland funded our Cycle Works supervisor and much of our Reuse Hub overheads as we delivered free refurbished donated bikes to a second year of 200 local children. A further 20 bikes for residents of Ayr North and Ayr South and Villages were funded by SAC administered UK Shared Prosperity Fund. For FY25-26, Transport Scotland switched its bike scheme intermediary to Cycling UK (Scotland) from whom we applied for Cycle Access Funding: the Recycle Strand covering refurbished bikes for all age-groups (£6000); and the Repair Strand for bike repairs (£2000). With capacity used to fulfil these bike schemes, we reduced promotion of traditional Cycle Works sales and servicing for the year.

Due to limited opportunities for local third sector organisations to participate as funded members of the Local Employability Partnership we have revised our long-term financial strategy and do not anticipate achieving financial sustainability through our provision of Supported Employability Services through the Scottish Government's 'No One Left Behind' programme.



However, we are aware that OSCR and larger funders promote the delivery of recognised training, and that the DWP and some local employers would be interested in the attainment of qualifications of relevance to recruiting employees into their sector. Hence, we retain our intent to develop more formally recognised training in our specific sectors, particularly PAT testing, bike maintenance, general workshop

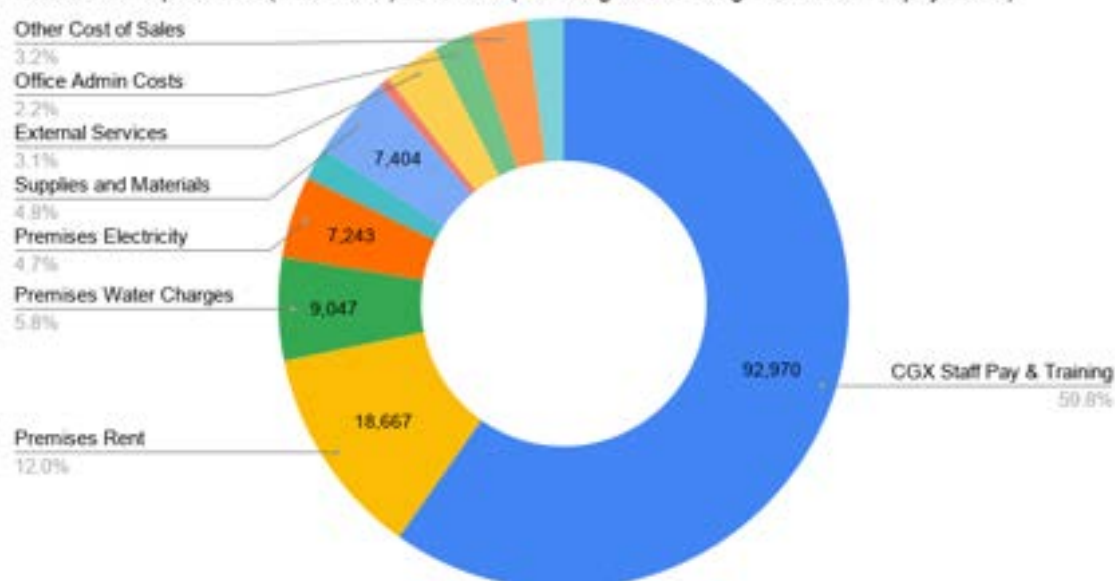
operations and retail skills, some via third-party online training packages to augment the practical skills learned at CGX.

Analysis of Expenditures

Our Total Payments/Expenditure for FY24-25 was £152,347 including Long Term Loan repayments, a reduction of 19% from last year at £188,426 (FY23-24 restated on a cash accounting basis). Of this only the Governance Costs, primarily Preparation of the Annual Accounts, are stated separately on the OSCR R&P Statement of Financial Activities. At £4785 (FY23-24, £450), this larger figure was due to both an increase in the Accountancy costs of producing the accruals format accounts, and catching up with FY 22-23 and FY23-24 Accounts during this period. Payments Relating Directly to Charitable Activities include our Premises and Administrative overheads, and our other Operating Costs.

Expenditure FY 24-25

Total Cash Expenditure (cash basis): £152,347 (including £3,199 Long Term Loan Repayments)



The expenditure chart shows how the largest proportion of our funds (59.8% of total expenditure in FY24-25) were spent on the payroll wages, tax and pensions and training of our 1 full-time and 5 part-time employees (c.f. FY23-24, 1 full-time, 7 part-time, 72%). Actual paid rent and utilities - water charges and electricity charges - are the next highest proportion of expenditure at 22.5%, (FY23-24, 16%). The most significant increase was £20,000 per year Annual Rent for our Reuse Hub premises, 88 High Street, Ayr, asked for by its new owner. This

was intentionally offset by the closure of Reusables at the end of FY23-24, saving the £10,000 per year in rent to the former owner of the Kyle Centre who kindly agreed to our continued use of it as a donated electrical items store. Electricity standing charges also increased significantly in our Reuse Hub due to being transferred to less favourable contract terms, partially offset by handing over the electricity and water charges for our former Appliance Works back to the owner.

Administrative expenses decreased to 2.2% of total expenditure (cf. FY24-25, 6.9%). Cost savings included ceasing use of the expensive and complex Kudos Electronic Point of Sale system in 2 shops in favour of using the Zettle portable card-payment EPOS system in a single shop.

The proportion spent on Volunteer expenses remained similar at 0.5% in FY23-24 (£915) and 0.6% in FY24-25 (£956). Although Volunteer numbers remained similar, free bus passes, more simple lunches and drawing down existing PPE stock resulted in savings. The primary expenditure on Volunteers is funding their Supervisors and materials used, and the overhead costs of providing premises and administering the organisation.

Donated Facilities and Services

Throughout FY24-25, CGX continued to benefit from rent and service charge-free use of former retail units inside the Kyle Centre as warehousing and workshops. This arrangement is subject to the progress of Centre redevelopment plans and our being willing to vacate units should a fee paying tenant be found to replace us as occupier. In addition to active participants in our operational activity, CGX also benefited from the pro-bono services of our solicitor, independent examiner, website developer, ICT supplier, and instrument specialists; a group of volunteers willing to exchange their skills and knowledge for the benefit of our community in Ayr.

Policy on Reserves

The Trustee Directors have set the policy to create a reserve unrestricted fund equivalent to three months running costs.

FY 24-25 ended with no meaningful cash reserves once the Cash in Hand at the end of FY24-25, £14,447 was reduced by the imminent payroll liability £12,500, partially offset by a bill payment for Facilities

Services at the Kyle Centre (£3873). FY23-24 ended with £59,246 Cash at Bank when grant payments before the year end were restated as income under cash accounting, and not as a cash liability in the form of deferred income under the rules for accruals accounting.

Also, drawing on the exemption for charities from the need to value stock when the cost and complexity outweighs the benefit of doing so, this balance does not include the value of the stock in the shops ready for sale, or the already collected but unprocessed donated items in our Kyle Centre warehouse and 88 High Street bike stock. This is estimated to be approximately two months of sales turnover, with a realisable value of £10,000, and provides sufficient funds to pay off any residual liabilities in the event of a wind down of the enterprise using Volunteer labour.

Funders are increasingly contributing a proportion of overhead costs when supporting projects, however this is unlikely to be extended to include contributions towards reserves. The only available strategy to grow our reserves is through increasing our surplus generated by sales of donated goods, the proportion of goods for which we can claim Gift Aid, and through an increase in the delivery of paid-for Logistical and Facilities services. Opening up Reusables for a 3 day pop-up Office Equipment Sale was an initial trial of selling surplus assets but such income is more likely to be needed to fund operating deficits than to grow reserves. Reducing stock levels and returning to Rent-free premises is a strategy more likely to enable a Financial Reserve to be accumulated as occurred in the first few years of operations.

Delays in repayments through the Local Authority for the wages we paid to trainees on the Evolve employment scheme in FY22-23 required us to draw on our British Business Bank 'Bounce Back Loan', arranged as a Reserve fund in FY20-21 for just such a contingency. Hence we continue to make repayments on this loan at a rate projected to pay it off over a further two year period.

Investment Policy and Objectives

CGX does not yet have sufficient Reserves to invest in stocks and shares. Should it do so in the future, CGX will seek investments that further its ethical and sustainable values and purposes.

Key management personnel remuneration and Related Parties

All Trustee Directors give of their time freely and no Trustee remuneration was paid for their role as Members of the Board. Details of trustee expenses and related party transactions are disclosed in the Notes to the Accounts.

Trustees are required to disclose all relevant interests as they arise and, in accordance with the SCIO Constitution, withdraw from decisions where there is a conflict of interest. This was applied to the decision at a Board Meeting in June 2022 in which it was agreed that the Managing Director could formally take on the specific operational paid Volunteer Coordinator (VC) role that he was covering since the moving on of its first holder. Following legal advice, it was agreed that it was necessary and in keeping with Section 67 the Charities and Trustee Investment (Scotland) Act 2005, to amend the CGX Constitution to include the following at Paragraph 39.:

“...a charity trustee may serve as an employee (full time or part time) of the organisation; however, no charity trustee may be given any remuneration by the organisation for carrying out his/her duties as a charity trustee.”

The process of amending the Constitution was agreed by all Members and a notice of a Resolution to Amend the Constitution to OSCR was sent to OSCR on 16 Feb 2023.

The Managing Director subsequently worked part-time as a paid member of staff in the role of Volunteer Coordinator and continued to serve as voluntary unpaid MD of the Charity, and Secretary of the Board of Trustees. When VSF grant funding ended in Apr 2025, the Board agreed the MD would instead be paid as part-time interim Administration Manager for covering the administration of CGX book-keeping, payroll and premises, operational tasks beyond the remit of a Trustee Director.



Future plans

With the expectation of having to vacate our warehousing in the Kyle Centre, it will be necessary to identify longer-term affordable facilities requiring us to improve our efficiency and productivity, focussing on reuse streams that occupy less space and yield both meaningful training opportunities and higher margins. Hence, the financial strategy for the mid-term is to plan a sustainable business model that would attract the social investment required to purchase a long-term, well equipped, environmentally and financially sustainable Re-use Hub that provides excellent workshop skills training and experience for a diverse range of participants.

With discussions including providing cleaning, warden and possibly security services at the Kyle Centre, we researched developing our Facilities Works Services into a training and supported employment Community Interest Company that could also bid for and deliver Contracted Services to local companies. CGX MD attended several Meet The Buyer events run by Social Enterprise Scotland and socially supportive companies within the construction Sector to test demand for such services.

Ongoing unemployment, particularly amongst younger people - especially those with barriers to employment - continues the need for our employability support, skills training, and work experience opportunities. Our reuse activity will continue to contribute to the nation-wide intent to develop a more environmentally and economically sustainable circular economy. Our seeking to include people with diverse capabilities among our paid staff, volunteers and trainees is an inherent part of the Scottish Government strategy of 'No-one Left Behind' and our CGX vision to contribute to "flourishing community in the heart of Ayrshire."

Reference and Administrative Information

Charity Trustees (at the publishing of this Report 30 July 2025)

1. Alison Smith, Chair of Trustees (NHS Standards executive).
2. Ian Rankin, (architect and property manager).
3. Alan Priestnall, Managing Director and Secretary (former pilot, leadership trainer and lean consultant).
4. Matthew Pound, Treasurer (teacher and former CGX Cycle Works Supervisor).
5. Robert Baxter (church minister and former business executive), appointed 31 Jan 2025.

Principal Office (see Page 2 for mailing address)

88A High Street, Ayr, KA7 1PQ

Solicitors and Registered Address

Kilpatrick and Walker, 4 Wellington Square, Ayr, KA7 1EN

Chartered Accountants

AMMU, 8 Miller Road, Ayr, KA7 2AY

Independent Examiner

AMAS Murrison Limited, 10 Newton Terrace, Charing Cross, Glasgow, G3 7PJ

Bankers

The Co-operative Bank p.l.c., 1 Balloon Street, Manchester, M4 4BE

Office of the Scottish Charity Regulator

Charity Number: SC047814

Information Commissioner's Office

Registration: ZB825391

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to: select suitable accounting policies and then apply them consistently; observe the methods and principles in the applicable Charities SORP; make judgements and estimates that are reasonable and prudent; state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Declaration

Signed on behalf of the charity trustees:

Al Priestnall

Print name

Alan Priestnall

Designation

Trustee and Director

Date

30 Jul 2026

