

REGISTERED COMPANY NUMBER: SC191841 (Scotland)
REGISTERED CHARITY NUMBER: SC028479

REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
FOR
NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)

**NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)**

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for the year ended 31 March 2023**

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**NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS
for the year ended 31 March 2023**

TRUSTEES	B P M Lafere (Executive Director) N Walsh B Robertson (Chairman) S Mackenzie
COMPANY SECRETARY	B P M Lafere
REGISTERED OFFICE	Redcastle Station Tore Muir of Ord Ross-shire IV6 7RX
REGISTERED COMPANY NUMBER	SC191841 (Scotland)
REGISTERED CHARITY NUMBER	SC028479
AUDITORS	Mackenzie Kerr Limited Chartered Accountants and Statutory Auditor Redwood 19 Culduthel Road Inverness IV2 4AA
BANKERS	Bank of Scotland 2-6 Eastgate Inverness IV2 3NA

**REPORT OF THE TRUSTEES
for the year ended 31 March 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objectives and aims include:

- The relief of persons with a learning disability and related disabilities, their families and carers in particular but not exclusively by the provision of support services including services in the support of residential, respite and other suitable forms of care, support, education and work opportunities, and by the promotion of the awareness of the needs of such persons; and
- The promotion of the effective use of charitable resources by the provision of services to organisations involved in the relief of persons with a learning disability, their families and carers.

Voluntary help and donated services

The charity is fortunate to have the help of volunteers. We would like to thank voluntary contributors during the year and, of course, the young adults (service users) for their contributions.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Nansen Highland offers a specialised care package to young people with extra needs. These young people may not have the chance to learn the different abilities that people need to find their way in a complex society, such as the abilities to read and write, to understand and work effectively within society's rules and values, to organise one's daily life, and to cope with difficulties at home or at work. The charity aims to offer these young adults the opportunities they deserve to develop them into stable, self-confident and socially minded individuals. With this intention, emphasis is also put on developing job skills, life skills and social skills for their future.

As well as the day centre at Redcastle Station, Tore, the charity runs a residential centre, comprising Fram House, in the village of Beauly, and Tigh Na Cloich, in Muir of Ord. The accommodation is designed for 5 residents at Fram House and 4 residents at Tigh Na Cloich, each having their own bedroom with en-suite facilities. A room in Fram House is designated as a double room for couples only. Shared facilities of a kitchen, lounge and sitting room are available at each property.

The emphasis is on the further development of free-time management, domestic skills, interpersonal and social skills, to enhance their capabilities for progression to supported housing or independent living.

Both the residential and the day care centres run at 100% capacity.

Nansen Highland has operated for a number of years under a block funding agreement for the day services based at Redcastle Station which, for the year ended 31 March 2023, was for £276,447. This has enabled us to have a smoother, quicker engagement with care management to put in place care packages, and it has helped us to more accurately forecast, budget and manage our cash flow.

The residential centres operate on individual funding packages that need approval by the Resource Allocation Panel.

The charity has continued to develop the SQA units available for the young adults attending the day care service at Redcastle Station.

Nansen Highland also operates housing support services, whereby service users are supported within their own tenancy.

**NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
for the year ended 31 March 2023**

FINANCIAL REVIEW

Financial review

Total income for the year rose from £927,323 to £1,021,446 despite last year including a one-off Health and Social Care Covid-19 grant for employees from the Scottish Government of £13,798. Care and accommodation fees increased from £560,427 to £622,168, and Nansen Housing Support fees increased again from £333,844 to £371,963, both due to an increase in contractual fees.

Total expenditure for the year has also increased from £873,027 to £917,047, with total staff costs having risen from £755,314 to £787,855 mainly due to staff pay increases, noting last year included payment of the £13,798 Social Care Covid-19 grant for employees received from the Scottish Government mentioned above.

The net effect of the above is that the charity achieved a surplus of £104,399 compared to £54,296 last year.

At 31 March 2023, the charity had total funds of £689,867, an increase on last year's £585,468. Restricted funds comprised £4,193 of total funds compared to £5,457 last year (restricted fund transactions are explained in detail in note 20 on pages 18 to 19).

Principal funding sources

The principal funding source is NHS Highland. Fees received are split according to the services provided.

Reserves policy

Nansen Highland is committed to operating and utilising its finances in a safe and responsible manner. The charity will retain reserves, at any one time, as a financial buffer to operate safely for a minimum period of 3 months. Within these parameters, reserves require to be sufficient, in case of dissolving operations, to cover the following procedures:

- Staff wages to cover 3 months (and redundancies);
- Running cost capital to pay all creditors; and
- Estimated costs to close down the running of the centres, and the charity itself.

FUTURE PLANS

The aims for the next financial year include the following:

- Maintain the charity's public relation activities, and redevelop the website to make it more user friendly;
- Further open up the day care services to 14 full time equivalents;
- Continue the internal audits based on the European Foundation for Quality Management; and
- Increase the staff team to fill the current vacancies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Nansen Highland is a charitable company, registered in Scotland. The charity was incorporated on 10 December 1998 as a company limited by guarantee. The charity was established under a Memorandum of Association, which established its powers and objects, and it is governed under its Articles of Association; both of these were updated on 20 November 2019. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Recruitment and appointment of new trustees

The Board members' background experience is diverse. Collectively, they have expertise in the fields of employment law, supported employment and social work.

Organisational structure

The Executive Committee, comprising the trustees (executive and non-executive directors), oversees the general running of the charity.

The Management Team, comprising the Executive Director, B P M Lafere, Project Co-ordinator, and Senior Support Workers, oversees, organises and executes the day-to-day running of the organisation. The four Senior Support Workers are responsible for the services the charity provides, with these being at Fram House, Beauly, and Tigh Na Cloich, Muir of Ord (two residential homes), along with Redcastle Station, Tore, where both the day care service and Nansen Housing Support, our latest service delivering care in the client's home, are run.

**REPORT OF THE TRUSTEES
for the year ended 31 March 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

When new trustees are recruited, they receive an induction pack. The induction pack explains what the charity is about, its philosophy, aims and objectives. The pack also describes the responsibilities and duties of charity trustees as explained by the Office of the Scottish Charity Regulator (OSCR).

Non-executive directors (trustees) are recruited for a specific area of expertise of social work, health, employment and human resources. When such an appointment ends, the Board looks for a successor related to the vacancy in the area of expertise. The Board suggests possible individuals, who may have specific skills, and explores further to determine whether the individual would have an active interest in our organisation.

A meeting is set up with the potential non-executive director (trustee) and existing trustees to explore issues further, and to give a more thorough explanation/induction. If all goes well, the person is invited to the next non-executive meeting, where they are officially welcomed and signed onto the non-executive Board.

Risk management

Risk assessment and management is important in the daily work of the charity. In partnership with local authorities, Nansen Highland carries out individual risk assessments for the service users it caters for. Organisational risk management is part of the quarterly trustees' meetings.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Nansen Highland (a company limited by guarantee) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, MacKenzie Kerr Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 9 September 2023 and signed on its behalf by:



B P M Laferre - Secretary

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF
NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)**

Opinion

We have audited the financial statements of Nansen Highland (a company limited by guarantee) (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 22 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF
NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include The Companies Act 2006, UK Tax legislation, and the quality of care regularly inspected by The Care Inspectorate.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF
NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)**

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the Responsible Individual (RI) drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the RI's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Rhona Wilson, BA, FCCA (Senior Statutory Auditor)
for and on behalf of MacKenzie Kerr Limited
Chartered Accountants and
Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Redwood
19 Culduthel Road
Inverness
IV2 4AA

Date: 21 September 2013.

**NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the year ended 31 March 2023**

	Notes	Unrestricted fund £	Restricted fund £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	3,762	653	4,415	15,058
Charitable activities					
Care, accommodation and housing support	5	1,004,299	-	1,004,299	904,138
First aid training		1,850	-	1,850	440
Investment income	4	825	-	825	31
Other income	6	10,057	-	10,057	7,656
Total		1,020,793	653	1,021,446	927,323
EXPENDITURE ON					
Charitable activities					
Care, accommodation and housing support	7	915,086	753	915,839	872,169
First aid training		983	-	983	28
Projects		61	164	225	830
Total		916,130	917	917,047	873,027
NET INCOME/(EXPENDITURE)		104,663	(264)	104,399	54,296
RECONCILIATION OF FUNDS					
Total funds brought forward		581,011	4,457	585,468	531,172
TOTAL FUNDS CARRIED FORWARD		685,674	4,193	689,867	585,468

The notes form part of these financial statements

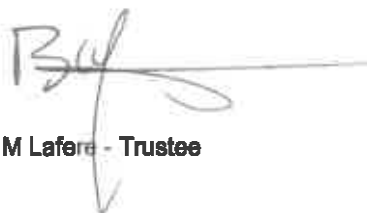
**NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE) (REGISTERED NUMBER: SC191841)**

**BALANCE SHEET
31 March 2023**

	Notes	Unrestricted fund £	Restricted fund £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	13	384,854	4,193	389,047	401,714
CURRENT ASSETS					
Debtors	14	25,466	-	25,466	21,382
Cash at bank and in hand		456,481	-	456,481	353,659
		481,947	-	481,947	375,041
CREDITORS					
Amounts falling due within one year	15	(120,309)	-	(120,309)	(119,926)
NET CURRENT ASSETS					
		361,638	-	361,638	255,115
TOTAL ASSETS LESS CURRENT LIABILITIES					
		746,492	4,193	750,685	656,829
CREDITORS					
Amounts falling due after more than one year	16	(60,818)	-	(60,818)	(71,361)
NET ASSETS					
		685,674	4,193	689,867	585,468
FUNDS					
Unrestricted funds	20			685,674	581,011
Restricted funds				4,193	4,457
TOTAL FUNDS					
				689,867	585,468

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 9 September 2023 and were signed on its behalf by:



B P M Laferre - Trustee

The notes form part of these financial statements

**NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT
for the year ended 31 March 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	109,335	130,165
Interest paid		(3,597)	(4,036)
Net cash provided by operating activities		<u>105,738</u>	<u>126,129</u>
Cash flows from Investing activities			
Purchase of tangible fixed assets		(3,741)	(4,414)
Interest received		825	31
Net cash used in investing activities		<u>(2,916)</u>	<u>(4,383)</u>
Change in cash and cash equivalents in the reporting period		<u>102,822</u>	<u>121,746</u>
Cash and cash equivalents at the beginning of the reporting period		<u>353,659</u>	<u>231,913</u>
Cash and cash equivalents at the end of the reporting period		<u>456,481</u>	<u>353,659</u>

The notes form part of these financial statements

**NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 March 2023**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net Income for the reporting period (as per the Statement of Financial Activities)	104,399	54,296
Adjustments for:		
Depreciation charges	16,408	17,753
Interest received	(825)	(31)
Interest paid	3,597	4,036
(Increase)/decrease in debtors	(4,084)	21,861
(Decrease)/increase in creditors	(10,160)	32,250
Net cash provided by operations	<u>109,335</u>	<u>130,165</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/22 £	Cash flow £	At 31/3/23 £
Net cash			
Cash at bank and in hand	<u>353,659</u>	<u>102,822</u>	<u>456,481</u>
	<u>353,659</u>	<u>102,822</u>	<u>456,481</u>
Debt			
Debts falling due within 1 year	(10,070)	(473)	(10,543)
Debts falling due after 1 year	(71,361)	10,543	(60,818)
	<u>(81,431)</u>	<u>10,070</u>	<u>(71,361)</u>
Total	<u>272,228</u>	<u>112,892</u>	<u>385,120</u>

The notes form part of these financial statements

1. STATUTORY INFORMATION

Nansen Highland is a private company, limited by guarantee, registered in Scotland. The company's registered number and registered office address can be found on the Charity Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the charity.

Income

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

Donations are included in the Statement of Financial Activities when they are received.

Revenue grants are recognised in the Statement of Financial Activities in the accounting period to which they relate and are intended to meet revenue expenditure. In accordance with the SORP, grants received towards capital expenditure are recognised as restricted funds income and a depreciation charge is allocated against restricted funds expenditure to reduce the grant over the estimated useful life of the asset concerned. Compliance with the SORP means that there is non-compliance with FRS 102, which requires capital grants to be treated as deferred income in the balance sheet.

Expenditure

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

Value added tax

The charity is not registered for VAT and, accordingly, expenditure includes VAT, where appropriate.

Tangible fixed assets

Tangible fixed assets are stated at cost, being purchase price, less depreciation and any impairment losses.

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

Property - Over 50 years on a straight line basis

Office equipment, furniture and fittings - Over 5 to 20 years on a straight line basis

Motor vehicles - On a 25% reducing balance basis

Computer equipment - Over 3 years on a straight line basis

Taxation

The charity is exempt from Corporation Tax on its charitable activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees' to carry out the core activities of the charity.

Restricted funds are to be used for restricted purposes as laid down by the donor or funding body. Expenditure meeting this criteria is charged to the fund.

2. ACCOUNTING POLICIES - continued

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activities in expenditure on charitable activities.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to expenditure on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations and fundraising	3,762	1,260
Grants	653	13,798
	<u>4,415</u>	<u>15,058</u>

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

	2023	2022
	£	£
The Scottish Government	<u>653</u>	<u>13,798</u>

4. INVESTMENT INCOME

	2023	2022
	£	£
Bank Interest receivable	<u>825</u>	<u>31</u>

**NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2023**

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023 £	2022 £
Care and accommodation fees	Care, accommodation and housing support	622,168	560,427
Disability Living Allowance mobility fees	Care, accommodation and housing support	10,168	9,867
Housing support fees	Care, accommodation and housing support	371,963	333,844
Training	First aid training	1,850	440
		<u>1,006,149</u>	<u>904,578</u>

6. OTHER INCOME

	2023 £	2022 £
Other income	<u>10,057</u>	<u>7,656</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Care, accommodation and housing support	901,297	14,542	915,839
First aid training	983	-	983
Projects	225	-	225
	<u>902,505</u>	<u>14,542</u>	<u>917,047</u>

8. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Care, accommodation and housing support	<u>257</u>	<u>14,285</u>	<u>14,542</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Depreciation - owned assets	16,408	17,753
Auditor's remuneration	5,160	4,920
Auditor's non-audit services	<u>4,392</u>	<u>4,122</u>

**NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2023**

10. TRUSTEES' REMUNERATION AND BENEFITS

	2023	2022
	£	£
Trustees' salaries	49,262	41,860
Trustees' social security	5,811	4,557
Trustees' pension contributions to money purchase schemes	1,288	1,069
	<u>56,361</u>	<u>47,486</u>

Executive trustee/director B P M Lafere receives remuneration for his services as an employee of the charity, and not as a trustee.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

11. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	706,296	680,368
Social security costs	67,244	61,072
Other pension costs	14,315	13,874
	<u>787,855</u>	<u>755,314</u>

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

	2023	2022
Executive Director	1	1
Training	25	24
Administration	2	2
	<u>28</u>	<u>27</u>

S Lafere, the wife of trustee/director B P M Lafere, is employed by the charity as a Project Co-ordinator. Along with all staff, the salaries of B P M Lafere and S Lafere are independently approved by the Board of trustees.

There were no employees whose emoluments exceeded £60,000 during the current and previous years'.

The charity considers the total employment benefits of key management personnel, being trustee B P M Lafere and Project Co-ordinator S Lafere, to be £99,597 (2022 - £87,044).

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,260	13,798	15,058
Charitable activities			
Care, accommodation and housing support	904,138	-	904,138
First aid training	440	-	440
Investment income	31	-	31
Other income	7,656	-	7,656
Total	<u>913,525</u>	<u>13,798</u>	<u>927,323</u>

**NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2023**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Total funds £
EXPENDITURE ON			
Charitable activities			
Care, accommodation and housing support	858,271	13,898	872,169
First aid training	28	-	28
Projects	-	830	830
Total	858,299	14,728	873,027
NET INCOME/(EXPENDITURE)	55,226	(930)	54,296
RECONCILIATION OF FUNDS			
Total funds brought forward	525,785	5,387	531,172
TOTAL FUNDS CARRIED FORWARD	581,011	4,457	585,468

13. TANGIBLE FIXED ASSETS

	Freehold property £	Furniture, fittings and equipment £	Motor vehicles £	Totals £
COST				
At 1 April 2022	528,329	50,023	43,627	621,979
Additions	-	3,741	-	3,741
Disposals	-	(500)	-	(500)
At 31 March 2023	528,329	53,264	43,627	625,220
DEPRECIATION				
At 1 April 2022	152,151	36,714	31,400	220,265
Charge for year	9,264	4,087	3,057	16,408
Eliminated on disposal	-	(500)	-	(500)
At 31 March 2023	161,415	40,301	34,457	236,173
NET BOOK VALUE				
At 31 March 2023	366,914	12,963	9,170	389,047
At 31 March 2022	376,178	13,309	12,227	401,714

**NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2023**

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2023	2022
	£	£
Fees outstanding	5,679	1,792
Other debtors	166	-
Accrued income	19,621	19,590
	<u>25,466</u>	<u>21,382</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2023	2022
	£	£
Bank loans and overdrafts (see note 17)	10,543	10,070
Trade creditors	2,124	1,253
Social security and other taxes	14,897	14,496
Other creditors and accrued expenses	71,938	67,027
Income received in advance	20,807	27,080
	<u>120,309</u>	<u>119,926</u>

Income received in advance comprises 2023/24 Income from NHS Highland and The Highland Council.

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2023	2022
	£	£
Bank loans (see note 17)	60,818	71,361

17. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand: Bank loans	<u>10,543</u>	<u>10,070</u>
Amounts falling between one and two years: Bank loans - 1-2 years	<u>11,055</u>	<u>10,543</u>
Amounts falling due between two and five years: Bank loans - 2-5 years	<u>36,437</u>	<u>34,772</u>
Amounts falling due in more than five years: Repayable by instalments: Bank of Scotland loan	13,326	26,046

18. LEASING AGREEMENTS

The charity has an operating lease, expiring between two and five years, for a telephone system leased from Shire Leasing. The commitment at 31 March 2023 is £9,996 (2022 - £13,238).

19. SECURED DEBTS

The following secured debts are included within creditors:

	2023 £	2022 £
Bank loans	<u>71,361</u>	<u>81,431</u>

The Bank of Scotland loan, which was taken out to purchase the charity's residential accommodation at Tigh Na Cloich, Ord Road, Muir of Ord, has an interest rate of 4.68% and is expected to be repaid in full on 21 March 2029, is secured, in favour of the bank, by way of a standard security over the property to which it relates and the other property owned by the charity, Fram House, High Street, Beauly. The bank also has a bond and floating charge over the whole of the assets owned by the charity.

20. MOVEMENT IN FUNDS

	At 1/4/22 £	Net movement in funds £	At 31/3/23 £
Unrestricted funds			
General fund	581,011	104,663	685,674
Restricted funds			
Restricted funds	4,457	(264)	4,193
TOTAL FUNDS	<u>585,468</u>	<u>104,399</u>	<u>689,867</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,020,793	(916,130)	104,663
Restricted funds			
Restricted funds	653	(917)	(264)
TOTAL FUNDS	<u>1,021,446</u>	<u>(917,047)</u>	<u>104,399</u>

**NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2023**

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/21 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General fund	525,785	55,226	581,011
Restricted funds			
Restricted funds	5,387	(930)	4,457
TOTAL FUNDS	<u>531,172</u>	<u>54,296</u>	<u>585,468</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	913,525	(858,299)	55,226
Restricted funds			
Restricted funds	13,798	(14,728)	(930)
TOTAL FUNDS	<u>927,323</u>	<u>(873,027)</u>	<u>54,296</u>

Restricted funds includes grants or donations received towards specific fixed asset purchases. Depreciation is being charged against this fund to reduce the grants or donations over the estimated useful life of the asset concerned. At 31 March 2023, the balance of this fund was £4,193 (2022 - £4,293), being the balance of £5,000 received from The Forbes Charitable Foundation in 2014/15 towards the refurbishment of the charity's Muir of Ord property.

Restricted funds also includes £Nil (2022 - £164) in respect of a revenue grant of £7,975 received from the People's Postcode Trust in 2014/15 for the "Polytunnel and nature trail" project, which has now been fully spent.

Restricted funds income and expenditure also includes a £653 (2022 - £Nil) Scottish Government Health and Social Work staff wellbeing grant to employees of the charity.

Last year, restricted funds income and expenditure also included a £13,798 Scottish Government Covid-19 Health and Social Work grant to employees of the charity.

21. RELATED PARTY DISCLOSURES

Two of the trustees of the charity, N Walsh and S Mackenzie, are parents of day trainees attending Nansen Highland.

22. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other organisations of our size and nature, we use our auditors to assist with the preparation of the financial statements.

**NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and fundraising	3,762	1,260
Grants	653	13,798
	<u>4,415</u>	<u>15,058</u>
Investment income		
Bank interest receivable	825	31
Charitable activities		
Care and accommodation fees	622,168	560,427
Disability Living Allowance mobility fees	10,168	9,867
Training	1,850	440
Housing support fees	371,963	333,844
	<u>1,006,149</u>	<u>904,578</u>
Other income		
Other income	10,057	7,656
Total Incoming resources	<u>1,021,446</u>	<u>927,323</u>
EXPENDITURE		
Charitable activities		
Executive trustee's salary	49,262	41,860
Executive trustee's social security	5,811	4,557
Executive trustee's pension	1,288	1,069
Wages	657,034	638,508
Social security	61,433	56,515
Pensions	13,027	12,805
Training and recruitment	3,340	288
Training materials and costs	9,713	4,553
Trainee accommodation costs	15,775	14,279
Motor and travel expenses	10,996	8,563
Premises costs	17,663	19,679
Office costs	12,127	11,056
Heat and light	14,233	13,965
"Polytunnel and nature trail" project	225	830
Miscellaneous	10,573	10,225
Depreciation	16,408	17,753
Bank loan interest	3,597	4,036
	<u>902,505</u>	<u>860,541</u>
Support costs		
Finance		
Bank charges	257	179
Governance costs		
Legal and professional fees	14,285	12,307

This page does not form part of the statutory financial statements

**NANSEN HIGHLAND
(A COMPANY LIMITED BY GUARANTEE)**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2023**

	2023	2022
	£	£
Total resources expended	917,047	873,027
Net Income	104,399	54,296

This page does not form part of the statutory financial statements