



# **Hansel Foundation**

## **Group Annual Report & Accounts**

**For The Year Ended  
31 March 2024**

Scottish Charity NO: SC001514

Company Limited by Guarantee No: SC038440

# **Hansel Foundation**

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### **Vision**

**To give people of all abilities the freedom to live the life they choose.**

### **Mission**

**Ensuring we deliver empowering support so every person feels included and experiences equality, choice, dignity, compassion and respect.**

### **Our Values**

**We share a set of core values – respect, trust, team working, continuous improvement and inclusion – and they guide all that we do.**

## **Hansel Foundation**

### **Directors' Report for the year ended 31 March 2024**

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The Directors have pleasure in presenting the annual report together with the audited group accounts for the year ended 31 March 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The accounts comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in UK and Republic of Ireland (FRS 102).

#### **Our Purposes and Significant Activities**

The principal object and activity of the group of Hansel charities is to assist with the development and promotion of opportunities, resources and services for people with additional support needs. Hansel was established to make a positive difference to people's quality of life, and to enable them to lead lives of richness and meaning.

In pursuance of the above Hansel Foundation continued to invest in its fundraising capacity, and engagement with local communities, to support the work of Hansel Alliance in particular and, generally, to enhance opportunities for people requiring support.

Hansel Foundation's subsidiary charitable company, Hansel Alliance, assists people with additional support needs to realise their potential in all spheres of their lives through the provision of a wide and diverse range of community, residential and vocational services and resources.

#### **Group Strategic Report**

##### **Achievements and performance**

Hansel Group consists of two companies, the main operating company for the delivery of services is Hansel Alliance, the parent of which is Hansel Foundation which incurs costs for the support of the services and recovers the relevant elements from Hansel Alliance as well as generating income directly mainly through rental income, fundraising and investment activities.

##### **Hansel Alliance Report:**

The financial year 2023/24 is the first year since 2018/19 that Hansel has not experienced any direct impact in the operations as a result of the pandemic, that said the issues exacerbated by the pandemic such as recruitment/retention and the ongoing cost and funding pressures still cast a shadow over Hansel operations and the social care sector in general. Existing resourcing challenges were compounded by a continuing uncompetitive level of remuneration for care staff as informed by the Adult Social Care rate set by the Scottish Government. For the second year in succession, and in order to mitigate the impact of the recruitment challenge the Directors felt it necessary to make the decision to pay care staff at a level above the minimum rate even although this increase was unfunded, with this mitigation in place the organisation still had to rely on high levels of expensive agency worker costs in order to protect the delivery of services.

The level of the Adult Social Care rate not only constrains our ability to recruit and retain key staff, but it also plays a significant part in determining the level of funding we receive from our key Health and Social Care Partnership funders.

The overall financial performance was much improved versus the prior year (22/23), Hansel Alliance producing an overall surplus of £60.2k, this compares with the prior year where we incurred an overall deficit of (£9.1k) the 22/23 deficit benefitting from a transfer of funds of £400k from Hansel Foundation, being the parent of Hansel Alliance.

The cost of living crisis was another key challenge we faced in the year, impacting our employee cost base and having a significant adverse impact across all our third-party cost spend areas. This challenge required careful cost management and it is pleasing to note that we managed to keep our expenditure levels broadly flat year on year on a cash basis which is a real term cost reduction.

In recognition of the prevailing operating conditions, Directors would wish to firstly acknowledge the extraordinary commitment and resilience of the Hansel team in working through another most challenging year. Hansel team members have not only risen to this challenge, but have done so with admirable professionalism that reflects the standards now expected within our highly regulated operating environment. The Directors would again acknowledge support received from the two health and social care partnership organisations we work with in South and North Ayrshire.

In anticipation of both opportunities and challenges that remain in our sector, Directors worked alongside the parent charity's Board to further review and refresh Hansel Alliance's strategic development objectives. Progress has been made within the reporting period to identify and begin planning a number of important initiatives, more detail of which is provided within the 'plans for future periods' section.

Shortly post the year end in question the Directors are pleased to advise that Hansel successfully applied for continued inclusion in the South Ayrshire Health and Social Care Partnership (SAHSCP) tender framework for a further six years thus going a long way to securing the future of Hansel and enabling us to meet one of our core strategic aims.

Over the course of the reporting period Hansel Alliance maintained service provision as described below:

*Residential services* – Although occupancy levels generally remained on or near target across our registered residential service accommodation, we did face some challenges in terms of some short-term reductions in occupancy on occasion and a longer-term reduction in capacity of our Shawburn facility, reducing from 9 residents to 8 due to operational constraints, this impacting negatively on financial results. In total 38 residential places are offered within Hansel's Broadmeadows estate, with currently a further 8 resident places available within our Shawburn registered care home in Prestwick.

*Respite and short break supports* provide positive respite experiences built around customer choice. Accommodation-based respite breaks at Broadmeadows centre around our Cabin and Caravan facilities. In North Ayrshire we offer a respite service at the North Ayrshire Council facility at Red Rose House in Stevenston. The overall respite capacity of all the services we deliver can accommodate 23 customers. Occupancy levels at the Broadmeadows facilities reduced significantly in the year due in part to a demand from customers for more flexible booking stays, this resulted on occasion in gaps in bookings of dispersed days which are hard to fill operationally. This impact was partially offset by an improved funding level achieved in the year. Hansel views respite care as a key component of care provision and firmly believes that this service needs to be appropriately funded in order to avoid or delay alternative forms of more costly care provision.

*The Connect lifestyle service* went through a transitional period in the year moving away from the use of the Baird Centre, within the Broadmeadows estate, as the main hub and making use of other facilities within the Hansel estate as well as continuing to deliver support in a wide variety of locations across Ayrshire. Post year end Hansel took the decision that, due to ongoing drop in demand, it could no longer safely manage the requisite level of care with the funding available and sadly concluded that as a result Hansel would withdraw from the provision of this service. In doing so Hansel worked in harmony with SAHSCP in order to ensure an orderly transition of this service to a new provider and at the same time ensuring a continued high standard of care for the people we support and their families. Hansel ceased provision of this service on 28 July 2024.

*Supported living and care at home services* - reflecting commitment to the provision of community-based support services, Hansel Alliance supports, in North Ayrshire and in South Ayrshire including within Broadmeadows estate, approximately 93 people in their own tenancies with levels of support that meet individual needs. Hansel successfully managed the integration of the new contract awarded by SAHSCP for the provision of a supported living core and cluster service in the centre of Ayr where we care for 13 individuals.

*Employability activities* encompass the delivery of employment and social enterprise opportunities. Lindy's tearoom provides catering facilities for a wide customer base including internal customers and employees and it is also open to the general public. We experienced an increase in activity levels during the year. Similarly Hansel Laundry services gradually increased service volumes over the course of the year. Continuation of DWP TEGS funding towards supported employee placements across all three social enterprises, including the grounds maintenance team, remained a crucial source of income to maintain the viability of Hansel Alliance's small business operations. In total Hansel provides employment opportunities for 15 supported employees. Other key sources of funding include the National Lottery Community Fund award; this funding aimed at a group of young disabled people aged between 16-24 years of age who are transitioning from school to college. This project supports participants to develop horticulture and grounds maintenance skills that will hopefully lead to progression into positive destinations such as employment or volunteering.

#### **Hansel Foundation Report:**

A significant proportion of income of Hansel Foundation is derived from the charging of senior management and corporate services resourcing support to the subsidiary charity Hansel Alliance. The expenditure attributable to the generation of this income is reported within Direct Costs, as such dedicated resourcing is an essential element of the delivery of all charitable activities. In terms of financial performance for Hansel Foundation for the year under review Hansel Foundation produced a small surplus of £2k, this compares to a deficit of (£442k) in the year 22/23. It is worth pointing out that the deficit in the year 22/23 was post a parent company funding transfer of £400k from Hansel Foundation to Hansel Alliance. Even after allowing for this significant adjustment the underlying performance is a welcome improvement. The small surplus of £2k in the year under review reflects a more stable and sustainable position for the organisation. It is particularly pleasing to note the increased income from our fundraising activities which incorporates donations, legacies and events.

Directors would wish to again acknowledge the extraordinary commitment and resilience of the Hansel team in working through another most challenging year. Hansel team members have not only risen to this challenge, but have done so with admirable professionalism that reflects the standards now expected within our highly regulated operating environment. The Directors would again acknowledge support received from the two health and social care partnership



organisations we work with, in South and North Ayrshire. The Directors would also like to take this opportunity to note our gratitude to the many loyal and committed supporters who make an invaluable contribution to Hansel's continuing success. This would include generous volunteer hours provided by individuals and companies who often contribute their specialist skills to progress unfunded projects and initiatives.

#### Financial review

The Statement of Financial Activities relating to Hansel Foundation on page 20 shows that gross income increased by 7.6% to £1,625k, whilst total expenditure reduced by 16.2% to £1,646k. This reduction being significantly impacted by the £400k of subsidiary company funding that was incurred in 22/23, the underlying increase in expenditure is 5.0%. Total fund balances increased over the year by £2k (2023: decrease of £442k).

The Consolidated Statement of Financial Activities on page 19 shows that gross income increased by 4.8% to £11,877k, whilst total expenditure increased by 0.4% to £11,838k. The group reports an overall surplus of £62k, including a gain on investment in the year of £23k. This compares to an overall group deficit in the previous year of (£451k). Key contributory factors to this turnaround in financial performance include not only robust cost control measures across the board but also significant improvement in key services such as residential/respite services, 3e (supported business) services and increased fundraising income.

Expenditure on the Hansel Group's charitable activities, as referred to within the Consolidated Statement of Financial Activities on page 20, is subject to annual budgetary review, and the income streams from donations and other fundraising efforts are allocated across charitable activities in line with the strategic aims and objectives approved by the Board. The nature of these charitable activities is reported within note 12 to the Accounts, on page 30.

#### Investment Policy and Performance

The present investment policy maximises interest earned on short to medium term deposits offered by the charity's bankers. In addition to this Directors authorised a sum of £600k to be placed in an investment fund, managed by Evelyn Investment Partners, in order to provide the opportunity for returns in excess of inflation over the medium term. These funds are held in a liquid portfolio, at the year end this investment was valued at a sum of £639k, see note 22 of the accompanying financial statements.

#### Reserves Policy and Going Concern

A review of the level of reserves considered appropriate and necessary to pursue stated aims and objectives is undertaken annually, by both Hansel Foundation and subsidiary entity Hansel Alliance. This review is considered critical in order to align short to medium term commitments with the level of financial resources available. Commitments include monetary obligations arising from existing operational activities as well as anticipated levels of investment for future projects identified through strategic planning mechanisms.

Based on the outcome of the review the Directors have targeted a level of general reserves (that is those funds not assigned to designated reserves and restricted reserves) of the Hansel Group in order to cover one month's operating costs for Hansel Alliance and a range of between one and three-months operating costs for Hansel Foundation. The operating costs for this purpose are defined as excluding depreciation and internal group charges. This equates to a target range in monetary terms of between £1,019k and £1,292k. Actual free reserves of

## **Hansel Foundation**

### **Directors' Report for the year ended 31 March 2024 (cont'd)**

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the group were £1,568k as at 31 March 2024 and therefore safely exceed the upper range of the targeted level of general reserve at group level. This level of reserve is not considered excessive, especially given the more recent global economic shocks, that said Directors will continue to monitor reserves levels closely to ensure they do not reach excessive levels over the medium term. At the level of the group subsidiary, Hansel Alliance, one month's operating costs equates to £883k, this compares to a level of general reserve held as at 31/03/24 of £402k. This gap of (£491k) or 54.5% versus the target level is not a concern given that overall group position is above the target range and the parent company, Hansel Foundation, will continue to fund Hansel Alliance as it considers necessary.

Based on the most recent review of reserves and updated budgets prepared for 2024/25 including cash flow projections, the Directors consider that adequate resources are available to fund the activities of the charitable company for the foreseeable future and are of the view that Hansel Foundation is a going concern.

### **Pensions**

Hansel Foundation operated two pension schemes during the year;

1. A defined contribution scheme operated by Scottish Widows available to senior members of staff and former members of the Strathclyde Pension Fund, and,
2. A defined contribution 'auto-enrolment' scheme for all other eligible employees.

The charity remains committed to the provision of competitive pension scheme options as part of its remuneration package.

The Directors are pleased to note that the final payment to the defined benefit scheme that Hansel exited in 2017 of £150k for Hansel Alliance and £250k for the Hansel Group was made in June 2023.

### **Plans for future periods and principal risks and uncertainties**

Directors undertook a further review and refresh of Hansel Group's development objectives during the year. This updating of development objectives is designed to drive both service optimisation and development over the short to medium term.

The detail of the specific objectives for the main operating company, Hansel Alliance, are included within the appropriate section of its annual report and accounts. Below is a summary of the priorities identified by the Board and the Senior Leadership team:

# Hansel Foundation

## Directors' Report for the year ended 31 March 2024 (cont'd)

### Key Strategic Aims

Key Strategic Aims	'Big Ticket' Objectives
<b>Development of our market position;</b> <ul style="list-style-type: none"> <li>taking the lead in clearly defined areas,</li> <li>enabling our values and services to reach more people, and</li> <li>reconnecting with our community support roots.</li> </ul>	<ol style="list-style-type: none"> <li>Develop and expand operations through new tender opportunities, organic service growth and acquisitions.</li> <li>Implement updated fundraising and communication strategy to maximise support from and visibility within local community.</li> </ol>
<b>Developing our service models;</b> <ul style="list-style-type: none"> <li>developing current and exploring new service models to meet changing needs, and</li> <li>developing current and forging new strategic and delivery partnerships.</li> </ul>	<ol style="list-style-type: none"> <li>Deliver on commitment to be a provider of choice, incorporating;               <ol style="list-style-type: none"> <li>review and development of care and support service models that align with local and national strategy,</li> <li>develop care and support service accommodation to better meet the needs of people being supported and regulatory requirements, and</li> <li>deliver a 10-year development plan for Hansel's Broadmeadows Estate, ensuring future plans align with objectives a. and b. above.</li> </ol> </li> </ol>
<b>Key relationships;</b> <ul style="list-style-type: none"> <li>valuing and developing our team members, and</li> <li>progressing customer engagement including meeting changing needs.</li> </ul>	<ol style="list-style-type: none"> <li>Deliver on commitment to be an employer of choice, incorporating;               <ol style="list-style-type: none"> <li>build capacity to deliver structured support for leadership development and performance management, and</li> <li>promote individual and collective wellbeing, engagement, organisational values and positive team culture.</li> </ol> </li> </ol>
<b>Organisational financial security;</b> <ul style="list-style-type: none"> <li>securing Hansel's financial stability and enabling growth,</li> <li>ensuring full cost recovery within operations through a shared understanding with funders, and</li> <li>maximising opportunities for income generation.</li> </ul>	<ol style="list-style-type: none"> <li>Grow group reserves beyond 'compliant' levels determined in Annual Reserves Review.</li> </ol>
<b>Responding to changing environment;</b> <ul style="list-style-type: none"> <li>ensuring we meet the changing needs of people we support,</li> <li>defining the roles of volunteers,</li> <li>broadening our customer base, and</li> <li>delivering environmental and community benefits (including those targeted through service commissioning mechanisms).</li> </ul>	<ol style="list-style-type: none"> <li>Develop and resource individual and corporate volunteer opportunities.</li> <li>Monitor our carbon footprint and implement carbon reduction.</li> </ol>

### Governance

Hansel recognises the impact of high-functioning Boards in providing both strategic control and effective oversight, including stewardship of the charity's purpose, effective leadership and decision-making, diversity, openness and accountability. In view of these aims, and to channel resources most effectively into the delivery of the wider strategy, over the duration of this strategic plan Hansel's Board of Directors will continually review and where appropriate further develop and streamline governance processes.

### Statement of Directors' Responsibilities

The Directors (who are also the Trustees of the charitable company for the purposes of charity law) are responsible for preparing the Directors' Report incorporating the Group Strategic Report 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 Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group and the charitable company for that period.

In preparing those financial statements, the Directors are required to

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and 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 group and the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Reference and Administrative Details, Trustees and Advisers

Hansel Foundation is a registered charity (No. SC001514) and a company (No. SC38440) limited by membership guarantee.

Registered Office:        -        Murdoch House, Broadmeadows  
Symington, Ayrshire, KA1 5PU

Contact:                    -        Tel. No. : 01563 830340  
Email : [info@hansel.org.uk](mailto:info@hansel.org.uk)

### **Principal Professional Advisers**

Bankers:                    -        The Royal Bank of Scotland  
30 Sandgate, Ayr  
Ayrshire, KA7 1BY

Investment Managers:   -        Evelyn Partners  
177 Bothwell Street

Auditors:                   -        Anderson Anderson & Brown Audit LLP  
Chartered Accountants  
133 Finnieston Street  
Glasgow, G3 8HB

# **Hansel Foundation**

## **Directors' Report for the year ended 31 March 2024 (cont'd)**

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### **Board of Directors**

The Directors of the company, who are also charity trustees for the purposes of charity law, are:

Dr. Robert M. Reekie	Chair
Ruth Dorman	Vice-Chair
David Chalmers	(Resigned April 2023)
Stephen Croke	
Robert Dow	(Resigned 27 March 2024)
Catherine Lawson	(Appointed 26 June 2024)
Gerald D. Lindsay	Chief Executive Officer
Mairi L. Martin	(Resigned 27 September 2023)
Coral I. McIntosh	
James W. McIntyre	
Suzanne Reid	(Appointed 27 March 2024)

### **Key Management Personnel**

Senior management of Hansel Foundation:

Gerry Lindsay	Chief Executive Officer
Roddy Wright	Social Care Director
Ali Mundell	People and Development Director
Neil Gallagher	Finance and Operational Support Director

### **Structure, Governance and Management**

#### **Governing document**

Hansel Foundation (formerly Hansel Village) was founded in 1963, and on 29 April 1998 the company revised its Memorandum and Articles of Association, by which the company is governed, following the formation of its subsidiary company, Hansel Alliance, which assumed the role of service provider.

#### **Group structure**

The Hansel group of charities comprises:

Hansel Foundation and its wholly owned subsidiary Hansel Alliance.

Hansel Foundation is a company limited by guarantee (no. 38440) and a registered Scottish Charity (no. SC001514). Hansel Alliance is a company limited by guarantee (no. 184374) and a registered Scottish Charity (no. SC027681).

## **Hansel Foundation**

### **Directors' Report for the year ended 31 March 2024 (cont'd)**

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#### **Director appointment, induction and training**

The Board of Directors is responsible for the overall governance of the Hansel group of charitable companies.

Directors are recruited to the Board where a skills gap has been identified, or where it is considered that Board numbers require to be augmented to broaden or strengthen the portfolio of business and care service-related experience of participating Members. New appointments are sought in a variety of ways involving exploration of the field of potential candidates, including advertising in local press and other media, and recommendation from existing Directors or other supporters of the organisation. In accordance with the Memorandum and Articles of Association, Directors serve terms of three years, and under normal circumstances for no more than three terms.

New Directors are invited to attend a series of short information sessions to familiarise themselves with the charity and the context within which it operates. These sessions are hosted by the CEO and other members of the Senior Leadership Team, and cover:

- the obligations of Directors;
- the main documents which set out the operational framework for the charity including the Memorandum and Articles;
- resourcing and current financial position as set out in the latest published accounts; and
- future plans and objectives.

Presentations to Hansel Foundation's Board of Directors by the Senior Leadership Team and other management staff keep Directors abreast of current operational issues within the organisation, as well as informing the Board of governance and other legal issues that are relevant to the ongoing management of the organisation.

#### **Organisation**

The number of non-executive Directors permitted by the Articles of Association is a minimum of three, but not exceeding fifteen. The Board of Directors meet at least on four occasions during the year to review and agree major areas of policy, and monitor financial performance. The Board delegates to the CEO responsibility for day to day management of the charity's affairs and for implementing policies agreed by the Board of Directors. The CEO is assisted by a group of executive and senior managers.

#### **Related Parties**

The Board of Directors is comprised of non-executive and executive Directors. None of the non-executive Directors receives any remuneration or expenses in cash or in kind for their work as Directors of the organisation.

The sole executive Director is the CEO who did not receive remuneration or expenses in cash or in kind in respect of his position as a Board Director. The remuneration received by the CEO relates to his management role within the organisation and is as shown at note 17 of the Notes to the Accounts.

As noted above the charity is the parent entity of Hansel Alliance.

## **Hansel Foundation**

### **Directors' Report for the year ended 31 March 2024 (cont'd)**

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#### **Key management remuneration**

The Directors consider the Board of Directors, who are the charity Trustees, and the senior management team, as named above, comprise the key management personnel in charge of directing and controlling, running and operating the charity on a day to day basis.

Non-executive Directors give their time freely and receive no remuneration.

The remuneration policy applicable for all employees, including key management, aligns the skills, experience and qualification of each position with a salary framework approved by the Board of Directors. Periodically, and for any review to senior management pay, the salary framework is benchmarked with external market remuneration levels in the locality of the employment base.

#### **Employee Engagement**

In pursuance of Hansel's strategic commitment to being a provider and employer of choice in social care and employability support, communication and engagement with team members continues to be a key priority for The Board of Directors.

During the year, Hansel Team Matters the formally constituted consultation group with representation from across services and departments, continued to provide an effective platform for engagement, consultation, and information sharing on all manner of relevant organisational issues. Although the present bridge between this representative group and the Board of Directors is provided by the Senior Leadership Team, the intention going forward is to offer opportunities for representatives and team members to have more contact with Board Members through the People, Policy and Remuneration Committee.

Ongoing investment in further development of the HR portal is supporting improved engagement, availability of real time people management information and quality reporting to better inform decision making. The investment in the learning & development provision is delivering an improved team member experience, supporting compliance and quality service delivery as well as management development.

#### **People with Disabilities**

Hansel Foundation being a "Disability Confident" employer has given its commitment to:

- actively looking to attract and recruit disabled people;
- offering an interview to all applicants with a disability who meet the minimum criteria for a job vacancy and consider them on merit;
- providing a fully inclusive and accessible recruitment process;
- flexibility when assessing people so disabled applicants have the best opportunity to demonstrate they can do the job;
- proactively offering and making reasonable adjustments as required;
- making every effort when an employee become disabled to make sure they stay in meaningful employment; and
- periodically reviewing these commitments and what has been achieved and preparing plans for future developments.



## **Hansel Foundation**

### **Directors' Report for the year ended 31 March 2024 (cont'd)**

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#### **Risk management**

The Directors have a risk management strategy which comprises:

- regular monitoring of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified through regular monitoring; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work had identified that financial sustainability continues to represent the most significant risk for the charity. Attention has also been focussed on non-financial risks arising from fire, health and safety of staff, customers and volunteers. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place and regular awareness training for staff.

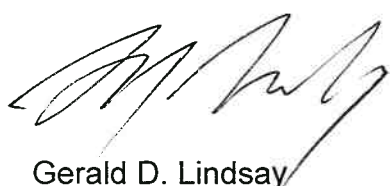
#### **Statement as to Disclosure of Information to Auditors**

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each Director has taken all steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

#### **Auditors**

Anderson Anderson & Brown Audit LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

The Directors' Report incorporating the Strategic Report was approved by the Board of Directors in their capacity as company directors and trustees and signed on their behalf by:-



Gerald D. Lindsay  
Director

Dated: 25 September 2024

## **Opinion**

We have audited the financial statements of Hansel Foundation Group and Charitable Company for the year ended 31 March 2024 which comprise the Consolidated and Parent Company Income and Expenditure Account, the Consolidated and Parent Company Statement of Financial Activities, the Consolidated and Parent Company Balance Sheet, the Consolidated and Parent Company Statement of Cash Flows and the notes to the Accounts, 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 group's and the charitable company's affairs as at 31 March 2024 and of the group's and the charitable company's incoming resources and application of resources, including the 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 the 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 regulations 6 and 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 group and 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 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The directors 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 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## **Opinion 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 Directors' Report (including Group Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report (including Group Strategic Report) has been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

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
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on pages 7 and 8, the directors 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 directors 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 directors are responsible for assessing the group's or 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 directors 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**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations – this responsibility lies with management with the oversight of the Trustees.

Based on our understanding of the charity and industry, discussions with management and trustees we identified financial reporting standards and Companies Act 2006 and Charity SORP as having a direct effect on the amounts and disclosures in the financial statements.

As part of the engagement team discussion about how and where the charity's financial statements may be materially misstated due to fraud, we did not identify any areas with an increased risk of fraud.

Our audit procedures included:

- completing a risk-assessment process during our planning for this audit that specifically considered the risk of fraud;
- enquiry of management about the charity's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review, where applicable, of the Board of Trustees' minutes;
- enquiry of management, about litigations and claims and inspection of relevant correspondence
- analytical procedures to identify any unusual or unexpected relationships;
- specific audit testing on and review of areas that could be subject to management override of controls and potential bias, most notably around the key judgments and estimates, including the carrying value of accruals, provisions, stock impairment, recoverability of debtors and revenue recognition;
- considering management override of controls outside of the normal operating cycles including testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements including evaluating the business rationale of significant transactions, outside the normal course of business.



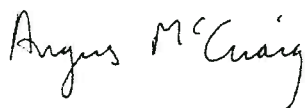
Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **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 directors (who are also the trustees of the charitable company for the purposes of charity law), as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and 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 directors 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 and directors as a body, for our audit work, for this report, or for the opinions we have formed.



Angus McCuaig (Senior Statutory Auditor)  
for and on behalf of Anderson Anderson & Brown LLP  
Statutory Auditors  
Chartered Accountants  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
133 Finnieston Street  
Glasgow  
G3 8HB

Date: 10 October 2024

## Hansel Foundation Group Consolidated Income and Expenditure Account For the year ended 31 March 2024

	Notes	Restricted Funds £	Unrestricted Funds £	Total Funds 2024 £	Total Funds 2023 £
<b>INCOME</b>					
Donations and legacies	4	-	178,780	178,780	132,692
Residential service funding	5	-	4,562,659	4,562,659	4,057,987
Domiciliary care & outreach service funding	5	-	6,561,273	6,561,273	6,511,607
Employability activities income	5	50,000	242,513	292,513	249,560
Property income	5	-	114,476	114,476	107,931
Other trading activities	6	-	131,126	131,126	104,536
Investment income	7	-	12,132	12,132	3,038
Gains on investments	22	-	23,218	23,218	12,562
Corporate services income	5	-	24,099	24,099	36,072
Other trust/grant funding	5	-	-	-	8,602
Covid-19 Government Funding	8	-	-	-	115,346
<b>Total income</b>		<b>50,000</b>	<b>11,850,276</b>	<b>11,900,276</b>	<b>11,339,933</b>
<b>EXPENDITURE</b>					
Raising funds	10	-	120,815	120,815	142,970
Charitable activities:	12				
• Direct costs		50,307	10,296,675	10,346,982	10,371,348
• Support costs		-	1,293,301	1,293,301	1,214,143
• Governance costs		-	76,981	76,981	61,984
• Bank Interest payable	9	-	-	-	280
<b>Total expenditure</b>		<b>50,307</b>	<b>11,787,772</b>	<b>11,838,079</b>	<b>11,790,725</b>
<b>Net income/(expenditure) for year</b>		<b>(307)</b>	<b>62,504</b>	<b>62,197</b>	<b>(450,792)</b>

Movements in the funds of the charitable group are as shown in the Consolidated Statement of Financial Activities on page 19.

None of the group's activities were acquired or discontinued during the above two financial years.

The notes form part of these Accounts.

## Hansel Foundation Parent Company Income and Expenditure Account For the year ended 31 March 2024

	Notes	Restricted Funds £	Unrestricted Funds £	Total Funds 2024 £	Total Funds 2023 £
<b>INCOME</b>					
Donations and legacies	4	-	178,780	178,780	132,692
Property income	5	-	162,691	162,691	155,531
Corporate services/development	5	-	1,221,948	1,221,948	1,162,721
Other trust/grant funding	5	-	-	-	8,602
Fund-raising events income	6	-	10,658	10,658	11,449
Investment income	7	-	50,882	50,882	38,918
Gains on investments	22	-	23,218	23,218	12562
Covid-19 Government Funding	8	-	-	-	26
<b>Total income</b>		<b>-</b>	<b>1,648,177</b>	<b>1,648,177</b>	<b>1,522,501</b>
<b>EXPENDITURE</b>					
Raising funds	10	-	92,145	92,145	122,151
Charitable activities:	13				
• Direct costs		-	1,393,151	1,393,151	1,290,653
• Support costs		-	121,608	121,608	115,274
• Governance costs		-	39,271	39,271	36,153
Other expenditure:					
• Subsidiary company funding	11	-	-	-	400,000
<b>Total expenditure</b>		<b>-</b>	<b>1,646,175</b>	<b>1,646,175</b>	<b>1,964,231</b>
<b>Net expenditure for year</b>		<b>-</b>	<b>2,002</b>	<b>2,002</b>	<b>(441,730)</b>

Movements in the funds of the charitable company are as shown on the Statement of Financial Activities on page 20.

All activities are classed as continuing.

The notes form part of these Accounts.

## Hansel Foundation Group Consolidated Statement of Financial Activities For the year ended 31 March 2024

	Notes	Restricted Funds £	Unrestricted Funds £	Total Funds 2024 £	Total Funds 2023 £
<b>Income and endowments from</b>					
Donations and legacies	4	-	178,780	178,780	132,692
Charitable activities:	5				
Residential service funding		-	4,562,659	4,562,659	4,057,987
Domiciliary care & outreach service funding		-	6,561,273	6,561,273	6,511,607
Employability activities income		50,000	242,513	292,513	249,560
Property income		-	114,476	114,476	107,931
Corporate services income		-	24,099	24,099	36,072
Other trust/grant funding		-	-	-	8,602
Other trading activities	6	-	131,126	131,126	104,536
Investment income	7	-	12,132	12,132	3,038
Covid-19 Government Funding	8	-	-	-	115,346
<b>Total income</b>		<b>50,000</b>	<b>11,827,058</b>	<b>11,877,058</b>	<b>11,327,371</b>
<b>Expenditure on</b>					
Raising funds	10	-	120,815	120,815	142,970
Charitable activities:	12				
Residential service costs		4,684	4,149,697	4,154,381	4,109,014
Domiciliary care and outreach service costs		-	6,693,525	6,693,525	6,685,863
Employability activities costs		45,623	425,841	471,464	514,546
Property running costs		-	397,894	397,894	338,332
<b>Total expenditure</b>		<b>50,307</b>	<b>11,787,772</b>	<b>11,838,079</b>	<b>11,790,725</b>
<b>Net income/(expenditure) before gains or losses</b>		<b>(307)</b>	<b>39,286</b>	<b>38,979</b>	<b>(462,354)</b>
Gains on investments	22	-	23,218	23,218	12,562
<b>Net income/(expenditure) after gains or losses</b>		<b>(307)</b>	<b>62,504</b>	<b>62,197</b>	<b>(450,792)</b>
<b>Reconciliation of funds</b>					
Funds brought forward		40,314	4,153,451	4,193,765	4,644,557
Funds carried forward		40,007	4,215,955	4,255,962	4,193,765

The Consolidated Statement of Financial Activities amplifies the Consolidated Income and Expenditure Account and provides the information regarding all movements in the funds of the charitable group.

The notes form part of these Accounts.



## Hansel Foundation Parent Company Statement of Financial Activities For the year ended 31 March 2024

	Notes	Restricted Funds £	Unrestricted Funds £	Total Funds 2024 £	Total Funds 2023 £
<b>Income and endowments from</b>					
Donations and legacies	4	-	178,780	178,780	132,692
Charitable activities:					
Property income	5	-	162,691	162,691	155,531
Corporate services/development	5	-	1,221,948	1,221,948	1,162,721
Other trust/grant funding	5	-	-	-	8,602
Other trading activities	6	-	10,658	10,658	11,449
Investment income	7	-	50,882	50,882	38,918
Covid-19 Government Funding	8	-	-	-	26
<b>Total income</b>		<b>-</b>	<b>1,624,959</b>	<b>1,624,959</b>	<b>1,509,939</b>
<b>Expenditure on</b>					
Raising funds	10	-	92,145	92,145	122,151
Charitable activities:					
Property running costs	13	-	397,894	397,894	338,332
Group services support	13	-	1,156,136	1,156,136	1,103,748
Other expenditure:					
Subsidiary company funding	11	-	-	-	400,000
<b>Total expenditure</b>		<b>-</b>	<b>1,646,175</b>	<b>1,646,175</b>	<b>1,964,231</b>
<b>Net expenditure before gains or losses</b>		<b>-</b>	<b>(21,216)</b>	<b>(21,216)</b>	<b>(454,292)</b>
Gain on investments	22	-	23,218	23,218	12,562
<b>Net expenditure after gains or losses</b>		<b>-</b>	<b>2,002</b>	<b>2,002</b>	<b>(441,730)</b>
<b>Reconciliation of funds</b>					
Funds brought forward		-	3,681,171	3,681,171	4,122,901
<b>Total funds carried forward</b>		<b>-</b>	<b>3,683,173</b>	<b>3,683,173</b>	<b>3,681,171</b>

The notes form part of these Accounts.

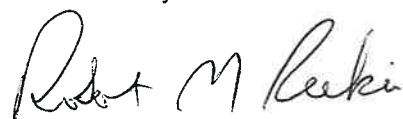
**Hansel Foundation Group Consolidated Balance Sheet**  
**Company No.: SC038440**  
**As at 31 March 2024**

	Notes	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	21	<u>2,675,348</u>	<u>2,822,021</u>
<b>Current assets</b>			
Stock	23	9,428	9,397
Debtors	24	1,390,179	606,897
Cash at bank and in hand		651,620	1,322,055
Investment account	22	<u>639,250</u>	<u>512,562</u>
		2,690,477	2,450,911
<b>Creditors:</b> Amounts falling due within one year	25	<u>(1,109,863)</u>	<u>(1,079,167)</u>
<b>Net current assets</b>		<u>1,580,614</u>	<u>1,371,744</u>
<b>Total assets less current liabilities</b>		<u>4,255,962</u>	<u>4,193,765</u>
<b>Net assets</b>		<u>4,255,962</u>	<u>4,193,765</u>
<b>Funds</b>			
<b>Unrestricted funds</b>			
General funds	29a	1,568,114	1,363,623
Designated funds	29a	<u>2,647,841</u>	<u>2,789,828</u>
		<u>4,215,955</u>	<u>4,153,451</u>
<b>Restricted funds</b>	29b	<u>40,007</u>	<u>40,314</u>
		<u>4,255,962</u>	<u>4,193,765</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The Accounts on pages 18 to 42 were approved by the Board of Directors on 25 September 2024 and signed on their behalf by:



Dr. R.M. Reekie

Director



J. W. McIntyre

Director

The notes form part of these Accounts.

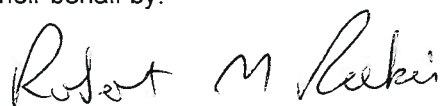
**Hansel Foundation Parent Company Balance Sheet**  
**Company No.: SC038440**  
**As at 31 March 2024**

	Notes	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	21	<u>2,517,569</u>	<u>2,650,021</u>
<b>Current assets</b>			
Debtors	24	300,913	76,420
Cash at bank and in hand		434,595	1,007,847
Investment account	22	<u>639,250</u>	<u>512,562</u>
		1,374,758	1,596,829
<b>Creditors:</b> Amounts falling due within one year	25	<u>(209,154)</u>	<u>(565,679)</u>
<b>Net current assets</b>		1,165,604	1,031,150
<b>Total assets less current liabilities</b>		<u>3,683,173</u>	<u>3,681,171</u>
<b>Net assets</b>		<u>3,683,173</u>	<u>3,681,171</u>
<b>Funds</b>			
<b>Unrestricted</b>			
General funds	29a	1,165,604	1,031,150
Designated funds	29a	<u>2,517,569</u>	<u>2,650,021</u>
		3,683,173	3,681,171
<b>Restricted funds</b>	29b	<u>-</u>	<u>-</u>
		<u>3,683,173</u>	<u>3,681,171</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The Accounts on pages 18 to 42 were approved by the Board of Directors on 25 September 2024 and signed on their behalf by:



Dr. R.M. Reekie

Director



J. W. McIntyre

Director

The notes form part of these Accounts.

**Hansel Foundation Group Consolidated Statement of Cash Flows  
For the Year Ended 31 March 2024**

	Notes	2024 £	2023 £
<b>Cash from operating activities</b>	30	<u>(539,219)</u>	<u>232,481</u>
<b>Cash flows from investing activities</b>			
Interest received		12,132	3,038
Interest paid		-	(280)
Purchase of tangible fixed assets		(31,509)	(47,702)
Purchase of investments		(360,276)	(500,000)
Proceeds on disposal of investments		<u>248,652</u>	<u>-</u>
<b>Cash (used in) investing activities</b>		<u>(131,001)</u>	<u>(544,944)</u>
<b>Cash flows from financing activities</b>			
Repayment of pension scheme settlement		-	-
Hire purchase repayments		(215)	(9,542)
Repayment of bank borrowings		<u>-</u>	<u>-</u>
<b>Cash used in financing activities</b>		<u>(215)</u>	<u>(9,542)</u>
<b>Net (decrease)/increase in cash and cash equivalent</b>		(670,435)	(322,005)
Cash and cash equivalents at the beginning of the year		1,322,055	1,644,060
Cash and cash equivalents at the end of the year		<u>651,620</u>	<u>1,322,055</u>
Cash and bank balances		<u>651,620</u>	<u>1,322,055</u>



## Hansel Foundation Parent Company Statement of Cash Flows For the Year Ended 31 March 2024

	Notes	2024 £	2023 £
<b>Cash from operating activities</b>	30	<u>(506,927)</u>	<u>134,315</u>
<b>Cash flows from investing activities</b>			
Interest received		50,882	38,918
Interest paid		-	-
Purchase of tangible fixed assets		(5,583)	(15,522)
Purchase of investments		(360,276)	(500,000)
Proceeds from disposal of investments		<u>248,652</u>	<u>-</u>
<b>Cash from investing activities</b>		<u>(66,325)</u>	<u>(476,604)</u>
<b>Cash flows for financing activities</b>			
Repayment of pension scheme settlement		-	-
Repayments of bank borrowings		<u>-</u>	<u>-</u>
<b>Cash used in financing activities</b>		<u>-</u>	<u>-</u>
<b>Net increase in cash and cash equivalents</b>		(573,252)	(342,289)
Cash and cash equivalents at the beginning of the year		1,007,847	1,350,136
Cash and cash equivalents at the end of the year		<u>434,595</u>	<u>1,007,847</u>
Cash and bank balances		<u>434,595</u>	<u>1,007,847</u>

# **Hansel Foundation Group Notes to the Consolidated Accounts For the Year ended 31 March 2024**

## **1. Legal status of the group**

Both the charities comprising the group, see below, are companies limited by guarantee, incorporated and registered in Scotland, under company numbers SC038440 and SC184374 and have no share capital. The liability of each member in the event of winding up is limited to £1.

The registered charity numbers are SC001514 and SC027681.

The registered office is Murdoch House, Broadmeadows, Symington, Ayrshire, KA1 5PU.

## **2. Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are as follows:-

### **Basis of accounting**

The accounts of the group and of the charitable company 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006.

The income and expenditure account is an adaptation of the formats laid down in the Companies Act 2006 in order to recognise the special nature of the group and the charitable company's activities and in order to give information in a manner beneficial to the members, as provided for in the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The presentation currency is GBP. The figures in these financial statements have been rounded to the nearest pound.

### **Basis of consolidation**

The accounts of Hansel Foundation and its wholly owned subsidiary charitable company, Hansel Alliance, are consolidated in the group accounts.

### **Going Concern**

Directors have considered the application of the going concern principle. Detailed budgets are presented to and approved by the Board of Directors with regular monitoring through review of management accounts. We would refer you to our Reserves Policy and Going Concern section of the Directors' Report on pages 5 and 6. The Directors consider that adequate resources are available to fund the activities of the charitable group for the foreseeable future. On the basis of budgets and other financial procedures in place the Directors believe the going concern principle is appropriate to these financial statements. There are no known material uncertainties regarding the charity's ability to continue as a going concern.

### **Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income received in advance of service provision is deferred until the income recognition criteria are met.

### **Gifted assets**

Any receipts of fixed assets by way of gift are capitalised and included in the balance sheet. The market value of the gifted asset is credited to the designated fund. This fund is debited over the useful life of the gifted assets by charging depreciation in accordance with the fixed asset accounting policy.

## **Hansel Foundation Group Notes to the Consolidated Accounts (Cont'd)**

### **For the Year ended 31 March 2024**

#### **2. Accounting policies (cont'd)**

##### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is inclusive of any VAT which cannot be recovered. Expenditure is classified under the following activity headings:

- Cost of raising funds comprises the costs of the laundry service, tearoom and shop, and the costs of arranging fund raising events and seeking voluntary contributions from companies, individuals, trusts and other organisations.
- Expenditure on charitable activities includes the costs of activities to further the objects of the charity and associated support costs.

Expenditure, including staff costs, is allocated to charitable activities as detailed in notes 12 and 13. Support costs are functions that assist in the work of the charity but do not directly undertake charitable activities to include office costs, finance, personnel and governance costs. Governance costs are costs associated with meeting constitutional and statutory requirements such as the cost of Board meetings, the audit of the statutory accounts and staff costs associated with the strategic as opposed to the day to day management of the charity's activities and support to non-executive directors.

##### **Capitalisation and depreciation of tangible fixed assets**

All assets costing more than £500 are capitalised.

The cost or carrying value of heritable property, less the assessed residual value, is written off over the property's estimated useful life. This estimated useful life is re-assessed annually, and depreciation adjusted if necessary. Depreciation on heritable property is therefore provided at rates from 2% to 50%, on a straight-line basis.

Depreciation on all other assets is provided at the following rates in order to write off each asset over its estimated useful life:-

Furniture and fittings	10%	reducing balance basis
Motor vehicles	25%	reducing balance basis
Plant and equipment	10% - 30%	reducing balance basis

Furniture and fittings acquired for use in the provision of furnished residential accommodation are not capitalised but charged to 'resources expended' when purchased. This is because the useful life of such items is difficult to predict, and is considered relatively short due to a high level of wear and tear.

##### **Stock**

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis.

##### **Financial instruments**

The group and charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### **Debtors**

Trade and other debtors are recognised at the settlement amount due with appropriate allowances for any irrecoverable amounts.

##### **Cash and cash equivalents**

Cash and cash equivalents includes cash and short term highly liquid investments with a short term of maturity from opening of the deposit or similar account.

## **Hansel Foundation Group Notes to the Consolidated Accounts (Cont'd)**

### **For the Year ended 31 March 2024**

#### **2. Accounting policies (cont'd)**

##### **Creditors**

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

##### **Hire Purchase and Lease Commitments**

Assets obtained under Hire Purchase contracts are capitalised in the Balance Sheet and depreciated over their estimated useful lives. The interest element of these obligations is charged to the Income and Expenditure Account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit and loss on a straight line basis over the lease term.

##### **Employee benefits**

###### **Defined benefit scheme**

The charity closed its membership of the Local Government Pension Scheme (defined benefit) during financial year ended 31 March 2017. Details of the exit debt arising are disclosed within note 27.

###### **Defined contribution pension schemes**

Contributions are charged to the income and expenditure account as they become payable in accordance with the rules of the schemes. The assets of the schemes are held separately from those of the charity in independently administered funds.

##### **Taxation**

Hansel Foundation and Hansel Alliance are both registered charities and are accordingly exempt from taxation on income which is applied for charitable purposes.

##### **Funds**

Funds are classified as unrestricted or restricted as follows:

Unrestricted funds are expendable at the discretion of the Directors in furtherance of the objects of the charities. Where part of the unrestricted fund is earmarked at the discretion of the Directors for a particular purpose it is designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the Directors' discretion to apply the fund.

Restricted funds are those subject to specific conditions as to the use that can be made of the funds imposed by the donor or by terms of the receipt. If expended on capital items these funds are reduced in line with the depreciation charge on the assets acquired with such funds (note 29b).

#### **3. Judgements in applying accounting policies and key sources of estimation uncertainty**

In preparing the financial statements, management are required to make judgements, estimates and assumptions that affect the amounts reported for revenues and expenses during the year and assets and liabilities as at the reporting date. However, the nature of estimation means actual outcomes could differ from those estimates. There are no judgements or estimates deemed to have a significant effect on amounts recognised in the financial statements.

**Hansel Foundation Group Notes to the Consolidated Accounts (Cont'd)**  
**For the Year ended 31 March 2024**

**4. Donations and legacies**

	2024		2023	
	Group £	Company £	Group £	Company £
Donations under £250	14,362	14,362	13,916	13,916
Trusts, donations and legacies over £250	164,418	164,418	118,776	118,776
	<u>178,780</u>	<u>178,780</u>	<u>132,692</u>	<u>132,692</u>

**5. Charitable activities income**

	2024		2023	
	Group £	Company £	Group £	Company £
Residential service funding	4,562,659	-	4,057,987	-
Domiciliary care and outreach service funding	6,561,273	-	6,511,607	-
Employability activities income	292,513	-	249,560	-
Property income	114,476	162,691	107,931	155,531
Corporate services/development	24,099	1,221,948	36,072	1,162,721
Other grant/trust funding	-	-	8,602	8,602
			<u>8,602</u>	<u>8,602</u>

Income from charitable activities in respect of residential services and domiciliary care and outreach services is generated by service provision to individual customers and is either funded by local authorities or the individual customers. Employability activities income is grant income received through the Access to Work programme and other employability funding.

Income from charitable activities in respect of property is generated from the rental of tenanted properties.

Corporate services income represents charges made to the subsidiary charity during the year in respect of senior management and corporate services support provided.

**6. Other trading activities**

	2024		2023	
	Group £	Company £	Group £	Company £
Fundraising events	10,658	10,658	11,449	11,449
Tearoom, shop sales and laundry services	120,468	-	93,087	-
	<u>131,126</u>	<u>10,658</u>	<u>104,536</u>	<u>11,449</u>

**7. Investment income**

	2024		2023	
	Group £	Company £	Group £	Company £
Bank interest received	4,565	4,565	3,038	3,038
Interest received from subsidiary undertaking	-	38,750	-	35,880
Dividend & interest from investments	7,567	7,567		
	<u>12,132</u>	<u>50,882</u>	<u>3,038</u>	<u>38,918</u>



**Hansel Foundation Group Notes to the Consolidated Accounts (Cont'd)**  
**For the Year ended 31 March 2024**

**8. Covid-19 Government Funding**

	2024		2023	
	Group £	Company £	Group £	Company £
HMRC Job Retention Scheme	-	-	-	-
Other funding income	-	-	115,346	26
	-	-	115,346	26

Other funding income is received through Scottish Government Support for care service business interruption, additional costs for technology to enable staff to work from home and additional personal protective equipment (PPE) expenditure incurred.

**9. Interest payable**

	2024		2023	
	Group £	Company £	Group £	Company £
Hire purchase interest	-	-	-	-
Bank interest payable	-	-	280	-
	-	-	280	-

**10. Analysis of expenditure on raising funds**

	2024		2023	
	Group £	Company £	Group £	Company £
Other costs : consumables for tearoom, shop sales, etc	28,670	-	20,819	-
Fundraising and Comms direct costs - staff	43,396	43,396	43,180	43,180
- other	45,494	45,494	75,732	75,732
undraising event support	3,255	3,255	3,239	3,239
	120,815	92,145	142,970	122,151

**11. Other Expenditure**

	2024		2023	
	Group £	Company £	Group £	Company £
Funding to subsidiary company	-	-	-	400,000

## Hansel Foundation Group Notes to the Consolidated Accounts (Cont'd) For the Year ended 31 March 2024

### 12. Analysis of expenditure on Group charitable activities

	Direct costs		Governance & Support		Total	Total
	Staff costs	Other costs	Staff costs	Other costs	2024	2023
	£	£	£	£	£	£
Direct charitable expenditure:						
Residential service costs	2,983,719	665,390	272,947	232,325	4,154,381	4,109,014
Domiciliary care and outreach service costs	5,736,067	233,601	481,431	242,426	6,693,525	6,685,863
Employability activities costs	470,133	(111,437)	82,465	30,303	471,464	514,546
Property running costs	-	369,509	-	28,385	397,894	338,332
	<u>9,189,919</u>	<u>1,157,063</u>	<u>836,843</u>	<u>533,439</u>	<u>11,717,264</u>	<u>11,647,755</u>
Totals 2023	<u>9,250,301</u>	<u>1,121,047</u>	<u>742,026</u>	<u>534,381</u>		<u>11,647,755</u>

£4,684 of depreciation costs in respect of residential service costs was restricted (2023: £5,642), and £45,623 of restricted fund income was utilised for the Bridging the Gap (Horticultural) Project (2023: £53,472).

No property running costs were met from restricted funds (2023: Nil).

**The activities underlying the costs above, under each heading are:**

**Residential service costs** – the provision of care services within registered residential and respite accommodation, located at the Broadmeadows site, Prestwick and in Beith.

**Domiciliary care and outreach service costs** – community based care services, supporting people to live independently in their own homes, and/or the provision of leisure and other social activities.

**Employability activities costs** – the delivery of various employability related services, including operation of the laundry, Lindy's tearoom and grounds maintenance small businesses based at the Broadmeadows site.

**Property running costs** – revenue expenditure linked to the development and maintenance of Hansel Foundation's property portfolio, for both tenanted accommodation and property made available to Hansel Alliance for its service delivery.

### 13. Analysis of expenditure on Parent company charitable activities

	Direct costs		Governance & Support		Total	Total
	Staff costs	Other costs	Staff costs	Other costs	2024	2023
	£	£	£	£	£	£
Direct charitable expenditure:						
Property running costs	-	369,509	-	28,385	397,894	338,332
Group services support	731,207	292,435	105,635	26,859	1,156,136	1,103,748
	<u>731,207</u>	<u>661,944</u>	<u>105,635</u>	<u>55,244</u>	<u>1,554,030</u>	<u>1,442,080</u>
Totals 2023	<u>637,406</u>	<u>653,247</u>	<u>104,620</u>	<u>46,807</u>		<u>1,442,080</u>

No group service support costs were met from restricted funds (2023: Nil).

**The activities underlying the costs above, under each heading are:**

**Property running costs** – revenue expenditure linked to the development and maintenance of Hansel Foundation's property portfolio, for both tenanted accommodation and property made available to Hansel Alliance for its service delivery.

**Group services support** – these costs relate to the provision of senior management and corporate services support across all Hansel group activity, as well as Hansel Foundation's overarching role in the shaping and review of group service provision, including the delivery of public relations and research and development functions, together with the commitment to subsidising costs of under-funded services during transitional periods.

**Hansel Foundation Group Notes to the Consolidated Accounts (Cont'd)**  
**For the Year ended 31 March 2024**

**14. Analysis of governance and support costs within Group direct charitable expenditure**

	<b>Staff costs £</b>	<b>Other Costs £</b>	<b>Governance Costs £</b>	<b>2024 Total £</b>	<b>2023 Total £</b>
Charitable activity:					
Residential service costs	272,947	220,025	12,300	505,272	499,161
Domiciliary care and outreach costs	481,431	220,732	21,694	723,857	657,977
Employability activities costs	82,465	26,587	3,716	112,768	105,436
Property running costs	-	(10,886)	39,271	28,385	13,553
	<u>836,843</u>	<u>456,458</u>	<u>76,981</u>	<u>1,370,282</u>	<u>1,276,127</u>
Totals 2023	<u>742,026</u>	<u>472,117</u>	<u>61,984</u>		<u>1,276,127</u>

Governance costs above include staff costs of £12,845 (2023: £11,587).

**15. Analysis of governance and support costs within Parent company direct charitable expenditure**

	<b>Support Costs £</b>	<b>Other Costs £</b>	<b>Governance Costs £</b>	<b>2024 Total £</b>	<b>2023 Total £</b>
Charitable activity:					
Property running costs	-	28,385	-	28,385	13,553
Group service support	105,635	(12,412)	39,271	132,494	137,884
	<u>105,635</u>	<u>15,973</u>	<u>39,271</u>	<u>160,879</u>	<u>151,437</u>
2023	<u>104,620</u>	<u>10,664</u>	<u>36,153</u>		<u>151,437</u>

Governance costs include the internal costs of strategic planning, other support to non-executive directors and external audit.

**16. Group net expenditure/(income)**

Group net expenditure/(income) is stated after charging:

	<b>2024 £</b>	<b>2023 £</b>
Auditors' remuneration (net of VAT)		
- audit	19,000	17,500
- other services	2,000	1,000
Operating lease rentals		
- other plant & equipment	14,117	14,649
Depreciation		
- owned assets	176,144	179,836
- assets on hire purchase contracts	-	9,392
Interest payable	-	280
Loss on disposal of other fixed assets	<u>2,038</u>	<u>-</u>

## Hansel Foundation Group Notes to the Consolidated Accounts (Cont'd)

### For the Year ended 31 March 2024

#### 17. Analysis of staff costs, trustee remuneration and expenses, and cost of key management personnel

	2024		2023	
	Group £	Company £	Group £	Company £
Wages and salaries	8,956,766	688,707	8,890,084	610,960
Social security costs	745,156	91,349	786,110	84,112
Other pension costs	368,236	100,182	359,315	90,134
	<u>10,070,158</u>	<u>880,238</u>	<u>10,035,509</u>	<u>785,206</u>

The number of employees with employee benefits, excluding employer pension contributions, in excess of £60,000 was as follows:-

	2024		2023	
	Group No.	Company No.	Group No.	Company No.
£60,001 to £70,000	1	1	1	1
£70,001 to £80,000	2	2	1	1
£80,001 to £90,000	-	-	-	-
£90,001 to £100,000	-	-	1	1
£100,001 to £110,000	1	1	-	-

One Director/trustee also held a senior management post within the organisation. The remuneration for his employment, not in respect of his position as charity trustee, was as follows;

	2024		2023	
	Gross Salary £	Employer Pension £	Gross Salary £	Employer Pension £
Chief Executive Officer	<u>101,570</u>	<u>15,024</u>	<u>98,838</u>	<u>14,549</u>

No payment was made to any Executive Director in respect of reimbursement of expenses relative to their role as trustee in either 2024 or 2023. No other Non-Executive Director/trustee was in receipt of remuneration (2023: none).

The key management of the charitable company comprise the Chief Executive Officer noted above, the Social Care Director, the People and Development Director and the Finance and Operational Support Director. The total employee benefits of the key management personnel, were £404,495 including pension costs and employer's National Insurance costs (2023: £351,506).

#### 18. Staff numbers

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

	2024		2023	
	Group No.	Company No.	Group No.	Company No.
Residential care staff	94	-	107	-
Domiciliary/outreach staff	166	-	163	-
Employability activities staff	28	-	29	-
Support service staff including fundraising	26	25	25	24
	<u>314</u>	<u>25</u>	<u>324</u>	<u>24</u>

**Hansel Foundation Group Notes to the Consolidated Accounts (Cont'd)**  
**For the Year ended 31 March 2024**

**19. Comparatives for the Consolidated Statement of Financial Activities**

	<b>Restricted Funds £</b>	<b>Unrestricted Funds £</b>	<b>Total Funds 2023 £</b>
<b>Income and endowments from</b>			
Donations and legacies	-	132,692	132,692
Charitable activities:			
Residential service funding	-	4,057,987	4,057,987
Domiciliary care & outreach service			
Funding	-	6,511,607	6,511,607
Employability activities income	49,455	200,105	249,560
Property income	-	107,931	107,931
Corporate services income	-	36,072	36,072
Other trust/grant funding	-	8,602	8,602
Other trading activities	-	104,536	104,536
Investment income	-	3,038	3,038
Covid-19 Government Funding	-	115,346	115,346
<b>Total income</b>	<b>49,455</b>	<b>11,277,916</b>	<b>11,327,371</b>
<b>Expenditure on</b>			
Raising funds	-	142,970	142,970
Charitable activities:			
Residential service costs	5,642	4,103,372	4,109,014
Domiciliary care and outreach			
service costs	-	6,685,863	6,685,863
Employability activities costs	53,472	461,074	514,546
Property running costs	-	338,332	338,332
<b>Total expenditure</b>	<b>59,114</b>	<b>11,731,611</b>	<b>11,790,725</b>
<b>Net income/(expenditure) before gains and losses</b>	<b>(9,659)</b>	<b>(453,695)</b>	<b>(463,354)</b>
Gains on investments	-	12,562	12,562
<b>Net expenditure after gains and losses</b>	<b>(9,659)</b>	<b>(441,133)</b>	<b>(450,792)</b>
<b>Reconciliation of funds</b>			
Funds brought forward	49,973	4,594,584	4,644,557
<b>Total funds carried forward</b>	<b>40,314</b>	<b>4,153,451</b>	<b>4,193,765</b>



## Hansel Foundation Group Notes to the Consolidated Accounts (Cont'd)

### For the Year ended 31 March 2024

#### 19. Comparatives for the Parent Company Statement of Financial Activities

	Restricted Funds £	Unrestricted Funds £	Total Funds 2023 £
<b>Income and endowments from</b>			
Donations and legacies	-	132,692	132,692
Charitable activities:			
Property income	-	155,531	155,531
Corporate services income	-	889,897	889,897
Service development funding	-	272,824	272,824
Other trust/grant funding	-	8,602	8,602
Other trading activities	-	11,449	11,449
Investment income	-	38,918	38,918
Covid-19 Government Funding	-	26	26
<b>Total income</b>	-	1,509,939	1,509,939
<b>Expenditure on</b>			
Raising funds	-	122,151	122,151
Charitable activities:			
Property running costs	-	338,332	338,332
Group services support	-	1,103,748	1,103,748
Other expenditure:			
Subsidiary company funding	-	400,000	400,000
<b>Total expenditure</b>	-	1,964,231	1,964,231
<b>Net expenditure before gains or losses</b>	-	(454,292)	(454,292)
Gain on investments	-	12,562	12,562
<b>Net expenditure after gains or losses</b>	-	(441,730)	(441,730)
<b>Reconciliation of funds</b>			
Funds brought forward	-	4,122,901	4,122,901
<b>Total funds carried forward</b>	-	3,681,171	3,681,171

#### 20. Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 2525 of the Taxation Chargeable Gains Act 1992 to the extent these are applied to its charitable objects.

**Hansel Foundation Group Notes to the Consolidated Accounts (Cont'd)**  
**For the Year ended 31 March 2024**

**21. Tangible fixed assets**

Group	Heritable Property £	Plant & Equipment £	Furniture & Fittings £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 April 2023	7,217,612	510,376	131,546	207,318	8,066,852
Additions in year	4,685	26,824	-	-	31,509
Disposals in year	-	(40,875)	(1,593)	-	(42,468)
At 31 March 2024	7,222,297	496,325	129,953	207,318	8,055,893
<b>Depreciation</b>					
At 1 April 2023	4,602,571	391,592	87,925	162,743	5,244,831
Charge for year	130,402	30,264	4,332	11,146	176,144
Eliminated on disposals	-	(39,142)	(1,288)	-	(40,430)
At 31 March 2024	4,732,973	382,714	90,969	173,889	5,380,545
<b>Net book value</b>					
At 31 March 2024	2,489,324	113,611	38,984	33,429	2,675,348
At 31 March 2023	2,615,041	118,784	43,621	44,575	2,822,021

The net book value of fixed assets includes £Nil (2023: £39,817) in respect of assets acquired under hire purchase contracts.

Company	Heritable Property £	Plant & Equipment £	Furniture & Fittings £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 April 2023	7,217,612	103,377	3,761	9,995	7,334,745
Additions in year	4,685	898	-	-	5,583
Disposals in year	-	(3,631)	(1,593)	-	(5,224)
At 31 March 2024	7,222,297	100,644	2,168	9,995	7,335,104
<b>Depreciation</b>					
At 1 April 2023	4,602,571	70,916	3,020	8,217	4,684,724
Charge for year	130,402	6,624	43	445	137,514
Eliminated on disposals	-	(3,415)	(1,288)	-	(4,703)
At 31 March 2024	4,732,973	74,125	1,775	8,662	4,817,535
<b>Net book value</b>					
At 31 March 2024	2,489,324	26,519	393	1,333	2,517,569
At 31 March 2023	2,615,041	32,461	741	1,778	2,650,021

The depreciation charge for property would have been £291,050 if individual heritable property had not been subject to re-assessment of residual value and estimated useful life.

**22. Investment Account**

	2024 £	2023 £
Balance brought forward	512,562	-
Additions in year	360,276	500,000
Disposals in year	(248,652)	-
Realised losses	(5,237)	-
Unrealised gains/(losses)	28,455	12,562
Income account movement	(8,154)	-
Balance carried forward	639,250	512,562

**Hansel Foundation Group Notes to the Consolidated Accounts (Cont'd)**  
**For the Year ended 31 March 2024**

**23. Stock**

	2024		2023	
	Group £	Company £	Group £	Company £
Raw materials	8,098	-	7,959	-
Finished goods	1,330	-	1,438	-
	<u>9,428</u>	<u>-</u>	<u>9,397</u>	<u>-</u>

**24. Debtors**

	2024		2023	
	Group £	Company £	Group £	Company £
Balance due from subsidiary undertaking	-	104,576	-	-
Trade debtors	1,115,803	9,394	408,761	9,573
Other debtors	274,376	186,943	66,847	66,847
Prepayments and accrued income	-	-	131,289	-
	<u>1,390,179</u>	<u>300,913</u>	<u>606,897</u>	<u>76,420</u>

**25. Creditors: Amounts falling due within one year**

	2024		2023	
	Group £	Company £	Group £	Company £
Trade creditors	176,174	100,490	62,132	10,488
Taxation and social security costs	180,206	27,606	157,941	23,881
Accruals	753,483	81,058	608,879	81,151
HP purchase creditor	-	-	215	-
Balance due to subsidiary company	-	-	-	350,159
Pension scheme settlement (see note 26)	-	-	250,000	100,000
	<u>1,109,863</u>	<u>209,154</u>	<u>1,079,167</u>	<u>565,679</u>

**26. Leasing commitments**

The charity has entered into a number of non-cancellable operating leases as lessee with various remaining minimum lease periods. The total future minimum lease payments under non-cancellable operating leases are payable as follows:

Other operating leases which expire:

	2024		2023	
	Group £	Company £	Group £	Company £
Within one year	13,424	12,164	13,424	12,164
Later than one year but within five years	25,529	24,328	38,952	36,491
	<u>38,953</u>	<u>36,492</u>	<u>52,376</u>	<u>48,655</u>

## Hansel Foundation Group Notes to the Consolidated Accounts (Cont'd)

### For the Year ended 31 March 2024

#### 27. Pension schemes

During the year the Hansel Foundation Group operated two defined contribution schemes with contributions made to administered funds for the benefit of the employees.

During the year ended 31 March 2017 the charity negotiated an exit from membership of the Local Government Superannuation (Scotland) Scheme (LPGS), a defined benefit pension scheme. An exit settlement of £1,500,000 repayable interest free over a six year period was agreed to discharge any future pension liability. The balance due at the end of the year was £Nil (2023: £250,000)

	31 March 2024		31 March 2023	
	Group £	Company £	Group £	Company £
Contributions to the schemes during the year were as follows:				
Defined contribution schemes	369,412	100,182	360,254	90,134

#### 28. Analysis of net assets between funds

Group	Tangible fixed assets £	Net Current assets £	Liabilities > 1 year £	Total 2024 £	Total 2023 £
Unrestricted Funds	2,635,341	1,580,614	-	4,215,955	4,153,451
Restricted Funds	40,007	-	-	40,007	40,314
	2,675,348	1,580,614	-	4,255,962	4,193,765
<b>Company</b>					
Unrestricted Funds	2,517,569	1,165,604	-	3,683,173	3,681,171
Restricted Funds	-	-	-	-	-
	2,517,569	1,165,604	-	3,683,173	3,681,171

#### Comparatives for analysis of net assets between funds

Group	Tangible fixed assets £	Net Current assets £	Liabilities > 1 year £	Total 2023 £
Unrestricted Funds	2,781,707	1,371,744	-	4,153,451
Restricted Funds	40,314	-	-	40,314
	2,822,021	1,371,744	-	4,193,765
<b>Company</b>				
Unrestricted Funds	2,650,021	1,031,150	-	3,681,171
Restricted Funds	-	-	-	-
	2,650,021	1,031,150	-	3,681,171

**Hansel Foundation Group Notes to the Consolidated Accounts (Cont'd)**  
**For the Year ended 31 March 2024**

**29. Analysis of charitable funds**

**(a) Unrestricted funds**

Group	Balance at 1 April 2023 £	Income £	Expended £	Transfers £	Balance at 31 March 2024 £
<b>Designated funds:</b>					
Tangible fixed assets fund	2,789,830	-	-	(141,989)	2,647,841
	2,789,830	-	-	(141,989)	2,647,841
<b>General reserve</b>	1,363,621	11,850,276	(11,787,772)	141,989	1,568,114
	4,153,451	11,850,276	(11,787,772)	-	4,215,955

**Transfers represented by;**

Disposal of assets	(2,038)
Asset additions in year	31,509
Restricted funds adjustment	4,684
Less depreciation	(176,144)
	(141,989)

Company	Balance at 1 April 2023 £	Income £	Expended £	Transfers £	Balance at 31 March 2024 £
<b>Designated funds:</b>					
Tangible fixed assets fund	2,650,021	-	-	(132,452)	2,517,569
	2,650,021	-	-	(132,452)	2,517,569
<b>General reserve</b>	1,031,150	1,648,177	(1,646,175)	132,452	1,165,604
	3,681,171	1,648,177	(1,646,175)	-	3,683,173

**Transfers represented by;**

Loss on disposal of assets	(521)
Asset additions in year	5,583
Less depreciation	(137,514)
	(132,452)

The tangible fixed assets fund has been set up to assist in identifying those funds that are not free funds. It represents the net book value of tangible fixed assets, excluding those assets acquired with restricted funds.

The general reserve fund represents the "free reserves" after allowing for all designated funds.



**Hansel Foundation Group Notes to the Consolidated Accounts (Cont'd)**  
**For the Year ended 31 March 2024**

**29. Analysis of charitable funds (cont'd)**

<b>(b) Restricted funds</b>	<b>Balance at 1 April 2023 £</b>	<b>Income £</b>	<b>Expenditure and Transfers £</b>	<b>Balance at 31 March 2024 £</b>
Storage, racking & shelving	52	-	(5)	47
Market gardens equipment	5	-	(2)	3
Equipment for residential unit	1,778	-	(356)	1,422
Vehicles for residential unit	301	-	(75)	226
Vehicle for respite services	208	-	(53)	155
Vehicle for residential unit	1,815	-	(454)	1,361
Commercial washing machine	3,277	-	(655)	2,622
Horticultural project	8,123	50,000	(45,623)	12,500
Commercial washing machine	6,080	-	(1,216)	4,864
Shawburn kitchen	18,675	-	(1,868)	16,807
<b>Group total</b>	<b>40,314</b>	<b>50,000</b>	<b>(50,307)</b>	<b>40,007</b>
Represented by :				
Cash at bank	8,123			12,500
Fixed assets	32,191			27,507
	<b>40,314</b>			<b>40,007</b>

Restricted funds represent grants and donations that have been received for the purpose of providing residential accommodation, or for specific capital/project expenditure.

**Comparatives for analysis of charitable funds**

**(a) Unrestricted funds**

<b>Group</b>	<b>Balance at 1 April 2022 £</b>	<b>Income £</b>	<b>Expended £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2023 £</b>
<b>Designated funds:</b>					
Tangible fixed assets fund	2,946,464	-	-	(156,636)	2,789,828
	2,946,464	-	-	(156,636)	2,789,828
<b>General reserve</b>	1,648,120	11,290,478	(11,731,611)	156,636	1,363,623
	4,594,584	11,290,478	(11,731,611)	-	4,153,451
<b>Transfers represented by;</b>					
Disposal of assets				-	
Asset additions in year				47,702	
Restricted funds adjustment				(15,110)	
Less depreciation				(189,228)	
				<b>(156,636)</b>	

**Hansel Foundation Group Notes to the Consolidated Accounts (Cont'd)**  
**For the Year ended 31 March 2024**

**29. Comparatives for analysis of charitable funds (cont'd)**

Company	Balance at 1 April 2022 £	Income £	Expended £	Transfers £	Balance at 31 March 2023 £
<b>Designated funds:</b>					
Tangible fixed assets fund	2,780,777	-	-	(130,756)	2,650,021
	2,780,777	-	-	(130,756)	2,650,021
<b>General reserve</b>	1,342,124	1,522,501	(1,964,231)	130,756	1,030,150
	4,122,901	1,522,501	(1,964,231)	-	3,681,171

**Transfers represented by;**

Loss on disposal of assets  
Asset additions in year  
Less depreciation

-
15,522
(146,278)
(130,756)

(b) <i>Restricted funds</i>	Balance at 1 April 2022 £	Income £	Expenditure and Transfers £	Balance at 31 March 2023 £
Storage, racking & shelving	58	-	(6)	52
Market gardens	7	-	(2)	5
Equipment for residential unit	2,223	-	(445)	1,778
Vehicles for residential unit	401	-	(100)	301
Vehicle for respite services	278	-	(70)	208
Vehicle for residential unit	2,420	-	(605)	1,815
Commercial washing machine	4,096	-	(819)	3,277
Horticultural project	32,890	28,705	(53,472)	8,123
Commercial washing machine	7,600	-	(1,520)	6,080
Shawburn kitchen	-	20,750	(2,075)	18,675
<b>Group total</b>	49,973	49,455	(59,114)	40,314
Represented by :				
Cash at bank	32,890			8,123
Fixed assets	17,083			32,191
	49,973			40,314

## Hansel Foundation Group Notes to the Consolidated Accounts (Cont'd) For the Year ended 31 March 2024

### 30. Note to the statement of cash flows

#### Group

#### Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net movement in funds (as per the statement of financial activities)	62,197	(450,792)
<b>Adjustment for items not regarded as operating activities for cash flow statement:</b>		
Deduct interest income shown in investing activities	(12,132)	(3,038)
Add back interest expenditure shown in investing activities	-	280
Add back depreciation	176,144	189,228
Loss on disposal of other fixed assets	2,038	-
Increase in stock	(31)	(352)
(Increase)/decrease in debtors	(783,282)	553,568
Increase/(decrease) in creditors	30,911	(43,851)
Gain on investments	(23,218)	(12,562)
Increase/(decrease) in investment account	8,154	-
Net cash (outflow)/income used in operating activities	<u>(539,219)</u>	<u>232,481</u>

#### Company

#### Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net movement in funds (as per the statement of financial activities)	2,002	(441,730)
<b>Adjustment for items not regarded as operating activities for cash flow statement:</b>		
Deduct interest income shown in investing activities	(50,882)	(38,918)
Add back interest expenditure shown in investing activities	-	-
Add back depreciation	137,514	146,278
Loss on disposal of fixed assets	521	-
(Increase)/decrease in debtors	(224,493)	118,613
(Decrease)/increase in creditors	(356,525)	362,634
Gain on investments	(23,218)	(12,562)
Increase/(decrease) in investment account	8,154	-
Net cash (outflow)/income from operating activities	<u>(506,927)</u>	<u>134,315</u>

### 31. Commitments : Group and Company

There were no capital commitments, contracted or not contracted, at the end of the financial year (£nil as at 31 March 2023).

Hansel Foundation has provided cross guarantee arrangements in respect of its subsidiary company, Hansel Alliance. As at 31 March 2024 Hansel Alliance had no bank borrowings (2023: £Nil).

### 32. Related party disclosures

The company has taken advantage of the exemption from disclosing transactions with its subsidiary entity, Hansel Alliance, on the grounds that it is included in the consolidated accounts of Hansel Foundation.

There were no related party transactions between the charity and those deemed related parties for the year ended 31 March 2024, with the exception of matters addressed at note 17.

## Appendix

### Hansel Foundation - Charitable Trusts and other Donations etc. of £250 and over Receivable in year ended 31 March 2024

	Unrestricted Funds £
<b>Trusts, donations and legacies as per the accounts includes the following:</b>	
Ms Montgomery	300
Friends & Family of Mary Garrick	327
Mr Reid	420
Troon Old Parish Church of Scotland	448
Anonymous	450
Me Evans	470
Urquhart Opticians	500
Glasgow Ayrshire Society	500
Tannlin UK Ltd	597
Mr Jim Murdoch	975
Saints & Sinners	1,000
Anna Hutchison Vallance Mair Estate	1,000
M V Hillhouse Trust	1,000
Ewan Brewis	1,000
Mileway BV	1,176
Jean Parker	2,000
Mr Gordon	2,000
Mrs M H McMillan's Charitable Trust	3,500
The W A Cargill Fund	5,000
Derek F Hale's Will Trust	5,130
Margo McConchie Estate	5,593
NFU Mutual	6,443
Hugh & Mary Miller Bequest	7,700
The John Scott Trust	10,000
Galleon Curling Club Annual Bonspiel	11,500
Mr & Mrs Christopher Howe	30,000
Mr Alastair MacKenzie Ritchie's Estate	65,389
	<hr/> <hr/> 164,418