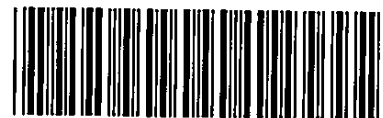


Charity Registration No. SC039521
Company Registration No. SC340297 (Scotland)

THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
DIRECTOR'S REPORT AND GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

TUESDAY



S3HHIJOA
SCT 30/09/2014 #300
COMPANIES HOUSE

**THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Joseph Mackie Jenny Gow Gail Thomson John Findlay Kevin McCormick Laura Gray Professor George Youngson CBE Alasdair Gardner Christopher Driver Susan Swift
Secretary	Iain Smith Solicitors LLP
Charity Number	SC039521
Company Number	SC340297
Registered Office	Royal Aberdeen Children's Hospital Westburn Road Aberdeen AB25 2ZG
Auditors	Johnston Carmichael LLP Axis Business Centre Thainstone Inverurie AB51 5TB
Bankers	Bank of Scotland 38 St Andrews Square Edinburgh EH2 2YR

THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

CONTENTS

	Page
Directors Report	1 - 5
Statement of Directors' Responsibilities	6
Independent Auditors' Report	7 - 8
Consolidated Statement of Financial Activities	9
Charity Statement of Financial Activities	10
Balance Sheets	11
Notes to the Accounts	12 - 22

**THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The Directors present their report and accounts for the year ended 31 December 2013.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's aims and objectives, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in 2005.

Objectives and activities- the role of the ARCHIE Foundation

The ARCHIE Foundation 'Makes the Difference' when a child is receiving healthcare in Grampian, Orkney, Shetland or the Highlands. Whether in the Royal Aberdeen Children's Hospital, the Children's wards in Inverness and Elgin or in many rural community hospitals, the charity provides the extras, over and above the core NHS child health provision, that make the experience of being in hospital for children less daunting, more enjoyable, often shorter and always more positive.

In 2013 we impacted, in one way or another, on the healthcare of more than 100,000 children. We simply could not have done that without the support of our many donors who have, for the second successive year, ensured our income exceeded one million pounds. From a population of less than 10% of our nation's total, spread over 50% of our nation's landmass, the challenge of communicating our message and developing this support is significant. That so many continue to donate their time and money to our work is both humbling and reaffirming. We are truly grateful that they do.

Structure, governance and management

The ARCHIE Foundation was formed in September 2000 to support the creation of the Royal Aberdeen Children's Hospital. After the hospital opened the charity was subsumed into the NHS Grampian Endowment Fund between 2004 and 2008, remerging as an independent charity in 2008. The assets and liabilities for the charity were transferred into a company limited by guarantee at that time. The charity is governed by its Memorandum and Articles of Association which have been renewed since to allow the growth into the Highlands and again to allow growth into Tayside. The Directors of the company (Trustees) are responsible for the strategy and governance of the charity and monitoring performance in line with the strategic objectives. The ARCHIE Foundation is a charity registered in Scotland number SC039521.

Trustees are appointed for five-year terms with at least one-year off the board required between appointments. Trustees are generally invited to join the board following recommendation by an existing Trustee and approval by the board. There are a mix of NHS and non-NHS Trustees on the Board with a majority of non-NHS members. Trustees receive an induction from the Chief Executive and are invited to sit on such sub-committees as are appropriate.

The following Directors served during the year and to the date of signing, who are also members of the board of Trustees:

Joseph Mackie
Jenny Gow
Gail Thomson
John Findlay
Kevin McCormick
Laura Gray
Professor George Youngson CBE
Alasdair Gardner (appointed 25th March 2014)
Christopher Driver (appointed 25th March 2014)
Susan Swift (appointed 25th March 2014)

The Board of Trustees devolve day-to-day management of the charity to the Chief Executive as well as authority to approve funding applications up to £500 in value. The Chief Executive of The ARCHIE Foundation also holds the role of Chair of the Scottish Standard's Committee of the Institute of Fundraising and is a Trustee of the Aberdeen University Students' Association.

**THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

Structure, governance and management (continued)

The Board also devolves duties to two sub-committees. The Clinical Advisory Committee review all applications for over £500 and make recommendations on their suitability and appropriateness. The Finance and Governance Committee reviews the financial performance of the charity, the management of the charity, any HR issues and also the financial viability of any funding applications, again making recommendations to the Board.

The Board of Trustees make decisions based on the recommendations made to them.

The Directors have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Achievements and performance

'Making the Difference' today - meeting the needs of Children, Families and Staff in 2013

The need to react positively to the 'here and now' is never far away in a children's hospital environment. In 2013, The ARCHIE Foundation achieved this in a number of ways including:

1. Provision of family accommodation, free of charge, for as long as it is required for families from across the North of Scotland and the Islands in the Royal Aberdeen Children's Hospital.
2. Provision of a Family Support Worker, based in our Family Suite, on a full-time basis to help those families.
3. Enhancement of paediatric environments outwith the Royal Aberdeen Children's Hospital, to make the experience of coming into hospital less scary, especially for young children, no matter where they are treated.
4. Funding The ARCHIE Specialist Nurse in Paediatric Pain Management to allow a highly specialist clinic for children from across the North of Scotland who are suffering from chronic, long-term pain to have enhanced care and to see significant improvements in their quality of life.
5. Development of the first 'Sensory Dynamic Orthosis Clinic' in Aberdeen, to allow every child with cerebral palsy to be assessed for, and benefit from, individually tailored garments that provide round-the-clock physiotherapy. Allowing these children to grow up with improved strength, posture and the resulting benefits of improved self esteem and confidence achieved by 'not being different'.
6. Building on our Family Support programme by putting in place an emergency grant scheme allowing families and clinical staff to access grants up to £500 in emergency/urgent situations. In total, 150 grants were made with an average value of £313.64 to help families from across the North of Scotland as they coped with their child being in hospital.
7. We supported the cost of 19 members of paediatric staff from across NHS Grampian, Orkney and Highland to undertake specialist training courses or attend conferences to improve their knowledge and skills.

**THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

'Making the Difference' tomorrow too

The ARCHIE Foundation also continued and developed our 'up-stream' investment programme to inform future healthcare provision, inform families and children of important paediatric healthcare messages and to support early intervention in paediatric mental health to reduce future requirement. We also continued to raise funds towards major redevelopments of facilities in the Highlands and Moray.

In 2013, our key priorities in this area were as follows:

1. Continuation of our research investment programme, allowing our research into the high prevalence of respiratory disease in children from the North of Scotland to move towards reporting.
2. Development of our first, and then second, family friendly café. The cafes are designed to welcome families with young children, ensure they have a safe and relaxing environment in which to play, and where they can pick up useful, accurate and important healthcare information for their child.
3. Ongoing support of the Grampian Child Bereavement Network allowing them to work with children who have suffered bereavement and identify children who are struggling to overcome this - allowing supportive structures to be put in place and preventing development of poor mental health as a result of the loss experienced.
4. Focus our income generation in the Moray area in order to carry out a major refurbishment of the children's ward at Dr Gray's Hospital, Elgin.
5. To drive forward our Highland Appeal, with a new, wider remit agreed with NHS Highland to raise £2m towards the cost of a new Highland Children's Unit.

New Cafes Open in 2013

In 2013 the charity launched a subsidiary company, Community Cafes Ltd. This wholly owned company was created to allow the development of a new income stream and charitable project. As a result, in August the first new ARCHIE café opened in the Hilton Community of Inverness. This community faces many challenges and children from the area are more likely to require the services of healthcare professionals as they grow up. Our café, equipped with soft play facilities for pre-school children, is in the heart of the community and is designed to be a place where families with young children can come and spend some quality time with their child in a safe, low cost environment.

We also aim to tackle many of the 'myths' that perpetuate within communities and families around child health. So advising a young mum, subtly, when to start brushing her baby's teeth, and to use a toothpaste containing fluoride, could have a profound impact on the child's need or otherwise for excessive dental intervention (often general anaesthetic for extractions) before the child reaches school.

Our second café opened in a more commercially viable location in the Eastgate Centre, Inverness in October 2013 with a view to balancing costs of the Hilton project. Early indications are that this is a viable proposition for a sustainable future for the cafes, with an ultimate goal of the cafes providing both a service in their own work and a net income for the charity.

In both cases our corporate partner, Cobbs, has supported the creation and operation of the cafes. Cobbs has provided advice, practical assistance and manpower to the venture. Their involvement has been instrumental in moving the project forward.

**THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

2013 Financial review

In 2013, our financial performance remained strong and income was, for the second successive year, in excess of £1m. Having grown significantly in the years 2009-2012, securing an income in excess of £1m in 2013 was an important objective to show the sustainable and solid foundation that has been put in place at the charity.

Income in 2013 was £1.057m, down slightly from £1.196m in 2012. This was principally due to a large, one-off grant in late 2012 that inflated the 2012 income beyond what had previously been expected. In addition, in partnership with NHS Highland, the opportunity to develop our work in the Highlands beyond a simple refurbishment of the existing ward into a new Highland Children's Unit presented an opportunity that could not be missed. Inevitably however, much of 2013 was spent scoping and planning this development during which time fundraising activity was reduced as clarity on the final unit's layout and remit was achieved.

Total incoming resources equalled £1,057,090 (£1,196,901 in 2012) and resources expended equalled £1,006,036 (£1,624,719 in 2012). This reflected the expected reduction in charitable activity following the investment into the first phase of the Highland Project in 2012.

In 2013 there was a net increase in funds of £51,054 (a deficit of £427,818 in 2012), which was again in line with expectations.

Funds at December 31st totalled £678,924 (£627,870 in 2012) of which £449,345 represents restricted funds (funds received that are restricted by the donor for a specific purpose) and £229,579 (£299,039 in 2012) that are unrestricted.

Of the unrestricted funds the Trustees have designated a total of £195,308 to be spent on specific projects over the next two years. This is shown separately in the balance sheet as 'designated funds'. The Trustees have agreed that a sum equal to six months' minimum operating costs should be retained by the charity as part of its reserves and is making progress towards achieving this. Included in designated funds as of December 31st 2013 is £125,000 for this purpose.

Plans for the future

Objectives for 2014 are:

- To build on the foundation achieved and increase income as outlined in the strategic plan to meet an increasing demand for support from paediatric staff and families.
- To extend the reach of the charity to formally adopt child health in the NHS Tayside region as part of The ARCHIE Foundation, and to launch an appeal in Tayside.
- To mark ten years since the Royal Aberdeen Children's Hospital opened and to embark on a fundraising campaign based around this date.
- To increase our volunteer base, to include our cafes, and to help reduce costs as a percentage of income.

Connected Bodies

Community Cafes Limited is a wholly owned subsidiary company through which the trading activities of The ARCHIE Foundation are carried on. Community Cafes Limited has a principal address of 18 Queen's Road, Aberdeen, AB15 4ZT - that of our solicitors. Community Cafes Limited started trading in late 2013 and has yet to post a profit.

**THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

Relationship between the charity and related Parties

- Community Cafes Limited was set up as a trading company of the charity and donates its profits to the charity.
- Two trustees, Joe Mackie (Chairman) and John Findlay are directors of Community Cafes Limited.
- Two trustees, Laura Gray and Gail Thomson are employees at NHS Grampian.
- Kevin McCormick is the owner of McCormick Consultancy who have been employed to provide communication support.
- Until 29th March 2013 Kevin McCormick was also a director of Citrus:Mix who continue to be engaged by the charity for website hosting and design.

Going Concern

The Trustees are satisfied that the accounts should be prepared on a going concern basis. They have reviewed the level of reserves, the budget of both income and expenditure for the next 12 months and also reviewed the risks to the charity and its ability to continue to raise funds in the future.

Disclosure of information to auditors

The directors confirm that:

- (a) so far as they are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- (b) they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Signed:



Joseph Mackie
Director

Dated 27th September 2014

**THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Trustees (who are also the directors of The Archie Foundation for the purposes of charity law) are responsible for preparing the Directors Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable company and of the group and of the incoming resources and application of resources including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are responsible 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 group will continue in business.

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are responsible for safeguarding the assets of the charitable company and the group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT
TO THE DIRECTOR AND MEMBERS OF THE ARCHIE FOUNDATION**

We have audited the financial statements of The Archie Foundation for the year ended 31 December 2013 which comprise the Group and Parent Charitable Company Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's directors, 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 (as amended). Our audit work has been undertaken so that we might state to the charity's members and the charity's directors those matters we are required to state to them in an auditor's 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 charity, its members as a body and its directors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditors under Section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's Report to identify material inconsistencies with the audited financial statements, and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF THE ARCHIE FOUNDATION**

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:

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



**Jean Main (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael LLP**

Dated 27/09/14

**Chartered Accountants
Statutory Auditor**

Axis Business Centre
Thainstone
Inverurie
AB51 5TB

Johnston Carmichael LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	2013 £	2012 £
Incoming resources						
Incoming resources from generated funds						
Voluntary income						
Donations and gifts	2	333,784	-	386,022	719,806	914,650
Investment income	3	16,461	-	-	16,461	14,219
Trading income from subsidiaries	8	9,536	-	-	9,536	-
		<u>359,781</u>	<u>-</u>	<u>386,022</u>	<u>745,803</u>	<u>928,869</u>
Activities for generating funds		<u>65,796</u>	<u>-</u>	<u>245,491</u>	<u>311,287</u>	<u>268,032</u>
Total incoming resources		<u>425,577</u>	<u>-</u>	<u>631,513</u>	<u>1,057,090</u>	<u>1,196,901</u>
Resources expended						
Costs of generating funds						
Expenditure of trading subsidiaries	8	15,887	-	-	15,887	-
Costs of generating voluntary income	4	31,917	-	39,399	71,316	46,476
Net incoming resources available for charitable application		<u>377,773</u>	<u>-</u>	<u>592,114</u>	<u>969,887</u>	<u>1,150,425</u>
Charitable activities						
Support costs	4	207,573	-	58,297	265,870	229,338
Direct expenditure	4	188,455	88,171	368,337	644,963	1,341,000
Total charitable expenditure		<u>396,028</u>	<u>88,171</u>	<u>426,634</u>	<u>910,833</u>	<u>1,570,338</u>
Governance costs	4	8,000	-	-	8,000	7,905
Total resources expended		<u>451,832</u>	<u>88,171</u>	<u>466,033</u>	<u>1,006,036</u>	<u>1,624,719</u>
Net incoming / (outgoing) resources before transfers		(26,255)	(88,171)	165,480	51,054	(427,818)
Transfer between funds		<u>(9,679)</u>	<u>54,645</u>	<u>(44,966)</u>	<u>-</u>	<u>-</u>
Net movement in funds		(35,934)	(33,526)	120,514	51,054	(427,818)
Fund balances at 1 January 2013		70,205	228,834	328,831	627,870	1,055,688
Fund balances at 31 December 2013		<u>34,271</u>	<u>195,308</u>	<u>449,345</u>	<u>678,924</u>	<u>627,870</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES - CHARITY ONLY
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	2013 £	2012 £
Incoming resources						
Incoming resources from generated funds						
Voluntary income						
Donations and gifts	2	333,784	-	386,022	719,806	914,650
Investment income	3	16,461	-	-	16,461	14,219
		<u>350,245</u>	<u>-</u>	<u>386,022</u>	<u>736,267</u>	<u>928,869</u>
Activities for generating funds		<u>65,796</u>	<u>-</u>	<u>245,491</u>	<u>311,287</u>	<u>268,032</u>
Total incoming resources		<u>416,041</u>	<u>-</u>	<u>631,513</u>	<u>1,047,554</u>	<u>1,196,901</u>
Resources expended						
Costs of generating funds						
Costs of generating voluntary income	4	31,917	-	39,399	71,316	46,476
Net incoming resources available for charitable application		<u>384,124</u>	<u>-</u>	<u>592,114</u>	<u>976,238</u>	<u>1,150,425</u>
Charitable activities						
Support costs	4	207,573	-	58,297	265,870	229,338
Direct expenditure	4	188,455	88,171	368,337	644,963	1,341,000
Total charitable expenditure		<u>396,028</u>	<u>88,171</u>	<u>426,634</u>	<u>910,833</u>	<u>1,570,338</u>
Governance costs	4	8,000	-	-	8,000	7,905
Total resources expended		<u>435,945</u>	<u>88,171</u>	<u>466,033</u>	<u>990,149</u>	<u>1,624,719</u>
Net incoming / (outgoing) resources before transfers		(19,904)	(88,171)	165,480	57,405	(427,818)
Transfer between funds		<u>(9,679)</u>	<u>54,645</u>	<u>(44,966)</u>	<u>-</u>	<u>-</u>
Net movement in funds		(29,583)	(33,526)	120,514	57,405	(427,818)
Fund balances at 1 January 2013		70,205	228,834	328,831	627,870	1,055,688
Fund balances at 31 December 2013		<u>40,622</u>	<u>195,308</u>	<u>449,345</u>	<u>685,275</u>	<u>627,870</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.


THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET
AS AT 31 DECEMBER 2013

	Notes	Group		Charity	
		2013 £	2012 £	2013 £	2012 £
FIXED ASSETS					
Tangible assets	7	48,350	7,447	29,736	7,447
Investments	8	-	-	2	-
		<u>48,350</u>	<u>7,447</u>	<u>29,738</u>	<u>7,447</u>
CURRENT ASSETS					
Debtors	9	14,145	93,965	39,110	93,965
Fixed term bank deposits	10	600,000	750,000	600,000	750,000
Cash at bank and in hand		<u>179,861</u>	<u>715,746</u>	<u>179,861</u>	<u>715,746</u>
		794,006	1,559,711	818,971	1,559,711
Creditors: amounts falling due within one year	11	<u>(163,432)</u>	<u>(939,288)</u>	<u>(163,434)</u>	<u>(939,288)</u>
NET CURRENT ASSETS		<u>630,574</u>	<u>620,423</u>	<u>655,537</u>	<u>620,423</u>
NET ASSETS		<u>678,924</u>	<u>627,870</u>	<u>685,275</u>	<u>627,870</u>
FUNDS					
Restricted Funds	12	449,345	328,831	449,345	328,831
Unrestricted funds:					
Designated funds	13	195,308	228,834	195,308	228,834
Other charitable funds		<u>34,271</u>	<u>70,205</u>	<u>40,622</u>	<u>70,205</u>
Total Funds		<u>678,924</u>	<u>627,870</u>	<u>685,275</u>	<u>627,870</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The accounts were approved by:



Joseph Mackie
 Director (Chairman)

Date: 27th September 2014

Company Registration No. SC340297

**THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

1 ACCOUNTING POLICIES

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with the Companies Act 2006, the Financial Reporting Standard for Smaller Entities 2008 and the Statement of Recommended Practice, "Accounting and Reporting by Charities" 2005. The charity has availed itself of s396 of the Companies Act 2006, as permitted in paragraph 4 (1) of schedule 1 of SI 2008 No 409, and adapted the Companies Act formats to reflect the special nature of the charity's activities.

1.2 Basis of consolidation

The group financial statements consolidate the accounts of the Charity and its subsidiary undertaking, Community Cafes Limited.

1.3 Incoming resources

All incoming resources are included in full in the Statement of Financial Activities in the period in which the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Gifts in kind and donated services are included where the relevant value can be quantified.

1.4 Resources expended

All expenditure is included on an accruals basis and has been classified under headings that aggregate all costs related to the category and include irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Motor vehicles	- 25% reducing balance
Fixtures, fittings & equipment	- 25% reducing balance
Website	- 3 years straight line

1.6 Fixed asset investments

Investments in subsidiary undertakings are included at cost except where provision is made against an identified permanent diminution in value.

1.7 Fixed term bank deposits

Deposits are placed with UK based banks for fixed periods of less than 12 months.

1.8 Accumulated funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Designated funds comprise funds which have been set aside at the discretion of the Directors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

1.9 Unrestricted funds

Unrestricted funds are incoming resources generated for the objects of the charity without further specified purpose and are available as general funds.

1.10 Grant expenditure

Grant expenditure relates to expenditure incurred by the charity to provide the extras over and above core NHS facilities to "Make the Difference" for local children when receiving clinical care.

THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013

1 ACCOUNTING POLICIES (continued)

1.11 Finance and operating leases

The annual rentals for operating leases are charged to the income and expenditure account on a straight line basis over the lease term. Assets acquired under finance leases are included in fixed assets and the capital element is shown as obligations under finance leases.

1.12 Taxation

The charity has been granted charitable status by HMRC and is not therefore liable for corporation tax.

2 Donations and gifts

Charity and group	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Donations and gifts	<u>333,784</u>	<u>386,022</u>	<u>719,806</u>	<u>914,650</u>

3 Investment income

Charity and group	Unrestricted funds £	Restricted funds £	2013 £	2012 £
Interest receivable	<u>16,461</u>	<u>-</u>	<u>16,461</u>	<u>14,219</u>

THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013

4 Total resources expended

Group	Staff costs £	Depreciation £	Other costs £	Total 2013 £	Total 2012 £
Costs of generating funds					
Costs of generating voluntary income	-	2,236	69,080	71,316	46,476
Charitable activities					
Support costs	196,055	10,538	59,277	265,870	229,338
Direct expenditure	106,654	-	538,309	644,963	1,341,000
	<u>302,709</u>	<u>10,538</u>	<u>597,586</u>	<u>910,833</u>	<u>1,570,338</u>
Governance costs	-	-	8,000	8,000	7,905
	<u>302,709</u>	<u>10,538</u>	<u>605,586</u>	<u>918,833</u>	<u>1,578,243</u>
Total resources expended	<u>302,709</u>	<u>12,774</u>	<u>674,666</u>	<u>990,149</u>	<u>1,624,719</u>

Governance costs comprises audit fees of £8,000 (2012 - £7,905).

Other costs for support costs comprises:

	2013 £	2012 £
Marketing	10,572	14,068
Insurance	1,479	683
Computer and IT costs	6,134	6,908
Telephone and internet	8,493	3,448
Postage and stationery	12,547	11,653
Training and recruitment	2,209	1,374
Travel	9,565	6,875
Miscellaneous	8,278	3,871
	<u>59,277</u>	<u>48,880</u>

5 Directors

The directors for the purpose of Companies Act 2006, (or any persons connected with them) did not receive any remuneration during this or the prior period. One director was reimbursed expenses of £180 (2012 - £793) during the year.

THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013

6 Employees

Group and Charity

Number of employees	2013 Number	2012 Number
Full time	7	5
Part time	<u>5</u>	<u>5</u>
	<u>12</u>	<u>10</u>
 Employment costs	 2013 £	 2012 £
Wages and salaries	276,813	207,113
Social security costs	<u>25,896</u>	<u>19,024</u>
	<u>302,709</u>	<u>226,137</u>

During this and the prior year, no employee of the group received remuneration greater than £60,000.

**THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013**

7 Tangible fixed assets

Group	Motor vehicles £	Fixtures, fittings & equipment £	Website £	Total £
Cost				
At 1 January 2013	-	11,308	21,015	32,323
Additions	20,500	33,270	-	53,770
Disposals	-	(93)	-	(93)
At 31 December 2013	20,500	44,485	21,015	86,000
Depreciation				
At 1 January 2013	-	5,744	19,132	24,876
Charge for the period	5,125	6,709	940	12,774
At 31 December 2013	5,125	12,453	20,072	37,650
Net book value				
At 31 December 2013	15,375	32,032	943	48,350
At 31 December 2012	-	5,564	1,883	7,447
Charity				
Cost				
At 1 January 2013	-	11,308	21,015	32,323
Additions	20,500	12,420	-	32,920
Disposals	-	(93)	-	(93)
At 31 December 2013	20,500	23,635	21,015	65,150
Depreciation				
At 1 January 2013	-	5,744	19,132	24,876
Charge for the period	5,125	4,473	940	10,538
At 31 December 2013	5,125	10,217	20,072	35,414
Net book value				
At 31 December 2013	15,375	13,418	943	29,736
At 31 December 2012	-	5,564	1,883	7,447

THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013

8	Fixed asset Investments	Group		Charity	
		2013	2012	2013	2012
		£	£	£	£
	Investment in subsidiary undertakings	<u>-</u>	<u>-</u>	<u>2</u>	<u>-</u>

The charity acquired 100% of the issued ordinary share capital (2 ordinary shares of £1 each) of Community Cafes Limited (CCL), a company incorporated and registered in Scotland, during the year. The principle activity of CCL is to provide a community hub for families and parents with young children, and promote health and wellbeing. A summary of the trading results are shown below. Financial statements are filed with the Registrar of Companies.

	Company 2013 £
Income	9,536
Admin expenses	<u>(15,887)</u>
Loss for the year	<u>(6,351)</u>
The assets and liabilities of the subsidiary:	
Fixed Assets	18,614
Current Assets	11,400
Creditors: amounts falling due within one year	<u>(36,363)</u>
Total Net Assets	<u>(6,349)</u>
Aggregate share capital and reserves	<u>(6,349)</u>

9	Debtors	Group		Charity	
		2013	2012	2013	2012
		£	£	£	£
	Amounts due from subsidiary undertakings	-	-	36,383	-
	Other debtors	7,622	9,753	1,645	9,753
	Prepayments and accrued income	<u>6,523</u>	<u>84,212</u>	<u>1,102</u>	<u>84,212</u>
		<u>14,145</u>	<u>93,965</u>	<u>39,110</u>	<u>93,965</u>

There is no interest chargeable on amounts due from subsidiary undertakings.

THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013

10	Current asset investments	Group		Charity	
		2013 £	2012 £	2013 £	2012 £
	Bank deposit account	<u>600,000</u>	<u>750,000</u>	<u>600,000</u>	<u>750,000</u>
11	Creditors: amounts falling due within one year	Group		Charity	
		2013 £	2012 £	2013 £	2012 £
	Amounts due to subsidiary undertakings	-	-	2	-
	Other taxes and social security costs	7,507	5,866	7,507	5,866
	Accruals	<u>155,925</u>	<u>933,422</u>	<u>155,925</u>	<u>933,422</u>
		<u>163,432</u>	<u>939,288</u>	<u>163,434</u>	<u>939,288</u>

THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds					
	Balance at 1 January 2013	Incoming Resources	Resources Expended	Transfers (to) / from general funds	Other transfers	Balance at 31 December 2013
	£	£	£	£	£	£
A & E Dept	3,285	1,038	-	1,447	(5,770)	-
Allergy Clinic	250	-	-	-	-	250
Bereaved Families	2,749	1,010	341	-	-	3,418
Brandon Craig Fund	-	10,612	-	-	-	10,612
Chapel Fund	394	295	-	-	-	689
Cardiac Unit	693	-	-	-	-	693
Child Psychiatrist	2,791	-	-	-	-	2,791
Children's Plastic Surgery Unit	-	1,932	-	-	-	1,932
Chris Driver Fund	21,407	65	-	-	-	21,472
Cleft Lip & Palate Team	675	-	-	-	-	675
CLIC Nurse Fund	1,525	-	-	-	-	1,525
Clinical Genetics	177	-	-	-	-	177
Commemorative Group	140	-	-	-	-	140
Community Paed Nurse Specialist	236	-	-	-	-	236
Cough assistance machine	-	3,000	-	(3,000)	-	-
Cystic Fibrosis	3,240	-	-	-	(3,240)	-
Day Case - Dr Turner	12,694	200	775	-	-	12,119
Dermatology	422	-	-	-	-	422
Diabetic Service	14,471	388	2,118	-	-	12,741
Dr Bisset Metabolic Service	723	-	-	-	-	723
Dr Gray's - Elgin	-	-	-	-	-	-
Dr Gray's Children's Ward (note A)	54,678	26,823	-	-	11,719	93,220
Dr Gray's Family Room	2,000	-	-	-	-	2,000
Dr Gray's Neonatal care unit	400	-	-	-	-	400
Early Bird Programme	35	-	-	-	-	35
ECG Monitor	170	-	-	-	-	170
Epilepsy Nurse Service	1,289	-	-	-	-	1,289
Evaluation of Child Health Development	269	-	-	-	-	269
Fiona Smith Nurse Education Fund	-	1,485	-	-	-	1,485
General Fund	(90)	-	-	2,366	-	2,276
G Med - Aberdeen (note B)	1,063	-	-	(1,063)	-	-
G Med - Aboyne (note B)	1,376	650	-	(2,026)	-	-
G Med - Elgin (note B)	11,719	-	-	-	(11,719)	-
G Med - Huntly (note B)	220	-	-	(220)	-	-
G Med - Peterhead (note B)	3,086	2,540	3,008	(2,618)	-	-
G Med - Turriff (note B)	4,230	-	-	(4,230)	-	-
Gastroenterology Fund	867	-	-	-	-	867
HDU	13,116	200	-	-	-	13,316
HDU Equipment	674	-	-	-	-	674
HDU Staff and Social	-	50	-	-	-	50
HDU/Surgical K Topley	1,077	-	-	-	-	1,077
Heart Research on Infant AR816	200	-	-	-	-	200
Highland Appeal- Play	2,150	320	-	-	-	2,470
Highland Appeal (note C)	-	449,801	388,916	(6,562)	-	54,323
Highland Appeal - Musical Resources	-	79	-	-	-	79
Journal Subscription	-	-	31	31	-	-
Kayla Riddle	3,002	-	267	-	-	2,735
Keeping in Touch Wifi	-	29,660	-	-	(29,660)	-
Kidney Unit	1,024	-	-	-	-	1,024
Liver disease	500	-	-	-	-	500
Loma Spiers Fund	-	4,479	-	-	-	4,479
Low Weight Baby Clinic	180	-	-	-	-	180
Lowit Unit	378	-	-	-	-	378
Matthew Law Welfare Fund	2,543	-	2,545	2	-	-
Medical Equipment Fund	1,301	-	-	-	(1,301)	-
Medical Ward Isolation	1,000	-	-	-	-	1,000
Medical Ward	12,624	410	772	(509)	-	11,753
Meningitis	1,000	-	-	-	-	1,000
Mental Health	45	-	-	-	-	45
Neurology/Dietetics	(230)	-	-	485	-	255
Occupational Therapy	84	-	-	-	-	84
Oncology	11,663	4,400	-	-	-	16,063
Balance carried forward	199,515	539,437	398,773	(15,897)	(39,971)	284,311

THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013

12 Restricted funds (continued)

	Movement in funds					Balance at 31 December 2013 £
	Balance at 1 January 2013 £	Incoming Resources £	Resources Expended £	Transfers (to)/from general funds £	Other transfers	
Balance brought forward	199,515	539,437	398,773	(15,897)	(39,971)	284,311
Orthopaedic	1,048	100	-	-	-	1,148
Out Patient Dept	183	1,500	1,251	(160)	(272)	-
Paediatric Assessment Unit	1,348	250	-	(201)	-	1,397
Pain Group	671	-	-	-	-	671
Pain nurse (3 years)	-	5,000	5,000	-	-	-
Palliative Care	2,240	-	-	-	-	2,240
Parent Accommodation	12,027	10,751	7,550	-	(15,228)	-
Parent Accommodation - New Kitchen	19,207	-	-	-	(19,207)	-
Physio Department	2,473	137	-	-	-	2,610
Play redevelopment	40,000	-	-	-	(40,000)	-
Play Department - Other	110	407	435	-	-	82
Play Specialist Toys	-	2,000	-	-	-	2,000
Premature Babies	2,648	-	250	-	-	2,398
RACH- 10 year appeal (note D)	24,229	42,874	42,558	(28)	111,438	135,955
RACH Artroom project	-	1,000	1,000	-	-	-
Research in to Haemophilia	40	-	-	-	-	40
Research in to heart & lung	250	-	-	-	-	250
Research in to autism	40	-	-	-	-	40
Research in to bowel problems	140	-	-	-	-	140
Research into rare diseases	1,588	-	-	-	-	1,588
Surgical Ward	4,927	80	-	-	-	5,007
Teenage Patients	300	-	-	-	-	300
Theatre	50	2,537	177	-	-	2,410
Therapy lycra (note E)	-	25,440	-	(28,680)	3,240	-
Turner - Resp Research	29	-	29	-	-	-
Wheelchair loan service	1,588	-	-	-	-	1,588
YPD	14,180	-	9,010	-	-	5,170
	328,831	631,513	466,033	(44,966)	-	449,345

The restricted funds as detailed in this note are specifically for that department or case as detailed, and can only be used for that specified fund. The most significant funds are used for the purpose described below:

- A Dr Gray's- Elgin relates to fundraising for the refurbishment of the children's ward at Dr Gray's hospital in Elgin.
- B The Gmed funds related to money raised by Archie's 'friends groups' across the North East. The Elgin fund has been transferred at their request to the Dr Gray's appeal fund. Other friends groups have confirmed that funds can be used for any purpose by the charity, and as such these have been transferred to unrestricted.
- C The Highland Appeal relates to funds raised towards the creation of a new Highland Children's Unit at Raigmore Hospital, Inverness.
- D The 10 year appeal relates to donations received towards the fundraising appeal to mark ten years since the Royal Aberdeen Children's Hospital opened. The fund encompasses several sub-funds beneath it with specific objectives. Several of the pre-existing restricted donations fall into these objectives, and as such have been transferred into this fund.
- E The costs associated with the therapy lycra fund were accrued in full at 31 December 2012, as they were deemed to be committed at that date, with the majority coming from unrestricted funds. During 2013, some restricted donations were received against this expenditure, and as the full expenditure has previously been recognised, these have been released into unrestricted funds.

THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013

13 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds					
	Balance at 1 January 2013 £	Incoming Resources £	Resources Expended £	Transfer (to) / from general funds £	Other transfers £	Balance at 31 December 2013 £
Blood Pressure monitor	-	-	956	3,014	-	2,058
Car Seat	-	-	3,797	3,797	-	-
Child Bereavement Fund	25,582	-	12,500	-	-	13,082
Child Bereavement Training	-	-	2,650	2,650	-	-
Electron Microscopy	10,000	-	-	-	-	10,000
Family Support Worker (3 years)	9,153	-	9,153	-	-	-
GMED Project £180,000	499	-	20	(479)	-	-
Hand Cycle	-	-	-	670	-	670
Int Paediatric NIC Conference	-	-	-	1,100	-	1,100
Operating reserve (note I)	50,000	-	-	40,000	35,000	125,000
Paediatric Care Course	-	-	-	791	-	791
Pain Nurse (3 years) (note II)	44,491	-	7,502	(11,822)	-	25,167
Play Leader Extension	48,532	-	36,588	-	-	11,944
RACH Artroom project	2,756	-	1,756	-	-	1,000
Radiography (note III)	35,000	-	-	-	(35,000)	-
Renal Equipment	-	-	293	878	-	585
Sleep System	-	-	3,751	5,685	-	1,934
Sleep System/Wheelchair	-	-	1,125	1,125	-	-
Specialist Trike	-	-	-	1,182	-	1,182
Symmetrisleep System	1,026	-	-	(1,026)	-	-
Theatres Music System	1,000	-	-	(1,000)	-	-
TV's for Parent Accomodation	-	-	2,500	2,500	-	-
Two Ditto systems	-	-	5,580	5,580	-	-
Vest for airway clearance	795	-	-	-	-	795
	228,834	-	88,171	54,645	-	195,308

The purpose of the most significant funds is as follows:

- I The operating reserve relates to funds designated by the board of Trustees in their move towards holding a fund which equates to six months of operating expenses.
- II Pain nurse fund relates to the three year provision of a pain relief nurse based in RACH.
- III The project associated with the radiography fund is no longer going ahead, and as such the directors have transferred these funds back into the operating reserve.

**THE ARCHIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013**

14 Analysis of net assets between funds

Group	Unrestricted funds £	Designated £	Restricted funds £	Total £
Fund balances at 31 December 2013 are represented by:				
Fixed assets	48,350	-	-	48,350
Current assets	93,323	244,014	456,669	794,006
Creditors: amounts falling due within one year	(107,402)	(48,706)	(7,324)	(163,432)
	<u>34,271</u>	<u>195,308</u>	<u>449,345</u>	<u>678,924</u>
Charity	Unrestricted funds £	Designated £	Restricted funds £	Total £
Fund balances at 31 December 2013 are represented by:				
Fixed assets	29,738	-	-	29,738
Current assets	118,288	244,014	456,669	818,971
Creditors: amounts falling due within one year	(107,404)	(48,706)	(7,324)	(163,434)
	<u>40,622</u>	<u>195,308</u>	<u>449,345</u>	<u>685,275</u>

15 Related party transactions

Kevin McCormick, a member of the board of Trustees, held a material interest in both Citrus:Mix Limited and McCormick Consultancy (Abdn) Limited.

During the year the charity purchased goods and services totalling £6,175 (2012 - £13,578) from Citrus:Mix Limited, and the balance outstanding at year end was £nil (2012: £nil).

The charity purchased goods and services totalling £15,224 (2012 - £nil) from McCormick Consultancy (Abdn) Limited in the year, and the balance outstanding at year end was £3,511 (2012 - £nil).

The group has taken advantage of the exemption available within FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the companies which are party to the transactions are wholly owned by the group.

16 Control

The charity is controlled by the directors.