

THE ARCHIE FOUNDATION
(Charity Number: SC039521)
(Company Number: SC340297)

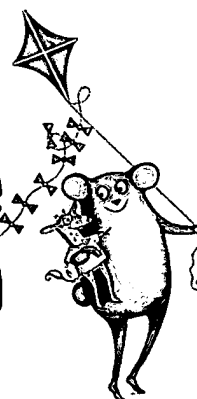
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
(a company limited by guarantee and not having share capital)

31 DECEMBER 2021



**The Archie
Foundation**

We're here for you



THE ARCHIE FOUNDATION
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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THE ARCHIE FOUNDATION
LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES

Carol Munro, Chairperson
Anne Bone MBE
Kirsty Cox
Barbara Jones (resigned 18 November 2021)
Derek King
Joseph Mackie, OBE (resigned 31 March 2021)
Mary Nimmo
Kay Pratt
David Strachan
Stephen Turner (resigned 12 November 2021)
Fiona Willox

COMPANY SECRETARY

Mackinnons Solicitors LLP

ORGANISATION

The day to day management of the charity is delegated to Paula Cormack, Chief Executive

REGISTERED OFFICE

Royal Aberdeen Children's Hospital
Westburn Road
ABERDEEN
AB25 2ZG

AUDITORS

Anderson Anderson & Brown Audit LLP
Kingshill View
Prime Four Business Park
Kingswells
ABERDEEN
AB15 8PU

BANKERS

Bank of Scotland EDINBURGH EH2 2YR	Royal Bank of Scotland FRASERBURGH AB43 9AS	Virgin Money ABERDEEN AB15 4XU
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SOLICITORS

Mackinnons
14 Carden Place
ABERDEEN
AB10 1UR

THE ARCHIE FOUNDATION TRUSTEES' ANNUAL REPORT

The Trustees present their report and accounts for the year ended 31 December 2021.

Legal and administrative information set out on the previous page forms part of this report. The financial statements comply with current statutory requirements; the Articles of Association; 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 (Charities SORP (FRS 102) (second edition – October 2019) and the Companies Act 2006.

OBJECTIVE AND ACTIVITIES – THE ROLE OF THE ARCHIE FOUNDATION

The Archie Foundation operates on a non-profit basis. Our mission is to make the difference in healthcare and bereavement for local babies, children and their families. We do this by working in partnership with the NHS in Grampian, Highlands, Orkney, Shetland and Tayside and with other child development and childcare professionals including, but not limited to, those working in the education and social work sector.

Our charitable purpose is to relieve suffering and distress and to aid the furtherance of health for local babies and children. We do this by: supporting paediatric and neonatal healthcare practitioners; equipping, enhancing and maintaining neonatal and paediatric health services; providing specialist training for health professionals working in neonatal and/or child healthcare; providing practical support and resources for children, young people and their families who use child health services; providing bereavement support for children and their families; training professionals working with children to equip them with the skills and knowledge to support a bereaved child or young person; any such other related charitable objects as the Company in its sole discretion may determine. The following matrix indicates our key services and where these currently apply (as at the date of signing of accounts):

Core Areas of Support by Region:	Grampian	Highlands	Tayside
1. Providing emergency financial support for families	✓	✓	✓
2. Funding specialist training and/or equipment for NHS staff and patients	✓	✓	✓
3. Creating child friendly hospital environments	✓	✓	✓
4. Providing a toy service for partner NHS sites	✓	✓	✓
5. Delivering professional support for bereaved children	✓	✓	✓
6. Ensuring provision of on-site hospital accommodation for families	✓		
7. Funding specialist staff posts	✓		

Whether in one of the major hospitals or one of the many rural community hospitals across the regions we support, The Archie Foundation provides the extras, over and above core, state-funded health provision, that make the experience of being in hospital for children less daunting, less stressful, more enjoyable, often shorter and nearly always more positive.

Whether Archie makes the difference by providing enhanced healthcare facilities; funding advanced training for NHS staff, funding emergency grants, equipment and/or specialist people; providing emotional support for bereaved children and their families; providing toys and/or entertainment; or any other of the myriad ways we make the difference, our work positively influences and sometimes saves the lives of children. We are extremely proud of the impact we make and enormously grateful to everyone involved in making it happen. We are a charity with babies, children, families and local people at our very core and our relationship with the NHS, education and childcare sectors is fundamental to our current and future success.

THE ARCHIE FOUNDATION TRUSTEES' ANNUAL REPORT

ACHIEVEMENTS & PERFORMANCE

2021 was another difficult year for The Archie Foundation, as it was for all charities. The COVID-19 pandemic continued to pose challenges and restriction easing was not as simple as hoped or predicted in 2020.

From an organisational perspective the most significant change in the course of 2021 was the introduction of new branding for the charity, which brought the previous “family of funds” together under the banner of The Archie Foundation. Feedback from our supporters about our new logo and the clarity of our messaging has been overwhelmingly positive and we are currently in the process of introducing the new branding while also ensuring minimum waste or write-off.

Despite the obstacles faced from COVID-19 we nevertheless welcomed a gradual return to in-person fundraising, delivering events like Battle of the Badges through a mix of in-person and virtual activities. In addition to attending Archie events our incredible supporters undertook their own fundraising challenges, some individually and some in sports or work teams and organised their own events to raise much needed funds for the charity. We also benefitted from significant grant funding such that collectively over the course of the year Archie supporters generated a total income of over £1,073,000.

We are incredibly grateful to everyone who supported The Archie Foundation in 2021 enabling us to make the difference for close to 200,000 children across the north of Scotland.

THE IMPACT OF ARCHIE'S SUPPORT

A key outcome of the strategic review we carried out in 2020 was the reprioritisation of our charitable activities to raise the importance of Archie's emergency support for financially struggling families. This aspect of our work is key to our strategic imperative of ensuring that all families, regardless of their social or economic circumstances, have equal opportunity to access the healthcare treatment and resources their child requires. The NHS provides world-class treatment and care, free at the point of delivery, but the onus is on the patient to travel to receive this. Basic equipment and resources are provided free by the NHS but often specialist equipment that will truly make the difference to the quality of life for a child is not included in NHS provision.

Over 30% of children in the UK in 2019-20 were living in poverty. 75% of children living in poverty live in a household where at least one person works (Source: Department for Work & Pensions 2021). Only families in receipt of welfare support are entitled to claim travel expenses from the NHS and even then, the NHS funds only car or public transport costs (and not everyone drives or lives on a bus route). The thousands of families who are “just making ends meet” must simply weather the unforeseen costs of travel and other expenses incurred to access emergency and/or ongoing healthcare treatment. This leaves many anxious parents making impossible choices, such as whether to put food on the table or fuel in the car. All too often our NHS colleagues find themselves rightly recommending a piece of specialist, medical equipment which will truly make the difference for a young patient only to find it cannot be funded by the NHS. In this case the family is expected to foot the bill, something which is not possible for everyone. Our aim through provision of emergency grant funding is to achieve parity in access to healthcare for young patients across North Scotland.

In 2020 we successfully extended our Emergency Grant Funding into Tayside where this service is now well established and making a significant difference to local children and their families. Applications for emergency support were up 12.5% in 2021 versus the previous year and thanks to the generosity of our supporters and donors we were able to fulfil all eligible applications received for emergency grant support in the year.

The effects of the COVID-19 pandemic continued to impact on demand for Archie's Toy Box Service (through which we provide toys and other resources to support Play Teams and Allied Health Professionals in their clinical paediatric work) as protocols brought in to avoid multi-handling continued. The Archie Foundation has continued to provide a steady supply of toys such that children attending hospital receive their own toy during their stay which they can take home afterwards to enjoy for days, weeks and even months to come.

THE ARCHIE FOUNDATION TRUSTEES' ANNUAL REPORT

THE IMPACT OF ARCHIE'S SUPPORT (continued)

2021 saw the continuance of Archie funding for key roles and services in Grampian at Royal Aberdeen Children's Hospital and Aberdeen Maternity Hospital's Neonatal Unit, including:

- Funding the Archie Play Leader, Sarah Anderson, who supports all children in RACH. Sarah describes her role as "keeping spirits up and worries down on the wards".
- Running the Archie Family Centre, providing on-site hospital accommodation for parents at RACH so they can be near to their child 24/7.
- Neonatal Counsellor, May Gilchrist, who continues to provide a vital service to support anxious and/or distressed parents at Aberdeen Neonatal Unit and to support the staff who care for their babies, for whom May provides much needed emotional support.

In addition to providing emotional support for staff and families at Aberdeen Neonatal Unit, we continued to fund a much-appreciated snack corner providing tea, coffee and snacks for families which were especially appreciated during the periods of lockdown when on-site cafes and shops were closed.

Demand for Archie's Child Bereavement Service (previously known as Grampian Child Bereavement Network or GCBN) has continued to grow. In 2021 we supported more children (162 referrals received in 2021 versus 122 in 2020) and more trained more professionals (567 versus 270 in 2020) than ever before. In November 2021 we held our first Archie Child Bereavement Service conference since GCBN joined forces with Archie. The conference was very well attended with very positive feedback received. In early 2022 the Archie board of trustees agreed to extend Archie's Child Bereavement Service into Tayside and Highlands with work currently underway to realise this ambition.

We are currently in the second year of a three-year BBC Children In Need funding programme, to trial the on-site deployment of Bereavement Support Workers to provide immediate support for children when a loved one dies in any NHS hospital across the Grampian region. The project is progressing well with strong connections made across key wards/disciplines and also with local charities providing end of life care and support.

In addition to the above on-going elements of Archie's programme of support we also made good progress on projects in all three regions. More information about these projects can be found in our Impact Report for 2020/21 which is available on request.

The ARCHIE Foundation is a much-loved and vital local charity that delivers so much for so many people. The charity is entirely funded by voluntary local contributions, and we are incredibly grateful to each and every one of our donors, volunteers, trustees and dedicated staff members across Grampian, Highland, Tayside and further afield. Everything we do and achieve is thanks to their tireless support and it really does mean so much to so very many people.

STRUCTURE AND GOVERNANCE

The Archie Foundation was formed in September 2000 to support the creation of Royal Aberdeen Children's Hospital. After the hospital opened, the charity was subsumed into the NHS Grampian Endowment Fund between 2004 and 2008, later emerging as an independent charity in 2008.

The 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.

The Board of Trustees devolve day-to-day management of the charity to the Chief Executive, Paula Cormack.

THE ARCHIE FOUNDATION TRUSTEES' ANNUAL REPORT

STRUCTURE AND GOVERNANCE (continued)

The Board has five Committees reporting to it:

- The Grampian Clinical Advisory Committee
- The Tayside Clinical Advisory Committee
- The Finance & Governance Committee
- The Archie Child Bereavement Services Committee
- The Aberdeen Neonatal Unit Committee

The Clinical Advisory Committees (CACs), which include NHS staff, parent representation and non-trustees as members, reviews all charitable applications over £1,000 relating to child health within the Children's Hospital and Community Child Health environments. The CACs make recommendations on their suitability and appropriateness to the Board of Trustees.

The Aberdeen Neonatal Unit Committee reviews all applications seeking support of over £500 that relate to Aberdeen Neonatal Unit. The Committee has non-trustees serving on it and makes recommendations on the suitability of the applications to the Trustees. The Committee works very closely with the nursing team within the Neonatal Unit.

Archie's Child Bereavement Service Committee has non trustees serving on it and works very closely with the Bereavement Service Manager. The committee meets regularly and provides direction, support, and advice. In addition, committee members provide one to one support to children and families suffering bereavement and deliver activity days for children and families.

The Finance and Governance Committee reviews the financial performance and governance of the charity and subsidiary company and the financial implications of any funding applications being recommended for approval by the other Committees. The Finance and Governance Committee may then add further recommendations or comments for the Board relating to the financial or governance aspects of the grant being requested.

The Trustees consider the Chief Executive and the Director of Business Services (who together constitute the Senior Management Team) to comprise the key management personnel of the charity. Trustees are required to disclose all relevant interests and register them with the Director of Business Services at each meeting. Trustees will withdraw from decisions where a conflict of interest arises.

The Board of Trustees ultimately make decisions relating to the activity of the charity, taking into account the recommendations made to them by the Committees and Senior Management Team.

TRUSTEES

Trustees are appointed for three-year terms with an option to stand for re-election once before at least one year off the board is required. Trustees are generally invited to join the board following advertisement of the position and a subsequent interview.

Once appointed, Trustees receive an induction from the Chief Executive and senior staff members then are invited to sit on such committees as are appropriate. New Trustees are then required to enhance their knowledge through training, meetings with other members of the Board and tours of the charity's facilities. The Chief Executive and Senior Management Team will also spend time with the Trustees during their first year to ensure they are fully informed of the work of the charity and able to access all the information they require.

As of 31 December 2021, there were a mix of NHS and non-NHS Trustees on the Board with a majority being non-NHS members. During 2021, the following served as Trustees of the charity and as directors of the company.

THE ARCHIE FOUNDATION TRUSTEES' ANNUAL REPORT

TRUSTEES (continued)

The Committees they served on are also shown in the table below:

Trustee	Board	Board Attendance	Finance & Governance	Clinical Advisory	ACBS	Aberdeen Neonatal
Joe Mackie	RC	1/1	RC			
Carol Munro	C	4/5	C			
Derek King	V	5/5	X	C		
Anne Bone	X	5/5			C	
Kirsty Cox	X	2/5				C
Barbara Jones	X	5/5			X	
Mary Nimmo	X	4/5				
Kay Pratt	X	4/5				
David Strachan	X	5/5	X			
Stephen Turner	X	5/5		X		
Fiona Willox	X	2/5				X

C – Chair (RC – Retired Chair)

V - Vice-Chair

X - Trustee

In 2021, there were 5 board meetings with the Trustees attending the number of meetings noted above (attended/eligible to attend). Dates of appointment and resignation as Trustee are noted on pages 1.

GRANT MAKING POLICY

The ARCHIE Foundation has a comprehensive funding programme to help those receiving support from paediatric healthcare, including:

- for individual children currently in the care of the NHS.
- to support families during extended and/or unexpected hospital admissions.
- to support NHS child health staff to undertake advanced training courses.
- to fund specialist equipment.
- to fund specialist staff posts.

Our funding is provided to make the difference for any child, or group of children, accessing care in NHS Grampian, NHS Highland, NHS Shetland, NHS Orkney and NHS Tayside. We do not fund anything that should be provided by the NHS. What is considered as core NHS funding is increasingly open to debate.

We also provide long-term project support such as The ARCHIE Family Accommodation Suite, which includes 19 bedrooms for parents of patients in Royal Aberdeen Children's Hospital, our ARCHIE Play Leader, Specialist Nurse post, other advanced staff posts, research into illnesses affecting local children and major refurbishment or development projects within the NHS across our area of activity.

The charity makes a number of grants to individuals and groups. The Board's grant-making policy differentiates between different financial requests and requests for varying purposes depending on funds available.

Applications for support, to any part of the charity, of up to £1,000 are assessed for support by the Chief Executive or Director of Business Services. These are assessed against the charity's purposes, any current guidance from the Board and/or any existing restricted donations. Applicants are typically advised of an outcome within three working days.

THE ARCHIE FOUNDATION TRUSTEES' ANNUAL REPORT

GRANT MAKING POLICY (continued)

Applications for support above £1,000 are assessed for approval by the appropriate expert Committee who will then make recommendations to the Board. The Board make the final decision, taking into account the recommendations - although they are not required to accept this advice.

REMUNERATION POLICY

The charity's staff remuneration is normally reviewed annually by the Chief Executive and Senior Management Team, who makes recommendations to the Finance and Governance Committee which then reports to the Board for approval. While recognising the challenges of recruitment in the North East of Scotland, the salary levels of staff are benchmarked against similar organisations within the UK to ensure that the remuneration set is fair and not significantly out of line with that generally paid for similar roles and levels of responsibility.

VOLUNTEERS

The charity enjoys the support of many highly valued volunteers who make an important and significant contribution to our work. Although most volunteer opportunities are within our fundraising activities, we do enjoy the support of some regular office-based administration volunteers as well.

2021 FINANCIAL PERFORMANCE

With the expectation that 2021 would continue to be challenging in terms of income targets, there was expectation that normal revenue streams may recover slightly, so it was decided early on in the budgeting process that targets should align with the results of 2020 albeit reduced overall to reflect the removal of CJRS Grant Income received during 2020 (£217,260).

We ended 2021 with income for the financial year of £1,073,685 (2020 - £1,194,788) which was a increase of 8.4% in normal operating activities from the previous year (excluding CJRS grants). Expenditure equalled £801,782 (2020 - £1,157,560), this reflected the reduction in headcount costs during 2021 and the fact that NHS placed a moratorium on scoping of any new projects which correspondingly led to a temporary decrease on the charities spend in this area.

Total funds at 31 December 2021 totalled £1,526,209 (2020 - £1,254,306) of which £1,283,307 (2020 - £1,052,884) are restricted funds (funds received that are restricted by the donor for a specific purpose), and £242,902 (2020 - £201,422) that are unrestricted.

Of the many funds operated by the charity, shown in note 18, there was no fund showing any significant deficit. In addition, during 2021, with the exception of the COVID-19 pandemic, there were no substantial events that had a significant financial effect on the charity.

ARCHIE VENTURES LTD IN 2021

ARCHIE Ventures Ltd was created in 2018 to incorporate the development of additional income streams for the charity, including the sale of merchandise through the Oor Wullie Big Bucket Trail in (a highly successful fundraising trail run in partnership with Edinburgh Children's Hospital Charity and Glasgow Children's Hospital Charity in 2019). ARCHIE Ventures Ltd is a wholly owned company of The ARCHIE Foundation.

There were no ARCHIE Ventures trading projects in operation through the course of 2020/21 and the company lies dormant while we assess future opportunities.

THE ARCHIE FOUNDATION TRUSTEES' ANNUAL REPORT

RESERVES POLICY

The Trustees have reviewed the reserves required, in response to COVID-19 impact on the charity and taking into account the current and future liabilities. The Trustees have agreed a sum of £125,000 be retained as part of the charity's reserves as provision for four months operating costs.

The free reserves of the group, after allowing for funds tied up in tangible fixed assets and designated funds, is £239,744 (2020 - £196,824).

Further reserves relate to projects not yet ready for installation or not yet fully delivered and costs for restricted purpose. This includes funds related to our £2m fundraising appeal to support the new Baird Family Hospital in Aberdeen.

Any other reserves are only retained for the day-to-day activities of the charity and to ensure the Trustees can respond to urgent or emergency requests for assistance.

RISK

The Trustees apply a low risk strategy for the organisation in terms of financial investment and for project related expenditures. The Trustees review the Risk Register on a quarterly basis.

The Trustees maintain a position that funding should be fully available for any project before it is committed to. Where these projects span several years, reserves are created to allow subsequent years' funding to be available, this would include any capital projects not yet ready for installation or not yet fully delivered.

INVESTMENT POLICY

The Trustees opt for a low-risk investment policy with funds not immediately due for use held in short-term notice accounts up to a maximum of 1 year. Investments are made to ensure sufficient funds are always available to the charity to deliver on commitments made. The Trustees have sought confirmation from the banking partner that these funds are not invested in activities contrary to the objects of the charity.

The investment performance of £5,662 was down on the previous year (£8,819). With the bank base interest rates continuing to be at an all-time low during 2021, the Board is satisfied with this return, which was in-line with expectations.

PLANS FOR THE FUTURE

Plans for the future are conservative and are made with the instability of the current economic climate very much in mind. It is clear that need within our local communities will continue and there is every likelihood that we will continue to see increased demand for our services. With budgetary pressure on the NHS such as it is, we expect our NHS colleagues will increasingly rely on The Archie Foundation for ongoing support, in particular in regard to funding specialist equipment and training.

The effects of the pandemic led to reorganisation and restructuring of the charity which significantly reduced our cost base. The Finance and Governance committee and the senior management team continue to meet on a regular basis to monitor income and cost and to ensure that priorities are assessed and addressed.

As part of the strategic review of the charity a new three-year business plan has been prepared and approved. The plan will be made available to our key donors and supporters and can be requested by interested parties.

**THE ARCHIE FOUNDATION
TRUSTEES' ANNUAL REPORT**

CONNECTED BODIES

ARCHIE Ventures Limited is a wholly owned subsidiary company which has a registered office address of 14 Carden Place, Aberdeen, AB10 1UR – that of our solicitors.

RELATIONSHIP BETWEEN THE CHARITY AND RELATED PARTIES

ARCHIE Ventures Limited was set up as a subsidiary trading company of the charity and donates its profits to the charity. Two trustees, Carol Munro (Board Chair) and David Strachan are directors of ARCHIE Ventures Limited.

The following individuals who were trustees of The ARCHIE Foundation for the period, or part of the period, are employees of NHS Grampian or NHS Tayside:

- Kay Pratt
- Stephen Turner
- Fiona Willox

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 for 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.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are trustees at the time when this Trustees' report is approved has confirmed that:

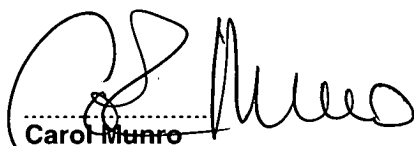
- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditors in connection with preparing their report and to establish that the company and 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 proposing their re-appointment will be submitted at the annual general meeting.

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

The trustees' report was approved by the board of trustees and signed on its behalf.


Carol Munro
Chair of the Board of Trustees

Date: 26/08/2022

THE ARCHIE FOUNDATION

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of The ARCHIE Foundation for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also 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

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

Opinion

We have audited the financial statements of The Archie Foundation for the year ended 31 December 2021 which comprise the Consolidated and Charity Statements of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 December 2021 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

THE ARCHIE FOUNDATION

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

Other information (continued)

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require 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 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 trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

THE ARCHIE FOUNDATION

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

Auditor's 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 under the Companies Act 2006 and report in accordance with the Acts 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 an auditor's report 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our 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 trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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 charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Anderson Anderson & Brown Audit LLP

Derek S Mair
Senior Statutory Auditor

For and on behalf of
Anderson Anderson & Brown Audit LLP

Statutory Auditor

Kingshill View
Prime Four Business Park
Kingswells
Aberdeen
AB15 8PU

Date: *26 August 2022*

THE ARCHIE FOUNDATION
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted funds £	Restricted funds £	2021 Total Funds £	2020 Total Funds £
INCOME AND ENDOWMENTS					
FROM:					
Donations and legacies	3	364,498	461,392	825,890	1,009,803
Other trading activities	4	97,109	145,024	242,133	176,166
Investments	5	5,662	-	5,662	8,819
TOTAL		467,269	606,416	1,073,685	1,194,788
EXPENDITURE ON:					
Raising funds	6	94,746	108,343	203,089	345,726
Charitable activities	7	281,092	317,601	598,693	811,834
TOTAL		375,838	425,944	801,782	1,157,560
NET INCOME		91,431	180,472	271,903	37,228
Transfer between funds	18	(49,951)	49,951	-	-
NET MOVEMENT IN FUNDS		41,480	230,423	271,903	37,228
RECONCILIATION OF FUNDS					
Total funds brought forward	18	201,422	1,052,884	1,254,306	1,217,078
Total funds carried forward	18	242,902	1,283,307	1,526,209	1,254,306

The notes on pages 19 to 36 form part of these financial statements.

THE ARCHIE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted funds £	Restricted funds £	2021 Total Funds £	2020 Total Funds £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	364,498	461,392	825,890	1,009,803
Other trading activities	4	97,104	145,024	242,128	150,064
Investments	5	5,662	-	5,662	8,819
TOTAL INCOME		467,264	606,416	1,073,680	1,168,686
EXPENDITURE ON:					
Raising funds	6	94,783	108,343	203,126	312,716
Charitable activities	7	281,092	317,601	598,693	811,834
		375,875	425,944	801,819	1,124,550
NET INCOME		91,389	180,472	271,861	44,136
Transfer between funds		(49,951)	49,951	-	-
NET MOVEMENT IN FUNDS		41,438	230,423	271,861	44,136
RECONCILIATION OF FUNDS					
Total funds brought forward	18	199,943	1,052,884	1,252,827	1,208,691
Total funds carried forward	18	241,381	1,283,307	1,524,688	1,252,827

The company has made no gains or losses other than as reported above.

The notes on pages 19 to 36 form part of these financial statements.

THE ARCHIE FOUNDATION

COMPANY NUMBER: SC340297

CONSOLIDATED BALANCE SHEET – 31 DECEMBER 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible fixed assets	12	1,637	3,119
Investments	13	-	-
		<u>1,637</u>	<u>3,119</u>
CURRENT ASSETS			
Debtors	14	110,843	112,023
Fixed term bank deposits	15	-	2,058,664
Cash at bank and in hand		1,698,246	264,723
		<u>1,809,089</u>	<u>2,435,410</u>
CREDITORS: amounts falling due within one year	16	<u>284,517</u>	<u>1,184,223</u>
NET CURRENT ASSETS		<u>1,524,572</u>	<u>1,251,187</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,526,209</u>	<u>1,254,306</u>
NET ASSETS		<u>1,526,209</u>	<u>1,254,306</u>
FUNDS			
Unrestricted	18	241,381	199,943
Funds retained within subsidiary	18	1,521	1,479
		<u>242,902</u>	<u>201,422</u>
Designated	18	483,660	-
Restricted	18	799,647	1,052,884
		<u>1,526,209</u>	<u>1,254,306</u>

Signed on behalf of the Board of Trustees


Carol Munro

Chair of the Board of Trustees

Date: 26/08/2022

The notes on pages 19 to 36 form part of the financial statements.

THE ARCHIE FOUNDATION
 COMPANY NUMBER: SC340297
 BALANCE SHEET – 31 DECEMBER 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible fixed assets	12	1,637	3,119
Investments	13	2	2
		<u>1,639</u>	<u>3,121</u>
CURRENT ASSETS			
Debtors	14	110,843	110,193
Fixed term bank deposits	15	-	2,058,664
Cash at bank and in hand		1,696,721	264,409
		<u>1,807,564</u>	<u>2,433,266</u>
CREDITORS: amounts falling due within one year	16	284,515	1,183,560
NET CURRENT ASSETS		<u>1,523,049</u>	<u>1,249,706</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,523,049</u>	<u>1,252,827</u>
NET ASSETS		<u>1,524,688</u>	<u>1,257,827</u>
FUNDS			
Unrestricted	18	241,381	199,943
Designated	18	483,660	-
Restricted	18	799,647	1,052,884
		<u>1,524,688</u>	<u>1,252,827</u>

Signed on behalf of the Board of Trustees



Carol Munro
 Chair of the Board of Trustees

Date: 26/08/2022

The notes on pages 19 to 36 form part of the financial statements.

THE ARCHIE FOUNDATION
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

		2021 £	2020 £
Cash flow from operating activities		–	
Net cash flow from operating activities	20	<u>(630,803)</u>	<u>(106,729)</u>
Cash flow from investing activities			
Interest received		5,662	8,819
Purchase of tangible fixed assets		-	-
Proceeds from sales of tangible fixed assets		-	-
Net cash flow from investing activities		<u>5,662</u>	<u>8,819</u>
Decrease in cash and cash equivalents in the year		(625,141)	(97,910)
Cash and cash equivalents at 31 December 2020		<u>2,323,387</u>	<u>2,421,297</u>
Cash and cash equivalents at 31 December 2021		<u><u>1,698,246</u></u>	<u><u>2,323,387</u></u>
Cash and cash equivalents comprise:			
Fixed term bank deposits		-	2,058,664
Cash at bank and in hand		<u>1,698,246</u>	<u>264,723</u>
		<u><u>1,698,246</u></u>	<u><u>2,323,387</u></u>

THE ARCHIE FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021

1. ACCOUNTING POLICIES

(a) *Company information*

The ARCHIE Foundation is a private company limited by guarantee, incorporated in Scotland. The registered office is given on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out within the Trustees' Report on page 2.

(b) *Basis of financial statements preparation*

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The ARCHIE Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

(c) *Going concern*

The trustees, having made due and careful enquiry and preparing forecasts, are of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The trustees, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the trustees have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

(d) *Consolidation*

These financial statements consolidate the accounts of The ARCHIE Foundation and its subsidiary undertaking, Archie Ventures Limited.

(e) *Income*

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the Company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Company that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Company, or the Company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

THE ARCHIE FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

(e) *Income* (continued)

Donated services or facilities are recognised when the Company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Company of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Company which is the amount the Company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income from other trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

(f) *Expenditure*

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Company's charitable activities, including support costs and costs relating to the governance of the Company apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

THE ARCHIE FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

(g) *Taxation*

The Company is considered to pass the tests set out in Schedule 6, Part 1 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, Chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(h) *Government grants*

Grant income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Where terms or conditions are attached to grants, these must be met before the income is recognised as the entitlement condition will not have been satisfied until that point. Where terms or conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is deferred.

(i) *Investments in subsidiaries*

Investments in subsidiaries are valued at cost less provision for impairment.

(j) *Tangible fixed assets and depreciation*

All assets costing more than £1,000 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Consolidated statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixture, fittings & equipment	25% reducing balance or 4 years straight line
Website	3 years straight line

(k) *Fund accounting*

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

THE ARCHIE FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

(l) *Debtors*

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(m) *Cash at bank and in hand*

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of twelve months or less from the date of acquisition or opening of the deposit or similar account.

(n) *Liabilities and provisions*

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

(o) *Financial instruments*

The Company 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(p) *Operating leases: the group as lessee*

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

(q) *Pensions*

The group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. Once the contributions have been paid, the group has no further payment obligations.

The contributions are recognised as an expense in the Statement of Financial Activities when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the group in independently administered funds.

THE ARCHIE FOUNDATION

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021

2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will seldom equal the related actual results.

Useful economic life of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the useful economic lives and residual values of the assets. Useful lives and residual values are reassessed annually. They are assessed where necessary to reflect current estimates based on economic utilisation and physical condition.

3. INCOME FROM DONATIONS AND LEGACIES

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Donations and legacies	783,347	792,543	783,347	792,543
Government grants	42,543	217,260	42,543	217,260
	<u>825,890</u>	<u>1,009,803</u>	<u>825,890</u>	<u>1,009,803</u>
Attributable to funds as follows:				
Unrestricted	364,498	571,012	364,498	571,012
Restricted	461,392	438,791	461,392	438,791
	<u>825,890</u>	<u>1,009,803</u>	<u>825,890</u>	<u>1,009,803</u>

Included within donations are amounts totalling £470 (2020: £4,737) in relation to donated goods and services.

During the year the Charity received grants in respect of the Coronavirus Job Retention Scheme (CJRS).

THE ARCHIE FOUNDATION
NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021
4. INCOME FROM OTHER TRADING ACTIVITIES

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Fundraising events	242,128	150,064	242,128	150,064
Trading income from subsidiaries	5	26,102	-	-
	<u>242,133</u>	<u>176,166</u>	<u>242,128</u>	<u>150,064</u>
Attributable to funds as follows:				
Unrestricted	97,109	155,925	97,104	129,823
Restricted	145,024	20,241	145,024	20,241
	<u>242,133</u>	<u>176,166</u>	<u>242,128</u>	<u>150,064</u>

5. INCOME FROM INVESTMENTS

	Group and Charity	
	2021 £	2020 £
Bank interest receivable	<u>5,662</u>	<u>8,819</u>
Attributable to funds as follows:		
Unrestricted	5,662	8,818
Restricted	-	1
	<u>5,662</u>	<u>8,819</u>

6. EXPENDITURE ON RAISING FUNDS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Cost of generating donations and legacies	155,622	270,884	155,622	270,885
Cost of fundraising events	47,504	41,832	47,504	41,832
Expenditure of trading subsidiary	(37)	33,010	-	-
	<u>203,089</u>	<u>345,726</u>	<u>203,126</u>	<u>312,717</u>
Attributable to funds as follows:				
Unrestricted	94,746	250,519	94,783	217,509
Restricted	108,343	95,208	108,343	95,208
	<u>203,089</u>	<u>345,726</u>	<u>203,126</u>	<u>312,717</u>

THE ARCHIE FOUNDATION
NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021
7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Direct costs				
Staff costs	190,524	237,347	190,524	237,347
Grant funding (note 8)	236,974	369,414	236,974	369,414
	<u>427,498</u>	<u>606,761</u>	<u>427,498</u>	<u>606,761</u>
Support costs				
Staff costs	105,884	136,796	105,884	136,796
Depreciation	1,088	4,630	1,088	4,630
Gain on disposal of assets	394	189	394	189
Marketing	2,944	4,212	2,944	4,212
Establishment costs	6,191	8,652	6,191	8,652
Computer and IT	24,109	13,179	24,109	13,179
Office expenditure	8,500	13,132	8,500	13,132
Training and recruitment	2,139	320	2,139	320
Travel and subsistence	2,953	3,421	2,953	3,421
Audit and accountancy fees	9,060	11,010	9,060	11,010
Professional fees	7,946	9,532	7,933	9,532
	<u>171,195</u>	<u>205,073</u>	<u>171,195</u>	<u>205,073</u>
Total	<u>598,693</u>	<u>811,834</u>	<u>598,693</u>	<u>811,834</u>
Attributable to funds as follows:				
Unrestricted funds	281,092	423,969	281,092	423,969
Restricted funds	317,601	387,865	317,601	387,865
	<u>598,693</u>	<u>811,834</u>	<u>598,693</u>	<u>811,834</u>

THE ARCHIE FOUNDATION
NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021
8. ANALYSIS OF GRANTS
(a) Current year

	Direct funding £	Grant funding £	Support costs £	2021 £
Grants to institutions:				
NHS Grampian	60,107	63,371	-	123,478
NHS Tayside	11,489	449	-	11,938
NHS Highland	40,039	5,255	-	45,294
Other institutions	-	-	-	-
Grants to institutions	111,635	69,075	-	180,710
Grants to individuals	16,467	39,797	-	56,264
Total – group and charity	128,102	108,872	-	236,974

(b) Prior year

	Direct funding £	Grant funding £	Support costs £	2020 £
Grants to institutions:				
NHS Grampian	45,241	262,667	-	307,908
ARCHIE Global Surgery	566	-	-	566
NHS Tayside	32,810	1,047	-	33,857
NHS Highland	-	-	-	-
Other institutions	-	-	-	-
Grants to institutions	87,338	263,714	-	342,331
Grants to individuals	3,865	23,218	-	27,083
Total – group and Charity	82,482	286,932	-	369,414

THE ARCHIE FOUNDATION

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021

9. NET MOVEMENT IN TOTAL FUNDS FOR THE YEAR *is stated after charging:*

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Depreciation				
-owned assets	1,088	4,630	1,088	4,630
Auditors' remuneration				
-audit fees	9,010	10,200	9,060	9,180
	<u>10,098</u>	<u>14,830</u>	<u>10,148</u>	<u>13,810</u>

10. STAFF COSTS AND NUMBERS

The average number of persons employed by the Group and Company during the year was as follows:

	Group & Charity	
	2021	2020
	£	£
Average number of employees during the year:		
Fundraising	5	9
Administration	4	6
Charitable activity	7	6
Trustees	10	11
	<u>26</u>	<u>32</u>

	Group & Charity	
	2021	2020
	£	£
Staff costs:		
Wages and salaries	393,427	560,866
Social security costs	30,459	46,023
Pension costs	18,797	27,760
	<u>442,683</u>	<u>634,649</u>

The number of employees who received remuneration during the year in the following ranges were:

	2021	2020
	No.	No.
£60,000 - £69,999	<u>1</u>	<u>1</u>

THE ARCHIE FOUNDATION**NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021****10. STAFF COSTS AND NUMBERS (continued)**

The average number of key management personnel during the year was 2 (2020 – 5). At the year end there was a total of 2 key members of staff.

Key management personnel received remuneration, including employer's national insurance contributions for their services during the year as follows:

	2021 £	2020 £
Key management personnel	<u>123,930</u>	<u>261,993</u>

11. TRUSTEE REMUNERATION

No directors (or any persons connected with them) received any remuneration or benefits from the company during the current or prior years.

During the year expenses of £786 (2020 - £1,271) were paid to 2 (2020 - 4) of the directors in relation to travel costs and charitable expenditure. This comprised £786 (2020 - £1,223) paid directly to trustees and £0 (2020 - £48) paid to third parties for expenses incurred.

THE ARCHIE FOUNDATION

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021

12. TANGIBLE FIXED ASSETS

Group & Charity

	Fixtures & fittings £	Computer equipment £	Total £
Cost			
At 1 January 2021	16,467	24,784	41,251
Disposals	(2,843)	(19,842)	(22,685)
At 31 December 2021	13,624	4,942	18,566
Depreciation			
At 1 January 2021	13,832	24,300	38,132
Charge for year	638	450	1,088
Disposals	(2,449)	(19,842)	(22,291)
At 31 December 2021	12,021	4,908	16,929
Net book value			
At 31 December 2021	1,603	34	1,637
At 31 December 2020	2,635	484	3,119

13. FIXED ASSET INVESTMENTS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Investment in subsidiary undertakings	-	-	2	2

The charity owns 100% of the issued ordinary share capital (2 ordinary shares of £1 each) of ARCHIE Ventures Limited, a company incorporated and registered in Scotland (company number SC412593), having its registered office at 14 Carden Place, Aberdeen.

The charity will continue to provide support by providing ARCHIE Ventures Limited with sufficient working capital to allow them to continue business for the next twelve months from the date of signing of these financial statements.

THE ARCHIE FOUNDATION
NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021
13. FIXED ASSET INVESTMENTS (continued)

	Charity	
	2021 £	2020 £
Income	9	26,102
Cost of sales	-	(19,966)
Administration expenses	37	(14,664)
	<hr/>	<hr/>
Profit/(Loss) in the year	46	(6,908)
	<hr/>	<hr/>

	Charity	
	2021 £	2020 £
The assets and liabilities of the subsidiary at 31 December were:		
Fixed assets		-
Current assets	1,527	3,146
Creditors: amounts falling due within one year	-	(1,665)
	<hr/>	<hr/>
Total net assets	1,527	1,481
	<hr/>	<hr/>
Aggregate share capital and reserves	1,527	1,481
	<hr/>	<hr/>

14. DEBTORS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	22,096	7,127	22,096	7,127
Amounts due from subsidiary undertaking	-	-	-	1,000
Other debtors	66,400	84,896	66,400	82,066
Prepayments	22,347	20,000	22,347	20,000
	<hr/>	<hr/>	<hr/>	<hr/>
	110,843	112,023	110,843	110,193
	<hr/>	<hr/>	<hr/>	<hr/>

THE ARCHIE FOUNDATION
NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021
15. CURRENT ASSET INVESTMENTS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Fixed term bank deposits	-	2,058,664	-	2,058,664

16. CREDITORS: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	59,455	32,562	59,455	32,747
Amount due to group undertakings	2	-	-	2
Other taxation and social security costs	10,053	9,263	10,053	9,263
Accruals and deferred income	174,933	1,116,347	174,933	1,115,497
Other creditors	40,074	26,051	40,074	26,051
	<u>284,517</u>	<u>1,184,223</u>	<u>284,515</u>	<u>1,183,560</u>

17. FINANCIAL INSTRUMENTS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Financial assets				
Financial assets measured at amortised cost	<u>1,809,089</u>	<u>2,681,849</u>	<u>1,807,564</u>	<u>2,621,738</u>

THE ARCHIE FOUNDATION
NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021
18. FUNDS
(a) Current year

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
Charity					
Restricted funds					
Angela Monica Fund	22,102	-	-	91	22,193
Baird Family Hospital Appeal	226,623	97,210	(19,244)	-	304,589
Dr Gray's Children's Ward	13,755	1,944	(105)	400	15,994
Archie at Aberdeen Neonatal Unit (formerly Friends of the Neonatal Unit)	464,793	101,150	(116,901)	(411,366)	37,676
Royal Aberdeen Children's Hospital 10 Year Appeal	11,406	-	(880)	-	10,526
Tayside restricted funds	-	39,627	(14,227)	1,060	26,460
Highland restricted funds	2,489	194,547	(88,797)	4,929	113,168
Highland Appeal – Fresh Air	44,731	-	(36,840)	-	7,891
Archie Child Bereavement Services (formerly Grampian Child Bereavement Network)	120,233	62,599	(96,666)	-	86,166
	<u>906,132</u>	<u>497,077</u>	<u>(373,660)</u>	<u>(404,886)</u>	<u>624,663</u>
Other restricted funds	146,752	75,679	(52,284)	4,837	174,984
Total restricted funds	<u>1,052,884</u>	<u>572,756</u>	<u>(425,944)</u>	<u>(400,049)</u>	<u>799,647</u>
Total designated funds	-	33,660	-	450,000	483,660
Total unrestricted funds	<u>199,943</u>	<u>467,264</u>	<u>(375,875)</u>	<u>(49,951)</u>	<u>241,381</u>
Total funds – charity	<u>1,252,827</u>	<u>1,073,680</u>	<u>(801,819)</u>	<u>-</u>	<u>1,524,688</u>
Group					
Funds retained within subsidiary	1,479	5	37	-	1,521
Total funds - group	<u>1,254,306</u>	<u>1,073,685</u>	<u>(801,782)</u>	<u>-</u>	<u>1,526,209</u>

THE ARCHIE FOUNDATION
NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021
18. FUNDS (Continued)
(b) Prior year

	At 1 January 2020 £	Income £	Expenditure £	At 31 December 2020 £
Charity				
Restricted funds				
Angela Monica Fund	22,194	-	(92)	22,102
Baird Family Hospital Appeal	226,623	-	-	226,623
Dr Gray's Children's Ward	14,109	675	(1,029)	13,755
Friends of the Neonatal Unit	547,587	157,069	(239,863)	464,793
Royal Aberdeen Children's Hospital 10 Year Appeal	21,970	-	(10,564)	11,406
Tayside Appeal	59	-	(59)	-
Highland Appeal	14,195	105,342	(117,048)	2,489
Highland Appeal - Fresh Air	44,971	-	(240)	44,731
Grampian Child Bereavement Network	28,461	147,423	(55,651)	120,233
	920,169	410,509	(424,546)	906,132
Other restricted funds	156,755	48,524	(58,527)	146,752
Total restricted funds	1,076,924	459,033	(483,073)	1,052,884
Total unrestricted funds	131,767	709,653	(641,477)	199,943
Total funds – charity	1,208,691	1,168,686	(1,124,550)	1,252,827
Group				
Funds retained within subsidiary	8,387	26,102	(33,010)	1,479
Total funds - group	1,217,078	1,194,788	(1,157,560)	1,254,306

* The transfer from unrestricted to restricted funds represents that element of the funds, generated by the subsidiary in Tayside and Highland, which have been donated to the parent charity for use in those areas. These funds have been recognised as restricted fund-income within the accounts of the charity.

THE ARCHIE FOUNDATION

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021

18. FUNDS (continued)

Restricted funds are specifically for departments or cases and can only be used for that specified fund. The most significant funds are used for the following purposes:

Angela Monica Fund

This fund was set up for the restricted purposes of supporting children with clubfoot and/or research into clubfoot.

Baird Family Hospital Appeal

The Baird Family Hospital Appeal was launched in October 2019 to raise funds for the Neonatal and Maternity units at the new family hospital at Aberdeen Royal Infirmary.

Dr Gray's Children's Ward

This relates to fundraising for the refurbishment of the children's ward at Dr Gray's Hospital in Elgin.

Archie at Aberdeen Neonatal Unit

These funds are to be used to promote the establishment, maintenance and management of a continuing support group to parents, in Grampian and environs, with babies in the Special Nursery at Aberdeen Maternity Hospital.

Royal Aberdeen Children's Hospital 10 year Appeal

This 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 within it, which have specific objectives. Several of the pre-existing restricted donations, which fell into these objects, were amalgamated with this fund in earlier years.

Tayside restricted fund

These are funds that have a restricted purpose for supporting specific projects or activities in Tayside.

Highland restricted fund

These are funds that have a restricted purpose for supporting specific projects or activities in Highland.

THE ARCHIE FOUNDATION

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021

18. FUNDS (continued)

Highland Appeal – Fresh Air

This appeal was set up to create outdoor space and play areas at the Children's Highland Unit at Raigmore.

Archie Child Bereavement Services (formerly known as Grampian Child Bereavement Network/GCBN)

This is a restricted fund with the purpose of providing bereaved children and their families, NHS Staff and Schools with help and support when dealing with a bereavement. Support can be the provision of specialist bereavement books, dedicated volunteer visits and activity days for children and training and conferences for NHS staff, professionals from Social Work and other third sector, schools and volunteer bereavement responders.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

(a) Current year

	Unrestricted funds £	Restricted funds £	Total Funds £
Group			
Fixed assets	1,636	-	201,422
Net current assets	199,805	1,052,884	1,052,884
	<u>201,442</u>	<u>1,052,884</u>	<u>1,254,306</u>
Charity			
Fixed assets	199,943	-	199,943
Net current assets	-	1,052,884	1,052,884
	<u>199,943</u>	<u>1,052,884</u>	<u>1,252,827</u>
Prior year			
Fixed assets	3,119	-	3,119
Net current assets	198,303	1,052,884	1,251,187
	<u>201,422</u>	<u>1,052,884</u>	<u>1,254,306</u>
Charity			
Fixed assets	3,121	-	3,121
Net current assets	196,822	1,052,884	1,249,706
	<u>199,943</u>	<u>1,052,884</u>	<u>1,252,827</u>

THE ARCHIE FOUNDATION**NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS – 31 DECEMBER 2021****20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
Net income/ for the year (as per statement of financial activities)	271,903	37,228
Adjustment for:		
Depreciation charges	1,088	4,630
Loss on disposal of fixed assets	394	188
Interest received	(5,662)	(8,819)
Decrease in debtors	1,180	168,529
(Decrease) in creditors	(899,706)	(308,485)
Net cash flows used in operating activities	<u>(630,803)</u>	<u>(106,729)</u>

21. RELATED PARTY TRANSACTIONS

Throughout the year the Group was controlled by the Board of Trustees.

No member's (or any person connected with them) received any remuneration or benefits from the company during the current or prior years.

During the year expenses of £786 (2020 - £1,271) was paid to 2 (2020 - 4) of the trustees in relation to charitable expenditure and fundraising costs. This comprised of £786 (2020 - £1,223) being paid directly to trustees and £0 (2020 - £48) paid to third parties for expenses incurred.

22. LEGAL STATUS

The Archie Foundation is a company limited by guarantee and not having a share capital. The members' liability in the event of winding up is limited by guarantee not exceeding £1 per member.