

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 2022

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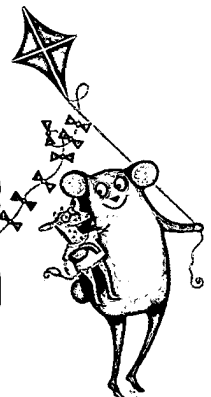
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Foundation**

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THE ARCHIE FOUNDATION
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

CONTENTS	PAGE
LEGAL AND ADMINISTRATIVE INFORMATION	1
TRUSTEES' ANNUAL REPORT	2
TRUSTEES' RESPONSIBILITIES STATEMENT	11
INDEPENDENT AUDITOR'S REPORT	12
STATEMENT OF FINANCIAL ACTIVITIES	16
BALANCE SHEET	17
CASH FLOW STATEMENT	18
NOTES TO THE FINANCIAL STATEMENTS	19

THE ARCHIE FOUNDATION
LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES

Carol Munro, Chairperson
Anne Bone MBE
Irene Bruce (appointed 18 August 2022)
Caron Cruickshank (appointed 10 November 2022)
Kirsty Cox (resigned 18 August 2022)
Derek King
Holly Milne (appointed 16 February 2023)
Paul Monaghan (appointed 11 May 2023)
Mary Nimmo
Michael Reidy (appointed 10 November 2022)
Kay Pratt (resigned 18 August 2022)
David Strachan
Hazel Whyte (appointed 10 November 2022)
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 2022.

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 transform experiences and outcomes 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 healthcare practitioners; supporting, 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.

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. In whichever of the myriad of ways we make the difference, our work positively influences and sometimes saves the lives of children.

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. Equally important are the generous donors who, by supporting The Archie Foundation, make all of this possible. We are extremely proud of the impact we make and enormously grateful to everyone involved in making it happen.

ACHIEVEMENTS & PERFORMANCE

The socio-economic environment in the UK and Europe was extremely challenging throughout 2022. While many other sectors returned to "business as usual", COVID-19 restrictions continued to apply in the healthcare context. Staff recruitment and retention continued to be a significant issue for the NHS and the hospitals, wards and departments that Archie supports all faced significant pressure through the course of the year. The cost-of-living crisis added further budgetary pressures and the combined effects of this multi-faceted challenging environment put fundraising under pressure while at the same time making the need for The Archie Foundation's support and services increasingly acute.

The easing of COVID measures in the wider community enabled us to deliver more fundraising events with improved attendance than during the prior pandemic years, with regular events including Marathon March and Battle of the Badges enjoying strong support. Our strategy to focus on a reduced number of flagship Archie-led fundraising events with increased focus on Trust and Foundation applications and supporting and encouraging supporter-led fundraising has reaped dividends in terms of efficiency and prudent use of funds. Our cost of raising funds reduced to an all-time (and sector-leading) low of 15% in 2022.

THE ARCHIE FOUNDATION TRUSTEES' ANNUAL REPORT

ACHIEVEMENTS & PERFORMANCE (cont.)

Archie supporters undertook many of their own fundraising challenges, events and activities including the highly ambitious (and highly successful) supporter-led challenge to summit all 130 of the "Archies" (Scottish mountains over 1000m in height) on 4th June 2022. "All The Archies In One Day" was championed by NHS Tayside Consultant Anaesthetist Paul Fettes and collectively raised over £34,000 for Archie. Together, Archie supporters generated a total income of £1,487,687 in 2022 to support the charity's work.

We are incredibly grateful to everyone who contributed to The Archie Foundation over the course of the year, enabling us to make the difference for thousands of children and families across the north of Scotland.

THE IMPACT OF ARCHIE'S SUPPORT

In July 2022 we published our Business Plan for 2022-2024, which clearly set out a reprioritisation of our charitable activities. Of particular note is the heightened importance of Archie's emergency support for financially struggling families and the need for tailored bereavement support for children across north Scotland.

The following matrix indicates our key services, where they apply and the percentage split of our charitable expenditure by area in the period 2017 to 2021 and our target by the end of 2024 ("target"):

	2017-2021	2022	2023	2024	2025
1. Providing emergency financial support for families	✓	✓	✓	2%	12%
2. Delivering professional support for bereaved children	✓	2022	2022	3%	15%
3. Supporting Neonatal services	✓	Review	Review	9%	15%
4. Supporting Play and AHP teams across partner NHS sites	✓	✓	2022	15%	15%
5. Funding specialist training and/or equipment for NHS staff and patients	✓	✓	✓	11%	10%
6. Ensuring provision of on-site family accommodation	✓	Review	NHS	6%	8%
7. Creating child friendly clinical environments	✓	✓	✓	24%	20%
8. Other – Includes aspects of our charitable work that no longer forms part of our business plan e.g. International.	n/a	n/a	n/a	30%	5%

Every week we hear of children who have not been brought to hospital appointments and all too often the reason cited is simply that their parents could not afford the travel costs involved. In July 2021 the Scottish Government introduced the Young Patients Family Fund (an extension of the Neonatal Expenses Fund) which funds travel, accommodation and £8.50 a day in subsistence costs for families of paediatric inpatients. The state does not currently provide any such support for outpatients, which account for 75% of all paediatric hospital admissions.

Financial support for families impacted by the cost-of-living crisis and other socio-economic factors 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.

The most significant advancement towards delivery of the strategic objectives set out in our Business Plan was the extension of Archie's Child Bereavement Service (ACBS), in summer 2022, into the Highlands and Tayside. The introduction of this service was demand-led and uptake and feedback from the two key sectors we interface with to deliver the service has been very positive.

THE ARCHIE FOUNDATION TRUSTEES' ANNUAL REPORT

THE IMPACT OF ARCHIE'S SUPPORT (cont.)

Over the course of 2022 we received referrals to provide bereavement support for 318 children – 263 of these were in Grampian (up from 250 in 2021). We gifted 643 specialist bereavement books to help these children understand and process the loss of their loved one and we delivered 477 training sessions to help professionals working with children and young people to better support them through a bereavement.

2023 will be the final 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. We took the decision in December 2022 to extend this model of support into the education sector and created a new and additional Bereavement Support Worker role for Education.

2022 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, who supports all children in RACH and whose role is best described 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.
- Providing a counselling service at the Neonatal Unit for parents and staff.

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 and towards our £2m fundraising appeal for the new Baird Family Hospital.

Despite the gradual return to business as normal and the lifting of some COVID measures around multi-handling, demand for Archie's Toy Box Service continued with The Archie Foundation providing a steady supply of toys and other resources to help Health Specialist Play teams and Allied Health Professionals deliver practice and clinics. In addition to this we worked closely with the Health Play Team at Royal Aberdeen Children's Hospital to bring in a wide range of activities and entertainment throughout the year. Archie's Advent Calendar of activities in December 2022 included Superman and Spiderman abseiling down the side of RACH and waving in at the children, visits from Aberdeen Football Club players and the Pantomime Cast. We also engaged gift-in-kind support to bring in ad hoc goodies and pick-me-up treats for staff and patients.

Applications for Archie's support in funding training for NHS staff increased significantly in 2022 versus the previous two years (when COVID measures included a moratorium on training across most if not all Health Boards). Applications to support non-core NHS staff training accounted for 20% of the total funding applications awarded by The Archie Foundation by volume (11% by value).

The Archie Family Centre at RACH (on-site accommodation for families) was very well used throughout 2022 as the NHS played catch-up on elective procedures that had been postponed at the height of the pandemic. Occupancy was up by 18% versus 2021.

In regard to hospital environment enhancement, by far our greatest achievement in 2022 was the opening on 9th May of the new Ward 30: Children's Theatre Suite in Tayside Children's Hospital at Ninewells. From the first phone call to enlist Archie's support to receiving the first patient spanned a full decade. The facility has already secured two awards for design excellence and the difference made by all who supported Archie's £2m fundraising appeal is priceless.

THE ARCHIE FOUNDATION TRUSTEES' ANNUAL REPORT

THE IMPACT OF ARCHIE'S SUPPORT (cont.)

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 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 Service Committee
- The Aberdeen Neonatal Unit Committee

The Clinical Advisory Committees (CACs) are both chaired by an ARCHIE trustee and membership is multidisciplinary across clinical specialities plus representation from parents and NHS management. The committees review charitable applications over £1,000, assessing appropriateness in relation to the Archie Foundation funding criteria. The committees then decide whether to make recommendations in support of the applications to the Finance and Governance Committee, thereby to the board.

The Aberdeen Neonatal Unit Committee includes clinical staff and previous users of the service who together guide the charity's work in supporting Neonatal families and staff at the Unit.

Archie's Child Bereavement Service Committee is chaired by an Archie trustee and has non trustees and past service users serving on it who all work 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 is a sub-committee of the Archie Board of Trustees who review 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) along with the Bereavement Service Manager, 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 ARCHIE FOUNDATION TRUSTEES' ANNUAL REPORT

STRUCTURE AND GOVERNANCE (cont.)

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 and 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, as appropriate. 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 2022, there were a mix of NHS and non-NHS Trustees on the Board with a majority being non-NHS members. During 2022, the following served as Trustees of the charity and as directors of the company.

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

Trustee	Board	Board Attendance	Finance & Governance	Clinical Advisory	ACBS	Aberdeen Neonatal
Carol Munro	C	5/5	C			
Derek King	V	5/5	X	C (Grampian)		
Anne Bone	X	3/5			C	
Irene Bruce	X	3/3	X			C
Kirsty Cox	X	3/3				RC
Caron Cruickshank	X	1/1				
Mary Nimmo	X	2/5				
Kay Pratt	X	2/3		C (Tayside)		
Michael Reidy	X	1/1		X		
David Strachan	X	5/5	X			
Hazel Whyte	X	1/1		X		
Fiona Willox	X	3/5				X

C – Chair (RC – Retired Chair)

V - Vice-Chair

X - Trustee

In 2022, 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.

THE ARCHIE FOUNDATION

TRUSTEES' ANNUAL REPORT

GRANT MAKING POLICY

The Archie Foundation has a comprehensive funding programme providing grants for families, children and projects including those:

- 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 Centre, which includes 19 bedrooms for parents of patients in Royal Aberdeen Children's Hospital, our Archie Play Leader, Archie Counsellor at Aberdeen Neonatal Unit 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.

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 appreciates the support of many highly valued volunteers who make an important and significant contribution to our work. Volunteer opportunities span our fundraising activities, office-based administration and we are also fortunate to enjoy the support of over 60 trained ACBS volunteer responders, without whom it would be very difficult to deliver our services.

2022 FINANCIAL PERFORMANCE

With the expectation that 2022 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 2021 .

THE ARCHIE FOUNDATION TRUSTEES' ANNUAL REPORT

2022 FINANCIAL PERFORMANCE (cont.)

Income for the 2022 financial year totalled £1,495,504 (2021 - £1,073,680) - an increase of 39.2% from the previous year. Expenditure equalled £1,122,681 (2021 - £801,819) (2020 - £1,157,560), reflecting the increased charitable spend during 2022 and the fact that NHS had removed a moratorium on scoping of any new projects which correspondingly led to a temporary decrease on the charity's spend in this area during the pandemic.

Total funds at 31 December 2022 totalled £1,897,511 (2021 - £1,524,688) of which £1,099,129 (2021 - £799,647) are restricted funds (funds received that are restricted by the donor for a specific purpose), and £798,382 (2021 - £725,041) that are unrestricted.

Of the many funds operated by the charity, shown in note 17, there was no fund showing any significant deficit. In addition, during 2022, 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 2022

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 2021/22 and the company lies dormant while we assess future opportunities.

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 charity, after allowing for funds tied up in tangible fixed assets and designated funds, is £274,973 (2021 - £239,744).

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.

THE ARCHIE FOUNDATION TRUSTEES' ANNUAL REPORT

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 £7,817 was up on the previous year (£5,662). With the bank base interest rates starting to rise from an all-time low during previous 2 years, the Board is satisfied with this return, which exceeded initial expectations.

PLANS FOR THE FUTURE

Plans for the future remain conservative and are made with the instability of the current economic climate very much in mind. It is clear that needs 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.

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, NHS Highland or NHS Tayside:

- Caron Cruickshank
- Kay Pratt
- Michael Reidy
- Hazel Whyte
- 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.

THE ARCHIE FOUNDATION
TRUSTEES' ANNUAL REPORT

PROVISION OF INFORMATION TO AUDITORS

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

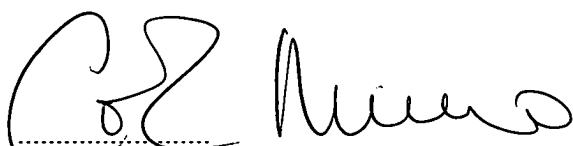
- so far as that director is aware, there is no relevant audit information of which the company auditors are unaware, and
- that each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company auditors in connection with preparing their report and to establish that the company 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: 22/6/23

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 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 charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company transactions and 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, 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 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 2022 which comprise the Charity Statements of Financial Activities, the Charity Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 charitable company's affairs as at 31 December 2022 and of the 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the 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 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 (cont.)

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 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 11, 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 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.

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

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

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

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

Our audit procedures included:

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

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

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

THE ARCHIE FOUNDATION

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

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.

Anders 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: *22 Jun 2023*

THE ARCHIE FOUNDATION
**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted funds £	Restricted funds £	2022 Total Funds £	2021 Total Funds £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	365,456	729,901	1,095,357	825,890
Other trading activities	4	215,985	176,345	392,330	242,128
Investments	5	7,817	-	7,817	5,662
TOTAL INCOME		<u>589,258</u>	<u>906,246</u>	<u>1,495,504</u>	<u>1,073,680</u>
EXPENDITURE ON:					
Raising funds	6	126,937	89,252	216,189	203,126
Charitable activities	7	410,275	496,217	906,492	598,693
		<u>537,212</u>	<u>585,469</u>	<u>1,122,681</u>	<u>801,819</u>
NET INCOME		52,046	320,777	372,823	271,861
Transfer between funds		<u>21,295</u>	<u>(21,295)</u>	-	-
NET MOVEMENT IN FUNDS		73,341	299,482	372,823	271,861
RECONCILIATION OF FUNDS					
Total funds brought forward	17	725,041	799,647	1,524,688	1,252,827
Total funds carried forward	17	<u><u>798,382</u></u>	<u><u>1,099,129</u></u>	<u><u>1,897,511</u></u>	<u><u>1,524,688</u></u>

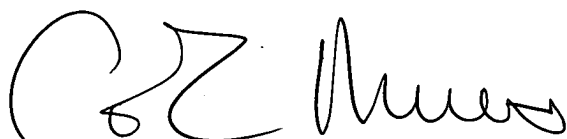
The company has made no gains or losses other than as reported above.

The notes on pages 19 to 34 form part of these financial statements.

THE ARCHIE FOUNDATION
COMPANY NUMBER: SC340297
BALANCE SHEET – 31 DECEMBER 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible fixed assets	12	993	1,637
Investments	13	2	2
		<u>995</u>	<u>1,639</u>
CURRENT ASSETS			
Debtors	14	69,714	110,843
Cash at bank and in hand		2,056,672	1,696,721
		<u>2,126,386</u>	<u>1,807,564</u>
CREDITORS: amounts falling due within one year	15	229,870	284,515
NET CURRENT ASSETS		<u>1,896,516</u>	<u>1,523,049</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,897,511</u>	<u>1,523,049</u>
NET ASSETS		<u>1,897,511</u>	<u>1,524,688</u>
FUNDS			
Unrestricted	17	275,966	241,381
Designated	17	522,416	483,660
Restricted	17	1,099,129	799,647
		<u>1,897,511</u>	<u>1,524,688</u>

Signed on behalf of the Board of Trustees



Carol Munro
Chair of the Board of Trustees

Date: 22/6/23

The notes on pages 19 to 34 form part of the financial statements.

THE ARCHIE FOUNDATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

		2022 £	2021 £
Cash flow from operating activities			
Net cash flow from operating activities	19	<u>352,133</u>	<u>(632,014)</u>
Cash flow from investing activities			
Interest received		<u>7,818</u>	<u>5,662</u>
Net cash flow from investing activities		<u>7,818</u>	<u>5,662</u>
Decrease in cash and cash equivalents in the year		359,951	(626,352)
Cash and cash equivalents at 31 December 2021		<u>1,696,721</u>	<u>2,323,073</u>
Cash and cash equivalents at 31 December 2022		<u><u>2,056,672</u></u>	<u><u>1,696,721</u></u>
Cash and cash equivalents comprise:			
Cash at bank and in hand		<u>2,056,672</u>	<u>1,696,721</u>
		<u><u>2,056,672</u></u>	<u><u>1,696,721</u></u>

THE ARCHIE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

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.

(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*

Group financial statements have not been prepared as the subsidiary company is dormant in the year to 31 December 2022 and this would not have a material effect on the results of the group.

(e) *Income*

All income is recognised once the Charitable 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 Charitable Company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charitable 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 Charitable Company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charitable Company, or the Charitable 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 FINANCIAL STATEMENTS – 31 DECEMBER 2022

1. ACCOUNTING POLICIES (cont.)

(e) *Income* (cont.)

Donated services or facilities are recognised when the Charitable 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 Charitable 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 Charitable Company which is the amount the Charitable 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 Charitable Company. 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 FINANCIAL STATEMENTS – 31 DECEMBER 2022

1. ACCOUNTING POLICIES (cont.)

(g) *Taxation*

The Charitable 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 Charitable 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 Charitable 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 FINANCIAL STATEMENTS – 31 DECEMBER 2022

1. ACCOUNTING POLICIES (cont.)

(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 Charitable 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 Charitable 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) *Pensions*

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Charity pays fixed contributions into a separate entity. Once the contributions have been paid, the charity 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 charity in independently administered funds.

THE ARCHIE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

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 Charitable 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

	2022 £	2021 £
Donations and legacies	1,095,357	783,347
Government grants	-	42,543
	<u>1,095,357</u>	<u>825,890</u>
Attributable to funds as follows:		
Unrestricted	365,456	364,498
Restricted	729,901	461,392
	<u>1,095,357</u>	<u>825,890</u>

Included within donations are amounts totalling £48,473 (2021: £470) in relation to donated goods and services.

THE ARCHIE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

4. INCOME FROM OTHER TRADING ACTIVITIES

	2022 £	2021 £
Fundraising events	392,330	242,128
	<u>392,330</u>	<u>242,128</u>
Attributable to funds as follows:		
Unrestricted	215,985	97,104
Restricted	176,345	145,024
	<u>392,330</u>	<u>242,128</u>

5. INCOME FROM INVESTMENTS

	2022 £	2021 £
Bank interest receivable	7,817	5,662
Attributable to funds as follows:		
Unrestricted	7,817	5,662
Restricted	-	-
	<u>7,817</u>	<u>5,662</u>

6. EXPENDITURE ON RAISING FUNDS

	2022 £	2021 £
Cost of generating donations and legacies	140,075	155,622
Cost of fundraising events	76,114	47,504
	<u>216,189</u>	<u>203,126</u>
Attributable to funds as follows:		
Unrestricted	126,937	94,783
Restricted	89,252	108,343
	<u>216,189</u>	<u>203,126</u>

THE ARCHIE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	2022	2021
	£	£
Direct costs		
Staff costs	220,794	190,524
Grant funding (note 8)	463,088	236,974
	<u>683,882</u>	<u>427,498</u>
Support costs		
Staff costs	97,853	105,884
Depreciation	387	1,088
Gain on disposal of assets	258	394
Marketing	27,421	2,944
Establishment costs	4,327	6,191
Computer and IT	41,729	24,109
Office expenditure	9,017	8,500
Training and recruitment	713	2,139
Travel and subsistence	6,492	2,953
Audit and accountancy fees	9,480	9,060
Professional fees	24,933	7,933
	<u>222,610</u>	<u>171,195</u>
Total	<u><u>906,492</u></u>	<u><u>598,693</u></u>
Attributable to funds as follows:		
Unrestricted funds	410,275	281,092
Restricted funds	496,217	317,601
	<u><u>906,492</u></u>	<u><u>598,693</u></u>

THE ARCHIE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022
8. ANALYSIS OF GRANTS
(a) Current year

	Direct funding £	Grant funding £	2022 £
Grants to institutions:			
NHS Grampian	156,026	235,567	391,593
NHS Tayside	11,008	3,426	14,434
NHS Highland	6,644	22,053	28,697
Grants to institutions	<u>173,678</u>	<u>261,046</u>	<u>434,724</u>
Grants to individuals	576	27,787	28,363
Total	<u>174,254</u>	<u>288,833</u>	<u>463,087</u>

(b) Prior year

	Direct funding £	Grant funding £	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
Grants to institutions	<u>111,635</u>	<u>69,075</u>	<u>180,710</u>
Grants to individuals	16,467	39,797	56,264
Total	<u>128,102</u>	<u>108,872</u>	<u>236,974</u>

THE ARCHIE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

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

	2022 £	2021 £
Depreciation		
-owned assets	387	1,088
Auditors' remuneration		
-audit fees	9,060	9,060
	<u>9,447</u>	<u>10,148</u>

10. STAFF COSTS AND NUMBERS

The average number of persons employed by the charity during the year was as follows:

	2022 £	2021 £
Average number of employees during the year:		
Full time	8	10
Part time	9	6
	<u>17</u>	<u>16</u>

	2022 £	2021 £
Staff costs:		
Wages and salaries	388,746	393,427
Social security costs	29,320	30,459
Pension costs	16,785	18,797
	<u>434,851</u>	<u>442,683</u>

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

	2022 No.	2021 No.
£60,000 - £69,999	<u>1</u>	<u>1</u>

THE ARCHIE FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022****10. STAFF COSTS AND NUMBERS (cont.)**

The average number of key management personnel during the year was 3 (2021 – 2). At the year end there was a total of 3 key members of staff.

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

	2022 £	2021 £
Key management personnel	<u>146,303</u>	<u>123,930</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 £422 (2021 - £786) were paid to 1 (2021 - 2) of the directors in relation to travel costs and charitable expenditure. This comprised £422 (2021 - £786) paid directly to trustees and £0 (2021 - £0) paid to third parties for expenses incurred.

THE ARCHIE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022
12. TANGIBLE FIXED ASSETS

	Fixtures & fittings £	Computer equipment £	Total £
Cost			
At 1 January 2022	13,624	4,942	18,566
Disposals	(3,604)	(3,242)	(6,846)
At 31 December 2022	10,020	1,700	11,720
Depreciation			
At 1 January 2022	12,021	4,908	16,929
Charge for year	387	-	387
Disposals	(3,347)	(3,242)	(6,589)
At 31 December 2022	9,061	1,666	10,727
Net book value			
At 31 December 2022	959	34	993
At 31 December 2021	1,603	34	1,637

13. FIXED ASSET INVESTMENTS

	2022 £	2021 £
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.

Archie Ventures Limited was Dormant in the year with net assets of £1,527 (2021 - £1,527)

THE ARCHIE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

14. DEBTORS

	2022	2021
	£	£
Trade debtors	27,314	22,096
Other debtors	25,014	66,400
Prepayments	17,386	22,347
	<u>69,714</u>	<u>110,843</u>

15. CREDITORS: *amounts falling due within one year*

	2022	2021
	£	£
Trade creditors	15,112	59,455
Amount due to group undertakings	2	2
Other taxation and social security costs	8,356	10,053
Accruals and deferred income	170,184	174,933
Other creditors	36,216	40,072
	<u>229,870</u>	<u>284,515</u>

16. FINANCIAL INSTRUMENTS

	2022	2021
	£	£
Financial assets		
Financial assets measured at amortised cost	<u>2,216,386</u>	<u>1,807,564</u>

THE ARCHIE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022
17. FUNDS
(a) Current year

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	At 31 December 2022 £
Restricted funds					
Angela Monica Fund	22,193	-	(102)	-	22,091
Baird Family Hospital Appeal	304,589	134,540	(174,422)	-	264,707
Dr Gray's Children's Ward	15,994	290	(2,485)	-	13,799
Archie at Aberdeen Neonatal Unit	37,676	100,812	(66,864)	-	71,624
Royal Aberdeen Children's Hospital 10 Year Appeal	10,526	-	(667)	(9,859)	-
Tayside Appeal	26,460	114,560	(5,631)	-	135,389
Highland Appeal	113,168	183,464	(87,698)	(16,320)	192,614
Highland Appeal – Fresh Air	7,891	-	-	-	7,891
Archie Child Bereavement Services	86,166	134,183	(130,191)	-	90,158
	<u>624,663</u>	<u>667,849</u>	<u>(468,060)</u>	<u>(26,179)</u>	<u>798,273</u>
Other restricted funds	174,984	238,397	(117,409)	4,884	300,858
Total restricted funds	<u>799,647</u>	<u>906,246</u>	<u>(585,469)</u>	<u>(21,295)</u>	<u>1,099,129</u>
Total designated funds	483,660	-	(37,408)	76,164	522,416
Total unrestricted funds	<u>241,381</u>	<u>589,258</u>	<u>(499,804)</u>	<u>(54,869)</u>	<u>275,966</u>
Total funds – charity	<u><u>1,524,688</u></u>	<u><u>1,495,504</u></u>	<u><u>(1,122,681)</u></u>	<u><u>-</u></u>	<u><u>1,897,511</u></u>

THE ARCHIE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022
17. FUNDS (cont.)
(b) Prior year

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
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	464,793	101,150	(116,901)	(411,366)	37,676
Royal Aberdeen Children's Hospital 10 Year Appeal	11,406	-	(880)	-	10,526
Tayside Appeal	-	39,627	(14,227)	1,060	26,460
Highland Appeal	2,489	194,547	(88,797)	4,929	113,168
Highland Appeal – Fresh Air	44,731	-	(36,840)	-	7,891
Archie Child Bereavement Services	120,233	62,599	(96,666)	-	86,166
	906,132	497,077	(373,660)	(404,886)	624,663
Other restricted funds	146,752	75,679	(52,284)	4,837	174,984
Total restricted funds	1,052,884	572,756	(425,944)	(400,049)	799,647
Total designated funds	-	33,660	-	450,000	483,660
Total unrestricted funds	199,943	467,264	(375,875)	(49,951)	241,381
Total funds – charity	1,252,827	1,073,680	(801,819)	-	1,524,688

THE ARCHIE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

17. FUNDS (cont.)

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.

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

These funds are restricted with the purpose of providing bereaved children and their families, across Grampian, Highland and Tayside, with help and support when coping with bereavement. Our work includes supporting NHS Staff and Schools with assistance and guidance when caring for a child's wellbeing. Support can be the provision of specialist bereavement books, dedicated volunteer visits, activity days for children, training and conferences for NHS staff, professionals from Social Work and other third sector, schools and volunteer bereavement responders.

THE ARCHIE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2022

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

(a) Current year

	Unrestricted funds £	Restricted funds £	Total Funds £
Fixed assets	993	-	993
Net current assets	797,389	1,099,129	1,896,518
	<u>798,382</u>	<u>1,099,129</u>	<u>1,897,511</u>
Prior year			
Fixed assets	1,637	-	1,637
Net current assets	723,404	799,647	1,523,051
	<u>725,041</u>	<u>799,647</u>	<u>1,524,688</u>

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income/ for the year (as per statement of financial activities)	372,823	271,861
Adjustment for:		
Depreciation charges	387	1,088
Loss on disposal of fixed assets	257	394
Interest received	(7,818)	(5,662)
Decrease/(increase) in debtors	41,129	(650)
(Decrease) in creditors	(54,645)	(899,045)
Net cash flows used in operating activities	<u>352,133</u>	<u>(632,014)</u>

20. RELATED PARTY TRANSACTIONS

Throughout the year the Charitable Company was controlled by the Board of Trustees.

During the year the husband of one of the trustees was employed, receiving remuneration of £19,320 from the Charity.

During the year expenses of £422 (2021 - £786) was paid to 1 (2021 - 2) of the trustees in relation to charitable expenditure. This comprised of £422 (2021 - £786) being paid directly to trustees and £0 (2021 - £0) paid to third parties for expenses incurred.

21. 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.