



**THE ARCHIE  
FOUNDATION**

MAKING THE DIFFERENCE  
FOR SICK CHILDREN IN THE NORTH OF SCOTLAND

**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 2019

THE ARCHIE FOUNDATION  
 TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2019

CONTENTS	PAGE
LEGAL AND ADMINISTRATIVE INFORMATION .....	1
TRUSTEES' ANNUAL REPORT .....	2
TRUSTEES' RESPONSIBILITIES STATEMENT .....	15
INDEPENDENT AUDITOR'S REPORT .....	16
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES .....	19
STATEMENT OF FINANCIAL ACTIVITIES .....	20
CONSOLIDATED BALANCE SHEET .....	21
BALANCE SHEET .....	22
CONSOLIDATED CASH FLOW STATEMENT .....	22
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS .....	24

**THE ARCHIE FOUNDATION**  
LEGAL AND ADMINISTRATIVE INFORMATION**TRUSTEES**

Joseph Mackie, OBE, Chairman  
Carol Munro, Vice Chair  
Robert Anderson (resigned 23 March 2020)  
Anne Bone MBE (appointed 21 March 2019)  
Kirsty Cox  
Christopher Driver  
John Findlay (resigned 21 March 2019)  
Barbara Jones  
Derek King (appointed 21 March 2019)  
Mary Nimmo  
Kay Pratt (appointed 20 September 2019)  
Hazel Whyte (resigned 28 January 2020)  
Fiona Willox  
Professor George Youngson (resigned 21 March 2019)

**COMPANY SECRETARY**

Mackinnons

**ORGANISATION**

The day to day management of the charity was delegated to David Wood, Chief Executive prior to his departure from the charity on 31<sup>st</sup> August 2020. Effective from 1<sup>st</sup> September 2020 the management of the charity was delegated jointly to David Downie, Director of Business Services and Paula Cormack, Director of Fundraising. Regular meetings take place with the Trustees on the Finance and Governance Committee and the Directors of Business Services and Fundraising.

**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	Clydesdale Bank ABERDEEN AB15 4XU
--	---	---

**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 2019.

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's aim is 'Making A Difference' when a child is sick or otherwise accessing healthcare. Within Scotland this is predominantly in Grampian, Orkney, Shetland, the Highlands and Tayside.

Wherever we work, we make the difference by providing facilities or services over and above those already provided by the NHS. We work very closely in partnership with the NHS in Grampian, Highland and Tayside.

Our charitable purposes are: The relief of suffering and distress and the furtherance of health by supporting, equipping, enhancing and maintaining child health services in Grampian, Highland and Tayside, and across Scotland, research related to child health, specialist training for child health professionals, support for children, young people and their families who use child health services in Scotland, also to include supporting, equipping and enhancement of children's healthcare services worldwide or for such other related charitable objects as the Company in its sole discretion may determine. We operate on a non-profit basis.

Whether in the Royal Aberdeen Children's Hospital, Tayside Children's Hospital, the Children's Wards in Inverness and Elgin, and in many rural community hospitals, The ARCHIE Foundation provides the extras, over and above the core, state-funded child 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 2019, we captured the support and imagination of children and families across Scotland as we generated a total income of over £3,376,000 and successfully delivered a range of projects and support that transformed the experience of being in hospital for close to 200,000 children across our region.

Sometimes through the provision of enhanced facilities; more often through the provision of emergency grants, equipment and specialist people; and on a daily basis through the provision of toys and entertainment; working every hour of every day of the year through our family support programmes 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 children, families and local people at our very core and our relationship with the NHS in Grampian, Highland and Tayside is fundamental to our current and future success.

Selecting highlights for inclusion in this report is just so incredibly difficult and it would be better to list all the children and families that have benefitted from our support. They are after all at the very core of everything we do. It has been a very special year across the region. In the Royal Aberdeen Children's Hospital, we completed the development of the new Children's Play Park outside the main entrance area, upgraded our 20 bedroom Family Accommodation Suite and held our second Battle of the Badges event where the mascots simply glowed from their involvement. In November, we held our first ever Strictly ARCHIE dancing competition and children and adults sparkled with enthusiasm throughout a wonderful evening. In addition, and through our Friends of the Neonatal Unit stream, we were once more delighted to be the charity in receipt of the monies raised through the Chester Hotel's Signature Dinners. We are very grateful of the support from our patrons, Graham and Gillian Wood. In Tayside we successfully completed our fundraising campaign providing £2.0 million towards the new and much needed Twin Operating Theatre at Ninewells Hospital. We also held a very successful and now annual Tayside Spring Ball. In the Highlands we held our second Moonlight Ball and as ever we are in awe of the support, we receive locally from the highland community. At Raigmore, we successfully completed three of the five external gardens for the Fresh Air Project - allowing the introduction of themed gardens around the Children's Ward.

**OBJECTIVE AND ACTIVITIES - THE ROLE OF THE ARCHIE FOUNDATION (continued)**

The ARCHIE Foundation also worked in partnership with the Glasgow Children's Hospital Charity, the Edinburgh Children's Hospital Charity, Wild in Art, and DC Thomson and developed and coordinated Scotland's first ever nationwide art trail (Oor Wullie's Big Bucket Trail). This raised the profile of children's hospital charities across Scotland simultaneously enabling The ARCHIE Foundation to generate significant income. Farewell events were held at Marischal College Aberdeen, at Slessor Gardens in Dundee and in the Eastgate Shopping Centre in Inverness. These Farewell weekend events were extraordinarily well attended by children and families across Scotland. In turn, we held auctions at Thainstone Mart in Inverurie and in the Dundee Rep Theatre. Overall, 80 Oor Wullie sculptures were auctioned, raising a combined £555,700 for The ARCHIE Foundation. Oor Wullie's Big Bucket Trail was an extraordinarily successful art trail from both an income generation and profile-raising perspective.

Early in 2019 we were delighted to welcome The Grampian Child Bereavement Network (GCBN) into The ARCHIE Foundation family. The charity had provided support to the Grampian Child Bereavement Network for 7 years and our support of this service has been crucial, in particular to the funding of the Coordinator of the Grampian Child Bereavement Network Service. The service ensures children suffering overwhelmingly because of bereavement can access the help and support they need to enable them to build their resilience so that they are able to process and better manage their grief. Bereaved children and young people are able to improve their physical health and emotional well-being to reduce the long term impact on them as they are supported to rebuild their lives. Instead of continuing to fund a separate charity it seemed strategically sensible to bring this outstanding service into the body of The ARCHIE Foundation.

In 2019 both the Highland Fundraising Committee and the Tayside Fundraising Committee continued to play a prominent role in our regional fundraising activities and we are extremely grateful and remarkably fortunate to have such a dedicated, talented and well-connected group of individuals advising, organising and often running our events whilst raising our profile in the communities we serve.

In Tayside we held our second Spring Ball and over 200 guests enjoyed a highly successful evening supporting our fundraising ambitions for the proposed new and transformational Children's Twin Operating Theatre at Ninewells. In partnership with Dundee's Leisure and Culture team we built on the enormous success of the 2017 and 2108 events and delivered another enjoyable "Santa Dash" that saw around 500 "Santas" of all ages and styles running through the city raising substantial funds for the Twin Operating Theatre at Ninewells. These locally generated events raised the remainder of the £2.0 million we required to complete our fundraising campaign for The Children's Twin Operating Theatre.

In Inverness, our Highlands Fundraising Committee completed the fundraising for the "Fresh Air Project" with the intention of developing several gardens (including a sensory garden) around the Children's Unit at Raigmore. This much needed project is allowing children the opportunity to enjoy and benefit from outdoor spaces and adds considerable value to their time in hospital whether that be short or long term. The first 3 gardens have now been completed with the final 2 gardens planned for 2020/21. Our Moonlight Ball was once more a huge success as was a very special Golf Day and a quite spectacular abseil down Dunrobin Castle - all showing what an outstanding local fundraising committee we are fortunate to have operating on behalf of the charity and in turn the children, families and communities within the Highlands.

The Friends of the Neonatal Unit Committee, an important and integral part of The ARCHIE Foundation, continued to play a crucial role in supporting children and families in the Neonatal Unit in Aberdeen. The drive, energy and commitment of the committee has been and continues to be quite remarkable. In 2019 the "Friends" strengthened our wonderfully effective partnership with The Chester Hotel and received a significant amount of financial and hands on support from this. The committee also recommended funding for a Quantum Caring Initiative improving the care provided to babies and families within the Neonatal Unit in Aberdeen. This project was led by the remarkable Mary Coughlin, a world-renowned leader in neonatal care.

**THE ARCHIE FOUNDATION  
TRUSTEES' ANNUAL REPORT**

**OBJECTIVE AND ACTIVITIES - THE ROLE OF THE ARCHIE FOUNDATION (continued)**

In Grampian, a range of fundraising events took place, including our second ever Battle of the Badges - at this event Police Scotland played Scottish Fire and Rescue at football and the mascots from the Royal Aberdeen Children's Hospital had a truly memorable day. We also held our first ever Strictly ARCHIE dancing competition and adults and children who attend the Royal Aberdeen Children's Hospital performed at a level that was simply extraordinary.

National campaigns were held, and these included our winter Beards for Bairns campaign encouraging beards of various styles and significance to be grown in support of sick children across the region. We also held a very successful cycle challenge that consisted of our patron Mark Beaumont and a number of talented local cyclists "enduring" a remarkable two day cycle event that took the group from the Tayside Children's Hospital to the Royal Aberdeen Children's Hospital, via the Highland Children's Unit in Raigmore. We were incredibly grateful for all the support we received from all of those who engaged with us over the year. They have helped us to make such a difference to sick children.

2019 has seen The ARCHIE Foundation continue to raise its profile in Scotland and we have continued to generate a larger footprint particularly in the North and North East. The partnerships that have been developed with the children's charities in Glasgow and Edinburgh through Oor Wullie's Big Bucket Trail will lead to future projects at national level raising further the collective profiles of children's hospital charities in Scotland. Planning and fundraising for the development of the Baird Family Hospital and the ANCHOR Centre has progressed very slowly because of concerns around construction and related cost implications. Once again we will be working in partnership with Aberdeen University, the NHS and with Friends of Anchor as we seek to realise the fundraising ambitions that are essential to ensure we make a real difference to children and the NHS Grampian service that is provided in the future to families throughout the region.

The ARCHIE Foundation is a hugely successful charity, but it relies on the support of our volunteers, our trustees, our dedicated staffing team, local families, communities across the region, individual donors, trusts, foundations and businesses embedded within Grampian, Highland and Tayside. We are very grateful for all the support we receive, and we all know that the support we provide for sick children in a variety of different ways is just so hugely important.

The ARCHIE Foundation is making an exceptional difference for local children, wherever they may be. We are proud of that impact, proud of the efficiency with which it is delivered and proud to present this review of our work.

## ACHIEVEMENTS AND PERFORMANCE

In 2019 the charity exceeded its fundamental objectives and successfully delivered on several fronts. Many projects met their objectives, including the completion of the upgrade of the Family Accommodation Suite within the Royal Aberdeen Children's Hospital and the completion of the new Children's Play Park. In addition, The ARCHIE Foundation continued to work in partnerships regarding Oor Wullie's Big Bucket Trail and The Baird Family Hospital campaign.

Through Oor Wullie's Big Bucket Trail our fundraising activities and events in Grampian, Tayside and Highland reached a new and higher level and this strengthened the charity, increased our supporter and volunteer base and enhanced brand awareness throughout the region. The ARCHIE Foundation continued to ensure it was:

**'Making the Difference' today and meeting the needs of sick children, their families and NHS staff across Grampian, Tayside and Highland in 2019.**

The need to react positively to the 'here and now' is never far away in a children's hospital environment. In 2019, The ARCHIE Foundation achieved this in several ways including:

1. The on-going provision and complete upgrading of a 20-bed Family Accommodation Suite in the Royal Aberdeen Children's Hospital free of charge, for as long as it is required for families from across the North of Scotland and the Islands.
2. The provision of a Family Support Worker and volunteers, based in our Family Accommodation Suite, on a part-time basis to help those families.
3. Funding of the ARCHIE Specialist Nurse in Paediatric Pain Management to allow a highly specialist clinic for children from across the North of Scotland who are suffering from chronic long-term pain to have enhanced care and to see significant improvements in their quality of life.
4. Funding of an ARCHIE Play Leader in the Royal Aberdeen Children's Hospital to allow the play service to extend provision of supportive and therapeutic play for children in hospital to include weekends and to be more extensive during the week.
5. Sustaining our Small Grant and Emergency Grant scheme, allowing families and clinical staff to access grants up to £500 in usually emergency/urgent situations. In total 199 grants totalling £44,948 were made in 2019 with an average value of £225.87 to help families from across the North and North East of Scotland as they coped with their child being in hospital or undertaking some form of treatment.
6. We supported the cost of 80 members of paediatric staff from across NHS Grampian, Orkney and Highland to undertake specialist-training courses or attend conferences to improve their knowledge and skills. This support cost £31,647 at an average value of £395.59. This level of support is invaluable and would not have happened without the support of The ARCHIE Foundation
7. Through our hospital-based teams we provided toys to the Royal Aberdeen Children's Hospital, Tayside Children's Hospital and children's units in Inverness and Elgin.
8. Providing specialist paediatric equipment that supplements that provided by the NHS.
9. Providing one off financial support to children and families in a manner that fits the requirements of those in real and immediate need.
10. Funding of administration support for the Child Adolescent Mental Health Service (CAMHS) to enable them to provide support for adolescents with eating disorders.
11. Funding additional support services for babies and families in the Neonatal Unit, including provision of iPads and specialist software, such as Vcreate, to enable staff to capture and share precious memories and milestone moments for families in the unit.
12. Funding of a Clinical Psychologist for the Neonatal Unit to enhance parental support during unforeseen and sometimes worrying events in their babies.
13. Funding the Quantum Caring Initiative improving the care provided to babies and families within the Neonatal Unit in Aberdeen. This project was led by Mary Coughlin, a world-renowned leader in neonatal care.
14. Through the Grampian Child Bereavement Network, we have supported many children suffering because of bereavement. The network provides children with a range of direct services in the community, these have enhanced their emotional well-being and prevented them from requiring essential NHS services.

**THE ARCHIE FOUNDATION  
TRUSTEES' ANNUAL REPORT**

**ACHIEVEMENTS AND PERFORMANCE (continued)**

**'Making a Difference' Internationally**

The ARCHIE Foundation designed and opened Uganda's first dedicated children's operating theatre and surgical ward in 2015. The charity built on that success through the creation of the country's second dedicated paediatric operating theatre suite, this time in the rural south west of the country in Mbarara.

This facility, which was fully funded by a single donation from the Ferguson Family, had an immediate impact. Giving the one local surgeon a dedicated facility has allowed children to have operations every day of the week. Furthermore, with the facility in place, a trainee paediatric surgeon was recruited from the general surgeons working within the country and now an extensive elective and emergency surgery provision is in place.

In 2017 it was agreed to separate the future provision of ARCHIE Global Surgery from The ARCHIE Foundation. The charity has since continued to support, maintain, and closely liaise with the initial two units in Uganda. ARCHIE's 'twin-hospitals' in the region strengthen local communities through the provision of safe surgery and has allowed for the exchange of staff between Scotland and Uganda improving knowledge, relationships, and the communities we support.

In December 2019, The ARCHIE Foundation passed the maintenance commitment and ownership of the facilities at the Naguru and Mbarara Hospitals in Uganda to KidsOR, a specialist international charity that provides high quality operating rooms in the developing world. Through this transfer of ownership, we have protected our legacy in Uganda, and we will always be extremely grateful of the support we received from Megan and Craig Ferguson that enabled us to achieve all that we have in Africa.

**'Making the Difference' tomorrow too**

The ARCHIE Foundation will continue to develop our 'up-stream' programme to inform future healthcare provision, inform families and children of important paediatric healthcare messages and to support early intervention in paediatric mental health to reduce future requirement. We also continue to work closely in partnership with the NHS in Grampian, Tayside and the Highlands to raise funds to assist agreed upgrades of the Royal Aberdeen Children's Hospital, the Highland Children's Unit in Inverness and for the Twin Operating Theatre in Tayside. Crucially we will continue to make a difference in Scotland.

As NHS budgets tighten and priorities change and evolve there is an increasing need for The ARCHIE Foundation to be innovative, solution focused and forward looking in our approach. Partnerships are vital as is the support of the corporate sector and communities within the region as we seek to deliver excellence today, tomorrow, and thereafter.



**THE ARCHIE FOUNDATION  
TRUSTEES' ANNUAL REPORT**

**ACHIEVEMENTS AND PERFORMANCE (continued)**

**ARCHIE VENTURES LTD IN 2019**

The ARCHIE Foundation launched a subsidiary company, Community Cafes Ltd, in late 2013. This wholly owned company was created to allow the development of a new income stream and for new charitable projects.

The first ARCHIE café opened in the Hilton Community Centre in Inverness. The café was in the heart of the community and was designed to be a place where families with young children could come and spend some quality time with their child in a safe, low cost environment. Although this café provided an essential service it never managed to become self-sustaining and in 2018 it was felt that running a loss-making café was not in the best interests of The ARCHIE Foundation and its supporters.

The ARCHIE café in the Eastgate Shopping Centre in Inverness played a key part in raising the profile of the charity to help fundraise for the provision of the Highlands Children's Unit facility at Raigmore. The café operated in a more commercially viable location and the intention was for it to continue generating income for the charity. This café made a small surplus in 2018 but due to an increasingly difficult retail environment, the decision was taken late 2019 not to extend the lease which was due to expire at the end of February 2020. We worked closely with Cobbs and the Eastgate Shopping Centre to find a new charity tenant, handing over to the Highland Hospice charity in February 2020.

Oor Wullie's Big Bucket Trail has formed a major part of ARCHIE Ventures trading activities throughout 2019 and the intention is for all future trading projects to be operated under ARCHIE Ventures Limited.

**STRUCTURE AND GOVERNANCE**

The ARCHIE Foundation was formed in September 2000 to support the creation of the Royal Aberdeen Children's Hospital. After the hospital opened, the charity was subsumed into the NHS Grampian Endowment Fund between 2004 and 2008, later emerging as an independent charity in 2008. The assets and liabilities of the charity were transferred into a company limited by guarantee at that time.

The Articles of Association were reviewed to allow growth into the Highlands, growth into Tayside and growth into Africa (now not relevant). 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 devolved day-to-day management of the charity to the Chief Executive, David Wood prior his departure from the charity on 31<sup>st</sup> August 2020. Effective from 1<sup>st</sup> September 2020 the management of the charity was delegated jointly to David Downie, Director of Business Services and Paula Cormack, Director of Fundraising.

The Board has four Committees reporting to it:

- The Clinical Advisory Committee
- The Finance & Governance Committee
- The Grampian Child Bereavement Network Committee
- The Friends of the Neonatal Unit Committee

**THE ARCHIE FOUNDATION  
TRUSTEES' ANNUAL REPORT**

**STRUCTURE AND GOVERNANCE (continued)**

The Clinical Advisory Committee, which has NHS staff members, 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. It makes recommendations on their suitability and appropriateness to the Board.

The Friends of the Neonatal Unit Committee reviews all applications seeking support of over £500. 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.

The Grampian Child Bereavement Network Committee has non trustees serving on it and works very closely with the Coordinator of The Grampian Child Bereavement Network. 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.

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 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 by the Chief Executive and Senior Management Team.

**THE ARCHIE FOUNDATION  
TRUSTEES' ANNUAL REPORT**

**STRUCTURE AND GOVERNANCE (continued)**

**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 2019, there were a mix of NHS and non-NHS Trustees on the Board with a majority being non-NHS members.

During 2019, the following served as Trustees of the charity and as directors of the company. The Committees they served on are also shown:

Trustee	Board	Board Attendance	Finance & Governance	Clinical Advisory	GCBN	Friends of the Neonatal Unit
Joe Mackie	C	5/5	C			
Carol Munro	V	2/5	x			
Robert Anderson	x	3/5	x			
Anne Bone	x	4/5			C	
Kirsty Cox	x	1/5				C
Christopher Driver	x	3/5		C		
John Findlay	x	1/1	x			
Barbara Jones	x	3/5			x	
Derek King	x	5/5	x	x		
Mary Nimmo	x	1/5				
Kay Pratt	x	3/3				
Hazel Whyte	x	0/5				
Fiona Willox	x	2/5				x
Prof George Youngson	x	0/1	x			

C - Chair  
V - Vice-Chair

In 2019, 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

### STRUCTURE AND GOVERNANCE (continued)

#### 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 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 a difference for any child, or group of children, accessing care in NHS Grampian, NHS Highland, NHS Shetland, NHS Orkney and NHS Tayside and 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 20 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 other organisations. 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 £500 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 over £500 and up to £1k are assessed for approval by the Chairman.

Applications for support above £1k are assessed for approval by the appropriate expert Committee who will then make recommendations to the Board on whether they think the application is appropriate or not. 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 in excess of 100 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.

**THE ARCHIE FOUNDATION  
TRUSTEES' ANNUAL REPORT**

**2019 FINANCIAL PERFORMANCE**

In 2019, our financial performance was very much in line with expectations. Our overall income of £3,394,451 was significantly higher than 2018 and this reflected the increased nature of The ARCHIE Foundation's portfolio of major projects during the year. Oor Wullie's Big Bucket Trail was the main reason behind this increase in income.

Income in 2019 was driven by several factors and events. Our portfolio of events generated significant income in all regions. Our three "Balls", one in each region, proved successful and we benefitted from a great deal of community and corporate support. Our partnership with the Chester Hotel provided an excellent financial benefit to The Friends of the Neonatal Unit and this was hugely appreciated. The Tayside Fundraising Committee organised and oversaw the Tayside Spring Ball and the Santa Dash with around 500 "Santas" of all ages running through the centre of Dundee and all to the benefit of The ARCHIE Foundation. The Inverness Fundraising Committee worked tirelessly to attract many donations and the Moonlight Ball was a huge success. In addition, we received a great deal of support from Trusts and Foundations for several of our key strategic campaigns.

Overall, the charity and its superb staff and wonderful volunteers performed exceptionally well throughout the year delivering on many fronts for local sick children and their families.

The ARCHIE Foundation continues to enjoy a broad base of support. Donors come from a range of backgrounds including: the general community, corporate supporters, trusts and foundations, and schools and other community groups. The largest donors by volume are the general community. The largest donors by value are trusts and foundations.

Total income for the financial year was £3,394,451 (2018 - £2,570,775) and expenditure equalled £4,096,735 (2018- £2,415,088). These figures met expectations for 2019 and will allow for the continuation of delivery of a wide range of projects in 2020.

In 2019 there was net deficit of £702,284 (2018 - surplus £155,687), which was anticipated as the expenditure included £1m of fundraising which had been accumulated in previous years to support the build of the Children's Twin Operating Theatre at Ninewells.

Total funds at 31 December 2019 totalled £1,217,078 (2018 - £1,919,362) of which £1,076,924 (2018 - £1,839,129) are restricted funds (funds received that are restricted by the donor for a specific purpose), and £140,154 (2018 - £80,233) 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 2019 there were no substantial events that had a significant financial effect on the charity.

**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 £132,217 (2018 - £51,984).

Further reserves relate to projects not yet ready for installation or not yet fully delivered and costs for restricted purpose.

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.

**THE ARCHIE FOUNDATION  
TRUSTEES' ANNUAL REPORT**

**2019 FINANCIAL PERFORMANCE (continued)**

**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 on 1-year deposits. 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 £11,079 was up on the previous year (£8,819). In the current climate of low interest rates, the Board is satisfied with this return, which was in-line with expectations.

**PLANS FOR THE FUTURE**

Plans for the future must be made in conjunction with the current threat from the Coronavirus pandemic very much in mind. It is essential that the charity continues to function effectively and provide necessary support for children, their families and the NHS. The Trustees, Chief Executive and Senior Management Team have undertaken a strategic review of the charity, a branding review is underway, and a three-year business plan is in the process of being completed. It is acknowledged that the duration of the impact of Covid-19 is uncertain but likely to be many months, probably longer. Part of our strategic intent is to be less reliant on charity led events together with nurturing and developing community and corporate led support promoting new innovative fundraising ideas while recognising the Government guidelines on factors such as social distancing and size of gatherings.

As part of assessing the ongoing impact of the pandemic on the charity the Finance and Governance committee and the Senior Management Team meet on a regular basis to monitor income and cost and ensure that priorities are assessed and addressed.

In order for the charity to achieve future plans, the charity has reorganised and restructured and has significantly reduced its cost base. The third sector is faced with the effects of an economic downturn due to Covid-19 and our fundraising focus will not necessarily be only for direct monetary support income. Our fundraising team will assist our corporate donors to identify gift in kind potential when monetary support is not an option, this in turn allowing The ARCHIE Foundation to continue to drive costs down. The team are working to increase community involvement by celebrating what our donors help us to achieve during our charitable activities. By strengthening donor recognition, it is hoped to cement repeat support, this being an area that the charity has a renewed determination to resolve.

Our engagement with our NHS partners will be enhanced in the coming year to encourage NHS staff and The ARCHIE Foundation staff to work more closely to ensure maximum benefit to patients. In the longer term we will be involved in large scale redevelopment of children's facilities within the NHS regions we support. With the current financial constraints, we will concentrate our focus on smaller scale projects and emergency grants that will make a more immediate difference to the children and staff within the hospitals, making use of restricted funds that are already available.

**THE ARCHIE FOUNDATION  
TRUSTEES' ANNUAL REPORT**

**2019 FINANCIAL PERFORMANCE (continued)**

**PLANS FOR THE FUTURE (continued)**

Our objectives for 2020 and 2021 will include: -

In Tayside we will continue our work with NHS Tayside and the Tayside Programme Board to help deliver the Twin Operating Theatre project. We will further endorse the support we receive from our Tayside Fundraising Committee and ensure fundraising opportunities are aligned and realised. The introduction of emergency grant funding will be an added benefit to this region.

In Highland our aim is to complete the remaining "Fresh Air Project" gardens that will benefit the children using the Highland Children's Unit at Raigmore Hospital. This will be achievable when Covid-19 restrictions are lifted, and the identified sites are ready for development. We will endeavour to sustain the momentum of our Highland Fundraising Committee who are energised to further improve the facilities we provide in the North of Scotland.

In the Royal Aberdeen Children's Hospital, we will conclude projects that were in progress prior to Covid-19 lock down, this will include the internal PlayZone. Using the financial support from BBC Children in Need, our Grampian Child Bereavement Network will be extended through the employment of two Child Bereavement Support Workers who will work alongside NHS staff within RACH and ARI to provide on hand support and advice. Our work through our Friends of the Neonatal Unit Committee will continue to ensure that fundraising objectives are aligned and realised and that the Neonatal Unit receives the equipment and other support it requires.

At Dr Gray's Hospital in Moray, we are looking to rebuild our local links to boost our profile in the area. We have the ambition to provide cosmetic upgrades to the children's unit which has recently been relocated within the hospital.

Longer term initiatives will continue to build momentum during the year. The charity will work closely with NHS Grampian to develop a comprehensive fundraising strategy for the Baird Family Hospital and work closely in partnership with Friends of Anchor, Aberdeen University and NHS Endowments to realise the project. In addition, the charity has aspirations to further build on the successful partnerships that were created during the 2019 Oor Wullie Bucket Trail and will strive to work closely with the Edinburgh and Glasgow Children's Hospital charities to develop nationwide initiatives that strengthen children hospital charities across Scotland.

**CONNECTED BODIES**

ARCHIE Ventures Limited is a wholly owned subsidiary company which in 2019 operated one cafe in Inverness and undertook the 2019 Oor Wullie Big Bucket Trail. The cafe was designed to be run as a commercial operation with the intention of being welcoming to families and customers with young children. ARCHIE Ventures Limited 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. One trustee, Joe Mackie (Chairman), and one former trustee, John Findlay 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:

- Chris Driver
- Kay Pratt
- Hazel Whyte
- Fiona Willox

THE ARCHIE FOUNDATION  
TRUSTEES' ANNUAL REPORT

2019 FINANCIAL PERFORMANCE (continued)

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.



Joseph Mackie  
Chairman

Date: ~~29th~~ September 2020



**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 2019 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 2019 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 1, 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's 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.



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: 29 September 2020

**THE ARCHIE FOUNDATION**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	Unrestricted funds £	Restricted funds £	2019 Total Funds £	2018 Total Funds £
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	3	530,171	1,256,145	1,786,316	1,685,895
Other trading activities	4	1,395,924	201,132	1,597,056	876,061
Investments	5	11,068	11	11,079	8,819
<b>TOTAL</b>		<b>1,937,163</b>	<b>1,457,288</b>	<b>3,394,451</b>	<b>2,570,775</b>
<b>EXPENDITURE ON:</b>					
Raising funds	6	1,111,122	527,018	1,638,140	945,304
Charitable activities	7	588,575	1,870,020	2,458,595	1,469,784
<b>TOTAL</b>		<b>1,699,697</b>	<b>2,397,038</b>	<b>4,096,735</b>	<b>2,415,088</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>237,466</b>	<b>(939,750)</b>	<b>(702,284)</b>	<b>155,687</b>
Transfer between funds		(177,545)	177,545	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>59,921</b>	<b>(762,205)</b>	<b>(702,284)</b>	<b>155,687</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward	18	80,233	1,839,129	1,919,362	1,763,675
Total funds carried forward	18	140,154	1,076,924	1,217,078	1,919,362

The notes on pages 24 to 41 form part of these financial statements.

**THE ARCHIE FOUNDATION**  
**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	Unrestricted funds £	Restricted funds £	2019 Total Funds £	2018 Total Funds £
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	3	728,024	1,433,690	2,161,714	1,685,895
Other trading activities	4	161,282	201,132	362,414	465,421
Investments	5	11,068	11	11,079	8,819
<b>TOTAL INCOME</b>		<b>900,374</b>	<b>1,634,833</b>	<b>2,535,207</b>	<b>2,160,135</b>
<b>EXPENDITURE ON:</b>					
Raising funds	6	280,909	527,018	807,927	507,687
Charitable activities	7	588,575	1,870,020	2,458,595	1,484,184
		<b>869,484</b>	<b>2,397,038</b>	<b>3,266,522</b>	<b>1,991,871</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>30,890</b>	<b>(762,205)</b>	<b>(731,315)</b>	<b>168,264</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>30,890</b>	<b>(762,205)</b>	<b>(731,315)</b>	<b>168,264</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward	18	100,877	1,839,129	1,940,006	1,771,742
<b>Total funds carried forward</b>	<b>18</b>	<b>131,767</b>	<b>1,076,924</b>	<b>1,208,691</b>	<b>1,940,006</b>

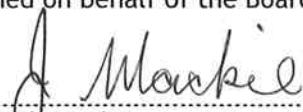
The company has made no gains or losses other than as reported above.

The notes on pages 24 to 41 form part of these financial statements.

THE ARCHIE FOUNDATION  
 COMPANY NUMBER: SC340297  
 CONSOLIDATED BALANCE SHEET - 31 DECEMBER 2019

	Note	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	12	<u>7,937</u>	<u>28,249</u>
<b>CURRENT ASSETS</b>			
Debtors	14	280,552	616,391
Current asset investments	15	500,000	1,401,855
Cash at bank and in hand		<u>1,921,297</u>	<u>425,597</u>
		<u>2,701,849</u>	<u>2,443,843</u>
<b>CREDITORS: amounts falling due within one year</b>	16	<u>1,492,708</u>	<u>552,730</u>
<b>NET CURRENT ASSETS</b>		<u>1,209,141</u>	<u>1,891,113</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,217,078</u>	<u>1,919,362</u>
<b>NET ASSETS</b>		<u>1,217,078</u>	<u>1,919,362</u>
<b>FUNDS</b>			
Unrestricted	18	131,767	100,877
Funds retained within subsidiary	18	8,387	(20,644)
		<u>140,154</u>	<u>80,233</u>
Restricted	18	<u>1,076,924</u>	<u>1,839,129</u>
		<u>1,217,078</u>	<u>1,919,362</u>

Signed on behalf of the Board of Trustees

  
 -----  
 Joseph Mackie  
 Chairman

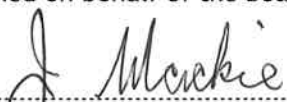
Date: *29th September 2020*

The notes on pages 24 to 41 form part of the financial statements.

THE ARCHIE FOUNDATION  
 COMPANY NUMBER: SC340297  
 BALANCE SHEET - 31 DECEMBER 2019

	Note	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	12	7,937	15,188
Investments	13	2	2
		<u>7,939</u>	<u>15,190</u>
<b>CURRENT ASSETS</b>			
Debtors	14	646,466	583,929
Fixed term bank deposits	15	500,000	1,401,855
Cash at bank and in hand		1,495,272	400,682
		<u>2,641,738</u>	<u>2,386,466</u>
<b>CREDITORS: amounts falling due within one year</b>	16	1,440,986	461,650
		<u>1,200,752</u>	<u>1,924,816</u>
<b>NET CURRENT ASSETS</b>		<u>1,200,752</u>	<u>1,924,816</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,208,691</u>	<u>1,940,006</u>
<b>NET ASSETS</b>		<u>1,208,691</u>	<u>1,940,006</u>
<b>FUNDS</b>			
Unrestricted	18	131,767	100,877
Restricted	18	1,076,924	1,839,129
		<u>1,208,691</u>	<u>1,940,006</u>

Signed on behalf of the Board of Trustees

  
 -----  
 Joseph Mackie  
 Chairman

Date: 29th September 2020

The notes on pages 24 to 41 form part of the financial statements.



THE ARCHIE FOUNDATION  
 CONSOLIDATED CASH FLOW STATEMENT  
 FOR THE YEAR ENDED 31 DECEMBER 2019

		2019 £	2018 £
<b>Cash flow from operating activities</b>			
<b>Net cash flow from operating activities</b>	20	582,766	198,418
<b>Cash flow from investing activities</b>			
Interest received		11,079	8,819
Purchase of tangible fixed assets		-	(12,771)
Proceeds from sales of tangible fixed assets		-	6,344
<b>Net cash flow from investing activities</b>		11,079	2,392
Increase in cash and cash equivalents in the year		593,845	200,810
Cash and cash equivalents at 31 December 2018		1,827,452	1,626,642
Cash and cash equivalents at 31 December 2019		2,421,297	1,827,452
<b>Cash and cash equivalents comprise:</b>			
Fixed term bank deposits		500,000	1,401,855
Cash at bank and in hand		1,921,297	425,597
		2,421,297	1,827,452

## THE ARCHIE FOUNDATION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019

#### 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 2019

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 2019

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) *Investments in subsidiaries*

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

(i) *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:

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

(j) *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 2019

1. ACCOUNTING POLICIES (continued)

(k) *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.

(l) *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.

(m) *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.

(n) *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.

(o) *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.

(p) *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 2019

**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. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

*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	
	2019	2018	2019	2018
	£	£	£	£
Attributable to funds as follows:				
Unrestricted	530,171	497,745	728,024	497,745
Restricted	1,256,145	1,188,150	1,433,690	1,188,150
	<u>1,786,316</u>	<u>1,685,895</u>	<u>2,161,714</u>	<u>1,685,895</u>

Included within donations are amounts totalling £19,249 (2018: £248,000) in relation to donated goods and services.

THE ARCHIE FOUNDATION

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019

4. INCOME FROM OTHER TRADING ACTIVITIES

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Fundraising events	314,779	465,421	362,414	465,421
Trading income from subsidiaries	1,282,277	410,640	-	-
	<u>1,597,056</u>	<u>876,061</u>	<u>362,414</u>	<u>465,421</u>
Attributable to funds as follows:				
Unrestricted	1,395,924	587,607	161,282	176,967
Restricted	201,132	288,454	201,132	288,454
	<u>1,597,056</u>	<u>876,061</u>	<u>362,414</u>	<u>465,421</u>

5. INCOME FROM INVESTMENTS

	Group and Charity	
	2019 £	2018 £
Bank interest receivable	11,079	8,819
Attributable to funds as follows:		
Unrestricted	11,068	8,815
Restricted	11	4
	<u>11,079</u>	<u>8,819</u>

6. EXPENDITURE ON RAISING FUNDS

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Cost of generating donations and legacies	10,525	18,356	10,525	18,356
Cost of fund raising events	749,767	455,152	797,402	489,331
Expenditure of trading subsidiary	877,848	471,796	-	-
	<u>1,638,140</u>	<u>945,304</u>	<u>807,927</u>	<u>507,687</u>
Attributable to funds as follows:				
Unrestricted	1,111,122	737,280	280,909	299,663
Restricted	527,018	208,024	527,018	208,024
	<u>1,638,140</u>	<u>945,304</u>	<u>807,927</u>	<u>507,687</u>

**THE ARCHIE FOUNDATION**

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019

**7. EXPENDITURE ON CHARITABLE ACTIVITIES**

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
<b>Direct costs</b>				
Staff costs	291,588	206,169	291,588	206,169
Grant funding (note 8)	1,856,765	867,599	1,856,765	881,998
	<u>2,148,353</u>	<u>1,073,768</u>	<u>2,148,353</u>	<u>1,088,167</u>
<b>Support costs</b>				
Staff costs	171,144	260,899	171,144	260,899
Depreciation	7,170	8,058	7,170	8,058
(Gain)/loss on disposal of assets	80	(1,582)	80	(1,582)
Marketing	36,354	25,043	36,354	25,043
Establishment costs	12,244	12,517	12,244	12,517
Computer and IT	16,356	17,037	16,356	17,037
Office expenditure	19,144	22,775	19,144	22,776
Training and recruitment	277	12,110	277	12,110
Travel and subsistence	15,092	21,554	15,092	21,554
Audit and accountancy fees	14,842	14,899	14,842	14,899
Professional fees	17,539	2,706	17,539	2,706
	<u>310,242</u>	<u>396,016</u>	<u>310,242</u>	<u>396,017</u>
<b>Total</b>	<u>2,458,595</u>	<u>1,469,784</u>	<u>2,458,595</u>	<u>1,484,184</u>
<b>Attributable to funds as follows:</b>				
Unrestricted funds	588,575	781,806	588,575	796,206
Restricted funds	1,870,020	687,978	1,870,020	687,978
	<u>2,458,595</u>	<u>1,469,784</u>	<u>2,458,595</u>	<u>1,484,184</u>



**THE ARCHIE FOUNDATION**

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019

**8. ANALYSIS OF GRANTS**
**(a) Current year**

	Direct funding £	Grant funding £	Support costs £	2019 £
Grants to institutions:				
NHS Grampian	222,822	576,954	-	799,776
ARCHIE Global Surgery	109	-	-	109
NHS Tayside	2,157	872,174	-	874,331
NHS Highland	98,283	(3,738)	-	94,545
Other institutions	22,941	-	-	22,941
	<hr/>	<hr/>	<hr/>	<hr/>
Grants to institutions	346,312	1,445,390	-	1,791,702
Grants to individuals	-	65,063	-	65,063
	<hr/>	<hr/>	<hr/>	<hr/>
Total - group and charity	346,312	1,510,453	-	1,856,765

**(b) Prior year**

	Direct funding £	Grant funding £	Support costs £	2018 £
Grants to institutions:				
NHS Grampian	117,086	291,013	69,622	477,721
ARCHIE Global Surgery	23,280	-	-	23,280
NHS Tayside	9,142	-	203	9,345
NHS Highland	31,454	8,211	173	39,838
Other institutions	243,013	-	-	243,013
	<hr/>	<hr/>	<hr/>	<hr/>
Grants to institutions	423,975	299,224	69,998	793,197
Grants to individuals	-	74,402	-	74,402
	<hr/>	<hr/>	<hr/>	<hr/>
Total - group	423,975	373,626	69,998	867,599
Archie Ventures Limited	-	14,400	-	14,400
	<hr/>	<hr/>	<hr/>	<hr/>
Total - charity	423,975	388,026	69,998	881,999

THE ARCHIE FOUNDATION

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019

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

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Depreciation				
- owned assets	18,200	16,624	7,170	8,058
Operating lease rentals	30,000	30,000	-	-
Auditors' remuneration				
- audit fees	11,550	10,700	10,395	9,800
- other financial services	6,816	4,176	1,828	2,561
	<u>6,816</u>	<u>4,176</u>	<u>1,828</u>	<u>2,561</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	
	2019 £	2018 £
Average number of employees during the year:		
Fundraising	12	14
Administration	7	9
Charitable activity	7	5
Trustees	11	11
	<u>37</u>	<u>39</u>

	Group & Charity	
	2019 £	2018 £
Staff costs:		
Wages and salaries	728,190	656,884
Social security costs	64,644	60,764
Pension costs	33,017	27,176
	<u>825,851</u>	<u>744,824</u>

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

	2019 No.	2018 No.
£60,000 - £69,999	<u>1</u>	<u>1</u>

**THE ARCHIE FOUNDATION**

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019

**10. STAFF COSTS AND NUMBERS (continued)**

The average number of key management personnel during the year was 6 (2018 - 5).

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

	2019 £	2018 £
Key management personnel	<u>295,220</u>	<u>307,752</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, except as disclosed in note 22.

During the year expenses of £2,877 (2018 - £7,400) were paid to 4 (2018: 4) of the directors in relation to travel costs and charitable expenditure. This comprised £2,438 (2018 - £1,187) paid directly to trustees and £439 (2018 - £7,693) paid to third parties for expenses incurred.

**12. TANGIBLE FIXED ASSETS**

Group	Fixtures & fittings £	Computer equipment £	Total £
<b>Cost</b>			
At 1 January 2019	53,945	51,230	105,175
Disposals	<u>(3,938)</u>	<u>(2,750)</u>	<u>(6,688)</u>
At 31 December 2019	<u>50,007</u>	<u>48,480</u>	<u>98,487</u>
<b>Depreciation</b>			
At 1 January 2019	35,698	41,228	76,926
Charge for year	12,327	5,873	18,200
Disposals	<u>(1,826)</u>	<u>(2,750)</u>	<u>(4,576)</u>
At 31 December 2019	<u>46,199</u>	<u>44,351</u>	<u>90,550</u>
<b>Net book value</b>			
At 31 December 2019	<u>3,808</u>	<u>4,129</u>	<u>7,937</u>
At 31 December 2018	<u>18,247</u>	<u>10,002</u>	<u>28,249</u>

**THE ARCHIE FOUNDATION**

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019

## 12. TANGIBLE FIXED ASSETS (continued)

Charity	Fixtures & fittings £	Computer equipment £	Total £
<b>Cost</b>			
At 1 January 2019	18,742	51,230	69,972
Disposals	(451)	(2,750)	(3,201)
At 31 December 2019	<u>18,291</u>	<u>48,480</u>	<u>66,771</u>
<b>Depreciation</b>			
At 1 January 2019	13,556	41,228	54,784
Charge for year	1,297	5,873	7,170
Disposals	(370)	(2,750)	(3,120)
At 31 December 2019	<u>14,483</u>	<u>44,351</u>	<u>58,834</u>
<b>Net book value</b>			
At 31 December 2019	<u>3,808</u>	<u>4,129</u>	<u>7,937</u>
At 31 December 2018	<u>5,186</u>	<u>10,002</u>	<u>15,188</u>

## 13. FIXED ASSET INVESTMENTS

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Investment in subsidiary undertakings	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>

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 company operated two family friendly cafes in Inverness during the year and a further cafe in Aberdeen for part of the year. In addition the commercial activities relating to the Oor Wullie Big Bucket Trail were undertaken by the subsidiary company. Prior to the year end two of the cafes were closed, leaving one operational in Inverness. The remaining café closed early in 2020.

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 2019

13. FIXED ASSET INVESTMENTS (continued)

	Charity	
	2019	2018
	£	£
Income	1,282,277	410,640
Cost of sales	(748,297)	(360,408)
Administration expenses	(121,972)	(111,388)
Contribution from ARCHIE towards charitable activities	-	48,579
Tax charge for year	(7,579)	-
	<u>404,429</u>	<u>(12,577)</u>

	Charity	
	2019	2018
	£	£
The assets and liabilities of the subsidiary at 31 December were:		
Fixed assets	-	13,061
Current assets	435,527	57,379
Creditors: amounts falling due within one year	(427,138)	(91,082)
	<u>8,389</u>	<u>(20,642)</u>
Aggregate share capital and reserves	<u>8,389</u>	<u>(20,642)</u>

14. DEBTORS

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	44,476	43,993	41,162	27,522
Amounts due from subsidiary undertaking	-	-	375,414	-
Other debtors	228,535	558,041	225,776	553,041
Prepayments	7,541	14,357	4,114	3,366
	<u>280,552</u>	<u>616,391</u>	<u>646,466</u>	<u>583,929</u>

THE ARCHIE FOUNDATION

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019

15. CURRENT ASSET INVESTMENTS

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Fixed term bank deposits	<u>500,000</u>	<u>1,401,855</u>	<u>500,000</u>	<u>1,401,855</u>

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

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Trade creditors	102,020	140,515	65,203	98,608
Amount due to group undertakings	-	-	2	2
Other taxation and social security costs	24,391	23,984	15,615	20,087
Accruals and deferred income	1,340,242	388,231	1,334,111	342,953
Other creditors	26,055	-	26,055	-
	<u>1,492,708</u>	<u>552,730</u>	<u>1,440,986</u>	<u>461,650</u>

17. FINANCIAL INSTRUMENTS

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Financial assets				
Financial assets measured at amortised cost	<u>2,694,292</u>	<u>2,429,486</u>	<u>2,647,978</u>	<u>2,383,100</u>

**THE ARCHIE FOUNDATION**

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019

## 18. FUNDS

## (a) Current year

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	At 31 December 2019 £
<b>Charity</b>					
<b>Restricted funds</b>					
Angela Monica Fund	23,433	-	(1,239)	-	22,194
Baird Family Hospital Appeal	111,057	191,677	(76,111)	-	226,623
Dr Gray's Children's Ward	22,620	50	(8,561)	-	14,109
Friends of the Neonatal Unit	472,192	517,422	(442,027)	-	547,587
Royal Aberdeen Children's Hospital 10 Year Appeal	181,221	113,604	(272,855)	-	21,970
Royal Aberdeen Children's Hospital Outdoor Play	120,618	4,835	(125,453)	-	-
Tayside Appeal	566,577	512,811	(1,079,329)	-	59
Highland Appeal	5,940	183,989	(175,734)	-	14,195
Highland Appeal - Fresh Air	139,269	8,000	(102,298)	-	44,971
Grampian Child Bereavement Network	1,253	62,076	(34,868)	-	28,461
	<u>1,644,180</u>	<u>1,594,464</u>	<u>(2,318,475)</u>	-	<u>920,169</u>
Other restricted funds	194,949	40,369	(78,563)	-	156,755
<b>Total restricted funds</b>	<u>1,839,129</u>	<u>1,634,833</u>	<u>(2,397,038)</u>	-	<u>1,076,924</u>
<b>Total unrestricted funds</b>	<u>100,877</u>	<u>900,374</u>	<u>(869,484)</u>	-	<u>131,767</u>
<b>Total funds - charity</b>	<u><u>1,940,006</u></u>	<u><u>2,535,207</u></u>	<u><u>(3,266,522)</u></u>	-	<u><u>1,208,691</u></u>
<b>Group</b>					
Unrestricted funds - charity	100,877	853,009	(822,119)	-	131,767
Funds retained within subsidiary	(20,644)	906,879	(877,848)	-	8,387
Transfer *	-	-	-	(177,545)	(177,545)
<b>Unrestricted funds - group</b>	<u>80,233</u>	<u>1,759,888</u>	<u>(1,699,967)</u>	<u>(177,545)</u>	<u>(37,391)</u>
Restricted funds - charity	1,839,129	1,634,833	(2,397,038)	-	1,076,924
Transfer *	-	-	-	177,545	177,545
<b>Restricted funds - group</b>	<u>1,839,129</u>	<u>1,634,833</u>	<u>(2,397,038)</u>	<u>177,545*</u>	<u>1,254,469</u>
<b>Total funds - group</b>	<u><u>1,919,362</u></u>	<u><u>3,394,721</u></u>	<u><u>(4,097,005)</u></u>	-	<u><u>1,217,078</u></u>

\* 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 2019

## 18. FUNDS (Continued)

## (b) Prior year

	At 1 January 2018 £	Income £	Expenditure £	Transfers £	At 31 December 2018 £
<b>Charity</b>					
<b>Restricted funds</b>					
Angela Monica Fund	23,433	-	-	-	23,433
ARCHIE Global Surgery	16,511	6,882	(23,393)	-	-
Baird Family Hospital Appeal	-	118,320	(7,263)	-	111,057
Dr Gray's Children's Ward	17,355	5,476	(211)	-	22,620
Friends of the Neonatal Unit	571,647	206,780	(306,235)	-	472,192
Royal Aberdeen Children's Hospital 10 year Appeal	266,718	10,925	(96,422)	-	181,221
Royal Aberdeen Children's Hospital Outdoor Play	-	120,618	-	-	120,618
Tayside Appeal	214,145	431,779	(79,347)	-	566,577
Highland Appeal	12,197	87,009	(93,266)	-	5,940
Highland Appeal - Fresh Air	20,255	136,805	(17,791)	-	139,269
Parent Accommodation Suite	747	12,693	(13,440)	-	-
	<u>1,143,008</u>	<u>1,137,287</u>	<u>(637,368)</u>	<u>-</u>	<u>1,642,927</u>
Other restricted funds	115,515	339,321	(258,634)	-	196,202
<b>Total restricted funds</b>	<u>1,258,523</u>	<u>1,476,608</u>	<u>(896,002)</u>	<u>-</u>	<u>1,839,129</u>
<b>Designated funds</b>					
Pain Nurse	5,196	-	-	(5,196)	-
Computer for X-ray	(759)	-	-	759	-
<b>Total designated funds</b>	<u>4,437</u>	<u>-</u>	<u>-</u>	<u>(4,437)</u>	<u>-</u>
<b>Total unrestricted funds</b>	<u>508,782</u>	<u>683,527</u>	<u>(1,095,869)</u>	<u>4,437</u>	<u>100,877</u>
<b>Total funds - charity</b>	<u>1,771,742</u>	<u>2,160,135</u>	<u>(1,991,871)</u>	<u>-</u>	<u>1,940,006</u>
<b>Group</b>					
Unrestricted funds - charity	508,782	683,527	(1,095,869)	4,437	100,877
Funds retained within subsidiary	(8,067)	410,640	(423,217)	-	(20,644)
<b>Unrestricted Funds - group</b>	<u>500,715</u>	<u>1,094,167</u>	<u>(1,519,086)</u>	<u>4,437</u>	<u>80,233</u>
Designated funds	4,437	-	-	(4,437)	-
Restricted funds	<u>1,258,523</u>	<u>1,476,608</u>	<u>(896,002)</u>	<u>-</u>	<u>1,839,129</u>
	<u>1,763,675</u>	<u>2,570,775</u>	<u>(2,415,088)</u>	<u>-</u>	<u>1,919,362</u>



**THE ARCHIE FOUNDATION**

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019

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.

*ARCHIE Global Surgery*

This is a restricted fund with the purpose of supporting the development of dedicated paediatric operating theatres in low and middle income countries.

*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.

*Friends of the Neonatal Unit*

The Friends of the Neonatal Unit fund relates for funds transferred from the Friends of the Special Nursery, a Scottish charity, upon cessation of that charity. 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.

*Royal Aberdeen Children's Hospital Outdoor Play*

This fund was set up to replace and improve the current outdoor play space at Aberdeen Royal Children's Hospital.

*Tayside Appeal*

The Tayside Appeal was launched in November 2014 to raise funds for the Tayside Children's Hospital.

*Highland Appeal*

The Highland Appeal comprises funds raised for the development of the Highland Children's Unit in Inverness.

**THE ARCHIE FOUNDATION**

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019

## 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.

*Parent Accommodation Suite*

This is a restricted fund with the purpose of running and the maintenance of the Parent's Accommodation Suite at the Royal Aberdeen Children's Hospital. The onsite accommodation allows parents to remain close by when their child is in hospital overnight, especially when the hospital is not in easy reach of home.

*Grampian Child Bereavement Network*

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 £
<b>Group</b>			
Fixed assets	7,937	-	7,937
Net current assets	132,217	1,076,924	1,209,141
	<u>140,154</u>	<u>1,076,924</u>	<u>1,217,078</u>
<b>Charity</b>			
Fixed assets	7,937	-	7,937
Net current assets	123,830	1,076,924	1,200,754
	<u>131,767</u>	<u>1,076,924</u>	<u>1,208,691</u>

## (b) Prior year

	Unrestricted funds £	Restricted funds £	Total Funds £
<b>Group</b>			
Fixed assets	28,249	-	28,249
Net current assets	51,984	1,839,129	1,891,113
	<u>80,233</u>	<u>1,839,129</u>	<u>1,919,362</u>
<b>Charity</b>			
Fixed assets	15,190	-	15,190
Net current assets	85,687	1,839,129	1,924,816
	<u>100,877</u>	<u>1,839,129</u>	<u>1,940,006</u>

**THE ARCHIE FOUNDATION**

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019

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

	2019 £	2018 £
Net income/(expenditure) for the year (as per statement of financial activities)	(702,284)	155,687
<b>Adjustment for:</b>		
Depreciation charges	18,200	16,624
(Gain)/loss on disposal of fixed assets	2,112	(1,507)
Interest received	(11,079)	(8,819)
Decrease/(increase) in debtors	335,839	(112,920)
Increase in creditors	939,978	149,353
Net cash flows from operating activities	<u>582,766</u>	<u>198,418</u>

**21. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2019 the group had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2019 £	2018 £
Not later than 1 year	<u>-</u>	<u>30,000</u>
	<u>-</u>	<u>30,000</u>

**22. RELATED PARTY TRANSACTIONS**

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

During the year the company had no transactions with related parties.

**23. 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.