



Crosshouse Children's Fund

For the children of Ayrshire and Arran

Annual Report and Financial Statements **Year ended 31 March 2023**

Company number: SC736746
Charity number: SC051964

Crosshouse Children's Fund
Annual Report and Financial Statements 2023

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Chair's Report

I am delighted to present the first set of annual accounts for Crosshouse Children's Fund. This report signifies an important milestone as it reflects our first year as an independently registered charity. I am proud of the progress made, and I would like to extend my heartfelt gratitude to the local community of Ayrshire and Arran for their overwhelming support. Together, we have already made a significant contribution and difference in the lives of many babies, children and young people affected by ill health throughout Ayrshire and Arran.

I am pleased to report that charitable expenditure for 2022/23 is £160,000. We have made significant investment in many areas of healthcare including maternity, neonatal and paediatric provision. Working in partnership with our colleagues at NHS Ayrshire & Arran, we have committed to supporting a range of projects that will improve and enhance the lives and wellbeing of patients, families, and NHS staff. The funds so generously raised allowed us to directly impact the lives of thousands of children providing them with the necessary medical care and practical support. We have been able to enhance the hospital environment, making it a more comforting space. Additionally, working with families in the community, we can ensure that they receive the care and support needed during challenging times.

The income sources for Crosshouse Children's Fund have been diverse and demonstrate the wide-ranging support we have received from various avenues. Our main sources of income included community fundraising, corporate partnerships, grants, and other fundraising events. It is heartening to witness such widespread involvement from the community.

As we enter our second year, we are determined to build on the momentum and support generated in our inaugural year. Our goal is to further strengthen our position, to support even more children and families in need. To achieve this, we aim to expand our fundraising efforts, forge new partnerships with local businesses and organisations, and engage with all communities to increase awareness of our cause. We understand the immense responsibility entrusted to us by NHS Ayrshire & Arran and the hospital community, and we are committed to transparency and accountability. As such, we will continue to uphold the highest standard of financial management and governance. We will ensure that every pound raised is used effectively and efficiently to make a tangible difference to the lives of children and families facing health challenges.

In closing, I would like to express my deepest gratitude to our dedicated donors, fundraisers, staff, and all those who have supported Crosshouse Children's Fund throughout this transformative year. Your generosity and commitment has enabled us to provide vital support to children and families in need. I am filled with optimism as we embark on our second year, confident that, together, we can make an even greater impact.



Morag Fleming
Chair

Dated: 26 September 2023

Directors' Report

The Directors have pleasure in presenting their Annual Report together with the audited Financial Statements for the period ended 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Articles of Association and the 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).

References to Crosshouse Children's Fund (CCF) and NHS Ayrshire and Arran (NHSAAA) refer to the Paediatric Units at University Hospital Crosshouse, the Neonatal and Ayrshire Maternity Units as well as outpatient services at Ayrshire Central and throughout Ayrshire and Arran. References to GCHC are to Glasgow Children's Hospital Charity, the group parent charitable company.

From the launch of CCF in 2019 as a restricted fund held by GCHC, to the point of incorporation as a separate charitable company in June 2022, the Fund raised over £220k for the children and young people of Ayrshire & Arran. By spring / summer 2022, with the continued development of regional fundraising, and hand-in-hand with a revamped fundraising and marketing strategy and a return to having dedicated fundraising staff for this region, the Directors of GCHC felt that the time was right to set up CCF as a charity in its own right. This new entity, while having its own brand and legal identity, sits firmly within the group structure, overseen by GCHC and its charitable objectives will always remain in alignment with the overall group charitable objectives and ethos. By sitting under the umbrella of the GCHC parent, it can share common resources and thereby maximise cost efficiencies. The constitution of CCF as a separate legal entity has strengthened CCF's brand and will maximise the opportunities to grow the income and develop the charitable activities moving forward into the future.

Objectives and activities

Charitable objectives

The objects of the Charity are the advancement of health and the relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage, and in furtherance of these purposes, the Charity will carry out, amongst other things, the following activities:

(i) to provide and support excellence in paediatric, maternity and neonatal healthcare to enhance the treatment, care and wellbeing of babies, children, young people and their families within in the health board area of NHS Ayrshire and Arran.

(ii) to provide innovative medical equipment, play activities, child and family support services, paediatric research and other enhancement projects. The charity also seeks to alleviate poverty in families whose children are treated at the above facilities and are experiencing financial hardship exacerbated by the health issues of their children within the health board area of NHS Ayrshire and Arran.

(iii) to support the wellbeing of NHS staff to further enhance the NHS's ability to transform the health and wellbeing of the children and young people in their care within the health board area of NHS Ayrshire and Arran.

Directors' Report (cont'd)

Activities

The Charity is a grant-making organisation which generates fundraising income, primarily voluntary donations from various sources including individuals, companies, community groups and trusts, needed to achieve our charitable objectives through the making of grant awards.

Grant making policy

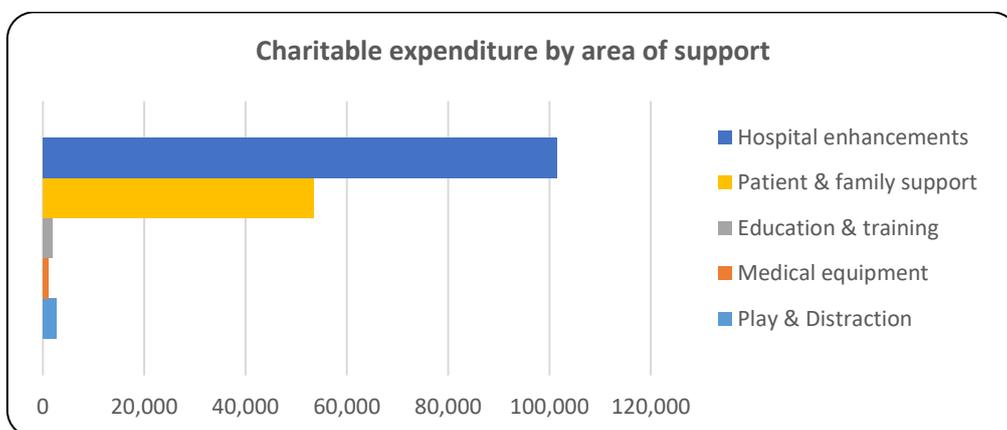
As partner Charity for the maternity, neonatal and paediatric units within University Hospital Crosshouse, we work closely with NHSAAA senior management to identify the needs of patients and families. Together, we identify, develop and bring to fruition fundraising propositions that align with the overarching objectives and priorities of the hospitals and related facilities and offer long term sustainability for key NHS needs, which are out with or beyond statutory requirements. The grants awarded fund medical equipment, play and distraction therapies, patient and family support services, facility enhancements and other projects in the hospitals whether one-off awards or ongoing services.

All projects are reviewed by the CCF Oversight Committee, which makes recommendations to the Charity's Board. Decisions regarding grant awards are taken at each Board meeting. Projects may be approved between meetings where the nature of the project requires a quicker decision and these are ratified at the subsequent Board meeting. Authority has been delegated to the Chief Executive for approval of awards of an emergency nature up to £20k between Board meetings and these are reviewed and ratified by the Board at the subsequent meeting.

The Charity works to enhance the experience of the patients and their families at all stages of their hospital journey. Each year more than 25,000 babies, children and young people are treated at University Hospital Crosshouse, and the Ayrshire Maternity and Neonatal Units. With the help of communities across Ayrshire and Arran, Crosshouse Children's Fund aims to raise funds to help these youngsters and their families have the best possible hospital experiences.

Achievements and performance

The Charity was proud to have been able to deliver a wide range of projects in the period, supporting young patients, their families and NHS staff within Crosshouse and across the wider community of paediatric and neonatal care. In the 7 month period to 31 March 2023, funding worth a total £160,794 was awarded.



Directors' Report (cont'd)

Achievements and performance (cont'd)

Infant feeding programme

There is compelling evidence on the benefits of breastfeeding on the short and long term health of mothers and their babies. The nutritional value of breastfeeding is clear; it is a living fluid designed to meet the needs of the individual baby, relative to their age and stage. However, in addition there are other benefits of breastfeeding; UNICEF describes breastfeeding as 'nutrition + protection + comfort'. Breastmilk contains antibodies, which provide protection from infections. Breastfed babies are fed in a responsive way and breastfeeding provides comfort when tired or distressed. The hormones of breastfeeding also encourage a strong bond between mother and baby.

Despite this, breastfeeding rates vary by geographical area and rates in Ayrshire are among the lowest in Scotland. Breastfeeding rates in Ayrshire have been stubbornly low for over a decade, despite breastfeeding being a key priority for NHS Ayrshire & Arran and its partners. The most recent data available showed that in 2021/22, 21.8% of babies in NHS Ayrshire & Arran were exclusively breastfed at 6-8 weeks compared to 32.2% in Scotland. Breastfeeding is strongly related to maternal age, deprivation and educational attainment of the mother. In 2020/21, mothers living in the least deprived areas in Ayrshire were two and a half times more likely to be exclusively breastfeeding their babies at 6-8 weeks compared to those living in the most deprived areas.

Between the launch in January 2019 and June 2022, the Integrated Infant Feeding Team worked with 138 mothers and babies who were in the Neonatal Unit bringing together existing feeding teams in maternity and health visiting services to provide a peer to peer support service for new mothers. This includes emotional support as well as support provided alongside other healthcare professionals where there are complex feeding needs that may change as babies needs change, for example feeding after loss; tube, syringe and cup feeding.

Working in an integrated way has led to an improvement in breastfeeding rates among mothers who have engaged with the peer support service and has transformed the way services work together. The following is direct feedback from the mothers:

"It was nice to speak to another mum in a relaxed phone call/text. No question was silly, felt supported and received advice from a practical view/things that have helped the peer supporter and other mums."

"Yes, felt I coped better emotionally on bad days knowing the support was there I had reassurance that I was doing it correctly, along with problem solving advice. It gave me confidence to keep trying things, and reassurance that I wasn't getting it all wrong."

It is evident from feedback that the peer supporters not only provide help and information on breastfeeding but provide crucial emotional support to mothers. This was particularly the case during the pandemic when mothers did not have the same level of interaction and support from family members and friends.

The Charity has provided **£44,367 of funding** to help extend this much needed peer to peer provision into the 2023/24 year.

Directors' Report (cont'd)

Achievements and performance (cont'd)

Maternity & Neonatal Garden Retreat

The Charity, in conjunction with NHSAAA, identified a need for a 'Garden Retreat' space to be located in an existing courtyard of the Maternity Building. The courtyard is not currently in use, but will be transformed into a welcoming outdoor space that can provide comfort, tranquillity and escapism to both visitors and staff. An architect has been appointed, and following consultations with users groups, has developed a plan to deliver our vision of a garden which will provide a vital space to help staff and patient wellbeing, and will deliver:

- an outdoor relaxation area for staff
- an outdoor respite space for neonatal families
- a covered area to allow the spaces to be enjoyed even in inclement weather
- loose seating and tables
- privacy screening between staff and patient areas
- privacy screening between the garden retreat and public corridors overlooking the space



Increased uses of soft planting and meadow grass will also improve the current 'stark' and unwelcoming nature of the existing courtyard area. While the final design may vary, these artist impressions show the vision of a space transformed to meet the needs of the staff and patients who will use it.

The Charity has provided **£104,964 of funding** for this project.

Directors' Report (cont'd)

Achievements and performance (cont'd)

Otoscopies

The Charity responded to a request from the paediatric team at University Hospital Crosshouse to provide for the purchase of 8 paediatric otoscopes to reduce the waiting time for treatment and diagnosis of children in the paediatric assessment unit. Otoscopes allow the team to assess patients' ears, however at that time they only had one for the entire unit, leading to delays in diagnosis and treatment whilst waiting for the otoscope to become available.

This purchase of 8 otoscopes allows for 1 to be available in each assessment cubicle plus 1 consultant clinic room and will improve the outcomes for approximately 500 – 700 children per month, improve both the patient care and patient experience and provide a more effective use of staff time with a better flow of patients through the assessment unit.

The Charity has provided **£1,039 of funding** for the purchase of these items.

Financial Review

On incorporation in June 2022, the parent charity GCHC transferred over the balances on the restricted CCF funds, totalling £166,663. This opening gift was augmented by £43,510 of donations and fundraising income in what are challenging economic times where the cost of living has a direct impact on the disposable income of the Charity's supporters. In these harsh economic conditions, the Directors are acutely aware of the need to diversify its income streams and fundraising propositions and have been successful in securing donations from Trusts and events, and establishing good corporate partnerships, in addition to more traditional grassroots fundraising.

In October, we were delighted to welcome teams from local businesses to our first ever golf day, held on the spectacular course at Royal Troon. The sun shone and competition was fierce but good natured. We are incredibly grateful to the members of Royal Troon Golf Club who generously selected CCF as their beneficiary charity this year, and to all of our golfers for their generous support allowing us to raise £9,000 from the event.

Following generous donations from Cash for Kids and the Corra Foundation, the Charity is now able to offer Emergency Fund grants to families whose children are engaging with paediatric services either in an acute setting or in the community, and who are struggling with pressures on the cost of living. This represents an expansion of the Charity's support and will provide a real and meaningful difference to those families experiencing hardship exacerbated by the health issues of their children.

Directors' Report (cont'd)

Financial Review (cont'd)

Reserves

At the end of the financial year the Charity's reserves were as follows:

Unrestricted Funds:

General funds - unallocated free reserves 16,180

Restricted Funds 23,695

Total Charity Funds 39,875

Reserves policy

The Directors examine the requirement to retain reserves within the Charity on a regular basis to ensure there are sufficient free unrestricted reserves to safeguard the financial stability of the Charity against unforeseen fluctuations in income levels. A strength of the GCHC Group is the ability for subsidiary entities to utilise not only the established operational functions but the great wealth of experience and expertise built up in the areas of charity management, fundraising, marketing, operations and finance. This allows the CCF subsidiary to maintain a relatively low level of reserves relative to its operational budgets as it has the support of the parent Charity to see it through any short term fluctuations in income.

Going concern

The Board meet virtually on a bi-monthly basis and consider the risk assessment in detail in addition to scrutinising the Charity's finances and business planning.

The Board have concluded that there are no known material uncertainties regarding the Charity's ability to continue as a going concern and accordingly the financial statements have been prepared on a going concern basis. The Board considers that the Charity has sufficient reserves at this stage in its journey as a stand-alone entity. Detailed management accounts are prepared and scrutinised on a regular basis.

Risk management

The Directors and Executive Team examine the major strategic, business and operational risks which the Charity faces on a regular basis and adopt a risk management strategy which throughout the period comprised:

- Monthly reviews of these risks and procedures by the Executive Team complemented by bi-monthly updates to the Charity's Board;
- The establishment of systems and procedures to mitigate those risks identified in the plan; and
- The implementation of procedures designed to minimise any potential impact on the Charity should any of those risks materialise.

Directors' Report (cont'd)

Risk management (cont'd)

The Directors consider that the principal risks facing the Charity at this time relate to the continuing uncertainties arising from the social, political and economic landscape, specifically:

- The challenging economic landscape, and
- The rising cost of living in Scotland which directly impacts disposable income levels.

The Directors have approved a budget underpinned by a series of detailed event and activity planners for all areas of the business. The Directors are confident that these risks are being managed by robust multi-faceted fundraising and marketing & communications strategies. The fundraising teams are actively engaging with donors, fundraisers and volunteers across every viable platform and are always looking to diversify the fundraising portfolio with new opportunities.

Plans for future periods

As CCF enters its first full year as a stand-alone entity, we have developed a strong and compelling fundraising and marketing strategy, that will be rolled out throughout the coming months across all regions. We plan to build on the strong, grass-roots support cultivated in recent years, and further develop and grow our social media platforms to promote the work being undertaken throughout Ayrshire & Arran by CCF. Like many organisations within the third sector, there has been a trend towards people giving to very local causes, and it is important that CCF reflects the needs and aspirations of those people living in Ayrshire and Arran who are affected by ill health. Working in partnership with our colleagues at NHSAAA, we have identified a range of projects to further enhance and develop the care given to babies, children and young people throughout Ayrshire & Arran. We are committed to creating the best hospital environment possible, and with the expertise of a dedicated Fundraising Manager in the area, we will launch a major fundraising campaign to enhance and upgrade the main children's ward within University Hospital Crosshouse. Our aim is to create an age and needs appropriate environment for all children and young people.

In addition to our fundraising capabilities, we will continue to work with NHSAAA to identify projects where CCF may be able to support and deliver impact, whether that be through the provision of volunteers or added value events in both the acute environment and within the community setting.

Directors' Report (cont'd)

Reference and administrative details

Charity number SC051964
Company number SC736746
Registered office Ground Floor, Merrylee House, 8 Marchfield Drive, Paisley PA3 2RB

Key management personnel

The key management personnel are those individuals in charge of directing and controlling, running and operating the Charity on a day to day basis and during the period comprised the Board of Directors, who are the Charity's Trustees for the purpose of Charity law and the Chief Executive.

Directors and Trustees

Morag Fleming (Chair) (Appointed 28 June 2022)
Natalie Cliff (Appointed 28 June 2022 / Resigned 25 January 2023)
Craig McArthur (Appointed 24 January 2023)
Jennifer Wilson (Appointed 28 June 2022)

Secretary

Alison Gardner (Appointed 28 June 2022)

Chief Executive

Kirsten Watson

Auditors

Anderson Anderson & Brown Audit LLP
Citypoint 2, 25 Tyndrum Street
Glasgow G4 0JY

Bankers

Bank of Scotland
174 Byres Road
Glasgow G12 8SW

Solicitors

Turcan Connell
149 St. Vincent Street
Glasgow G2 5NW

Governing Document

The Charity is a charitable company limited by guarantee, incorporated and registered as a Charity on 28 June 2022. The company is established and governed under its Articles of Association which established the objects and powers of the charitable company.

Directors' Report (cont'd)

Organisational Structure

The Board of Directors is responsible for providing strategic guidance and leadership. The Board meets bi-monthly with regular communication occurring between the Chair and the Chief Executive on matters requiring decisions between board meetings.

There is one committee, which meets bi-monthly and make recommendations to the Board.

Oversight Committee

This Committee meets to identify and review activity relating to Crosshouse Children's Fund and recommends proposals for funding to the Board for all clinical and non-clinical based functions. The Committee identifies and aligns priorities and objectives between the Charity and NHSAAA and ensures that all proposals and activities are in line with relevant protocols and standards.

Appointment of Directors

There is a formal appointment process, led by the Board. A skills assessment is carried out to identify gaps and succession plans reviewed. Written applications for membership are considered by the Board who meet the applicants and make recommendations to the Board. Following a comprehensive induction process the admitted member automatically constitutes a Director of the company.

The Trustees shall be appointed for a term not exceeding three years and shall be eligible for re-appointment for a second and final term not exceeding three years. Trustees shall then stand down for a period of at least two years but may then be re-appointed as a Trustee subject to the terms of this clause. In exceptional circumstances, and what is considered exceptional shall be determined by the Trustees, a Trustee may be appointed by a simple majority of Trustees to serve a third three year term and shall not be required to stand down after their second term. After serving a third term, a Trustee shall be required to stand down and shall not be eligible for re-appointment.

From the Trustees in place at incorporation (First Trustees) still in place after two years, one half shall retire after two years with the remaining First Trustees to retire after three years. No Directors are therefore due to retire at the 2023 Annual General Meeting.

The Charity has one sole member, the parent Charity, GCHC. At least one of the Trustees appointed from time to time shall be drawn from the Board of Directors of the parent GCHC. Additionally, The Nurse Director of NHS Ayrshire and Arran, or their successor in post by whatever title then applies, shall be appointed as a Trustee *ex officio*.

Directors represent independent professional individuals and medical and other NHS staff. The maximum number of Directors is 8 and the Chair may not be an NHS employee.

Director Induction and Training

Full induction process is conducted on recruitment including an information pack and meetings with key personnel. In addition, informal briefings are provided by Directors at regular Board meetings.

Directors' Report (cont'd)

Responsibilities of the Directors

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent; and
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included in the charitable company's website.

Disclosure of information to auditors

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

Auditors

A resolution will be proposed at the Annual General Meeting that Anderson Anderson & Brown Audit LLP be re-appointed as the Charity's auditors.

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

On behalf of the Board



Morag Fleming
Director

Dated: 26 September 2023

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBER OF CROSSHOUSE CHILDREN'S FUND FOR THE PERIOD ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of Crosshouse Children's Fund for the period ended 31 March 2023 on pages 17 to 27. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of their incoming resources and application of resources, including their income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group and 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.

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBER OF CROSSHOUSE CHILDREN'S FUND FOR THE PERIOD ENDED 31 MARCH 2023 (cont'd)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- The information given in the Report of the Directors for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- The Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBER OF CROSSHOUSE CHILDREN'S FUND FOR THE PERIOD ENDED 31 MARCH 2023 (cont'd)

Responsibilities of directors

As explained more fully in the Statement of Directors Responsibilities set out on page 11, the directors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations – this responsibility lies with management with the oversight of the Directors.

Based on our understanding of the charitable company and industry, discussions with management and directors we identified financial reporting standards and Charity SORP as having direct effect on the amounts and disclosures in the financial statements.

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

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBER OF CROSSHOUSE CHILDREN'S FUND FOR THE PERIOD ENDED 31 MARCH 2023 (cont'd)

Our audit procedures include:

- Completing a risk assessment process during our planning for this audit that specifically considered the risk of fraud;
- Enquiry of management about the charity's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- Examining supporting documents for all material balances, transaction and disclosures;
- Review, where applicable, of the Board of Directors' minutes;
- Enquiry of management about litigations and claims and inspection of relevant correspondence;
- Analytical procedures to identify any unusual or unexpected relationships;
- Specific audit testing on and review of areas that could be subject to management override of controls and potential bias, most notable around the key judgements and estimates, including grant creditors, accruals and revenue recognition;
- Considering management override of controls outside of the normal operating cycles including testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements including evaluating the business rationale of significant transactions outside the normal course of business.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBER OF CROSSHOUSE CHILDREN'S FUND FOR THE PERIOD ENDED 31 MARCH 2023 (cont'd)

Use of our report

This report is made solely the charitable company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's directors, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's member and directors those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's member and directors as a body, for our audit work, for this report, or for the opinions we have formed.

Anderson Anderson & Brown Audit LLP

Angus McCuaig (Senior Statutory Auditor)
For and on behalf of Anderson Anderson & Brown Audit LLP
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Citypoint 2
25 Tyndrum Street
Glasgow
G4 0JY

Date: 5 October 2023

Charity Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For the 7 month period ended 31 March 2023

	Note	Unrestricted funds £	Restricted funds £	2023 Total £
Income from:				
Donations and legacies	3	49,870	153,522	203,392
Other trading activities	4	6,781	-	6,781
Total income		56,651	153,522	210,173
Expenditure on:				
Raising funds:				
Donations and legacies	5	6,431	265	6,696
Other trading activities	5	2,808	-	2,808
Charitable activities	6,7	45,292	115,502	160,794
Total expenditure		54,531	115,767	170,298
Net (expenditure) / income		2,120	37,755	39,875
Transfers between funds		14,060	(14,060)	-
Net movement in funds for the year	12	16,180	23,695	39,875
Reconciliation of funds:				
Total funds brought forward		-	-	-
Net movement in funds for the year	13,14,15	16,180	23,695	39,875
Total funds carried forward	12	16,180	23,695	39,875

All of the above results are derived from continuing operations. All gains and losses recognised in the year and previous year are included in the above.

The attached notes form part of these financial statements.

Charity Balance Sheet

As at 31 March 2023

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Current Assets				
Cash at bank and in hand	10	109,158	157,928	267,086
Creditors: amounts falling due within one year				
	11	(92,978)	(134,233)	(227,211)
Net Assets		16,180	23,695	39,875
Accumulated Funds				
Unrestricted Funds	13			16,180
Restricted Funds	14,15			23,695
	12			39,875

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and were authorised for issue by the Board of Directors and signed on its behalf by:



Dated: 26 September 2023



Dated: 26 September 2023

The attached notes form part of these financial statements.

Notes to the Financial Statements

1. General information

The Charity is a company limited by guarantee, incorporated and registered in Scotland, under company number SC736746, and has no share capital. The liability of the sole member, the parent Charity GCHC, member is limited to £1 in the event of winding up. The Charity's registered number is SC0051964 and the registered office is Ground Floor, Merrylee House, 8 Marchfield Drive, Paisley PA3 2RB.

2. Accounting policies

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

Basis of preparation

The financial statements of the charitable company, have been prepared in accordance with the Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006.

The Charity has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the Charity's activities.

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

(a) Taxation

The Charity is registered with the Office of the Scottish Charity Regulator and HM Revenue & Customs as a Scottish Charity for tax purposes and has no liability to corporation tax.

(b) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

Notes to the Financial Statements (cont'd)

2. Accounting policies (cont'd)

(c) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received.

(d) Resources expended

All expenditure is accounted for on an accruals basis once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified as follows:

- Expenditure on raising donations and legacies are those costs incurred in attracting these income streams.
- Charitable activities comprises both direct costs of grant payments awarded and an allocation of support costs associated with that activity.

Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. staff time. Included within support costs are costs associated with the governance arrangements of the Charity, including the external audit and staff time attributable to strategic matters. Support costs have been allocated between expenditure categories based on the use of resources.

(e) Financial instruments

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

(f) Debtors

Debtors and accrued income are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

(g) Cash and cash equivalents

Cash and cash equivalents include cash, bank and term deposits. Term deposits are held in short to medium term accounts to optimise interest earned and not held for investment purposes.

Notes to the Financial Statements (cont'd)

2. Accounting policies (cont'd)

(h) Creditors

Grants payable and other creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount.

(i) Commitments

Full commitments to charitable donations out of existing funds are provided for in the financial statements.

(r) Going concern

The Directors have discussed and evaluated the going concern principle, taking into consideration the impact of the cost of living crisis on fundraising, particularly on grassroots fundraising, the level of unrestricted reserves held at the year end and the budgets for the coming year. Detailed budget are presented to and approved by the Board of Directors with regular monitoring through review of monthly management accounts. Given also the support of the parent company and their provision of fundraising and marketing expertise and back office support services, the Directors believe the going concern principle is appropriate to these financial statements and have concluded that there are no known material uncertainties regarding the charity's ability to continue as a going concern.

3. Income from donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Donation from Glasgow Children's Hospital Charity	21,264	145,399	166,663
Donations from Individuals	18,443	2,373	20,816
Donations from corporate partners	4,013	-	4,013
Donations from Trusts & Foundations	6,150	5,750	11,900
Total income from donations and legacies	49,870	153,522	203,392

Notes to the Financial Statements (cont'd)

4. Income from other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
CCF Events	<u>6,781</u>	<u>-</u>	<u>6,781</u>

5. Allocation of expenditure

	Basis	Donations & legacies	Other trading activities	Charitable Activities	2023 Total
Grants payable	1			160,794	160,794
Community initiatives	1	759			759
Corporate partners	1	33			33
CCF Events	1		2,808		2,808
Individual Giving	1	423			423
Marketing & Comms	1	1,104			1,104
Operational costs	2	2,397			2,397
Audit / other prof'l fees	1	1,980			1,980
		<u>6,696</u>	<u>2,808</u>	<u>160,794</u>	<u>170,298</u>

Expenditure is allocated as follows: 1. Direct attribution 2. Time allocation

Included within support costs, which have been allocated between expenditure categories, are costs associated with the governance arrangements of the Charity, including the external audit:

	2023 £
Audit & professional fees	<u>1,980</u>

Notes to the Financial Statements (cont'd)

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Medical Equipment	-	1,039	1,039
Education & Training	1,800	-	1,800
Play & Entertainment for Children	1,289	1,396	2,685
Patient and Family Support Services	42,032	11,498	53,530
Enhancements to Hospital Environment	-	101,569	101,569
NHS Staff Support	171	-	171
	<hr/>	<hr/>	<hr/>
Charitable expenditure (see also Note 7)	45,292	115,502	160,794
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

7. Grants awarded in the period

(a) Items of charitable expenditure over £1,000 in value:

	Unrestricted £	Restricted £	Total £
Infant feeding service	33,367	11,000	44,367
Maternity & neonatal garden refurbishment	-	104,964	104,964
Otosopes	-	1,039	1,039
Physio rehab equipment	2,682	-	2,682
Portable hoist & sling	2,667	-	2,667
Cuddle cot	2,561	-	2,561
Paediatric training app	1,800	-	1,800
Other items < £1,000	4,015	(462)	3,553
	<hr/>	<hr/>	<hr/>
Charitable expenditure	45,292	115,502	160,294
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

(b) Unrestricted funds

The Charity invites applications for funding of medical equipment, research, structured play programmes and distraction therapies, patient and family support services, facility enhancements and other projects from NHSAAA.

(c) Restricted funds

Charitable expenditure in respect of funds donated to specific departments of NHSAAA for which the accounts are administered by CCF. A breakdown by Fund is given in Note 15.

Notes to the Financial Statements (cont'd)

8. Net income / (expenditure) for the period

Is stated after charging:

	2023
	£
Audit fees (net of VAT)	1,650
	<u>1,650</u>

9. Related Party Transactions

The Trustees, in aggregate, donated the sum of £65 in monetary donations in addition to the considerable amounts of time and expertise freely given to the Charity in attendance at Board and other meetings and in the provision of leadership, strategic guidance and professional advice throughout the period.

10. Cash at bank and in hand

	2023
	£
Unrestricted funds	109,158
Restricted funds	157,928
	<u>267,086</u>
Total cash at bank and in hand	<u>267,086</u>

11. Creditors: amounts falling due within one year

	2023
	£
Grants payable	172,744
Other creditors & accruals	54,467
	<u>227,211</u>
Total creditors falling due within one year	<u>227,211</u>

Notes to the Financial Statements (cont'd)

12. Funds

	Unrestricted £	Restricted £	Total £
Fund balances brought forward	-	-	-
Net movement in funds for period	2,120	37,755	39,875
Transfers between funds	14,060	(14,060)	-
Fund balances carried forward	16,180	23,695	39,875

These funds are retained in order to provide funds for:

Unrestricted purposes

To meet the financial objectives of the Charity, which are detailed in the Directors' Report. These reserves are broken down further in Note 13.

Restricted purposes

Donations for specific funds and projects as detailed in Notes 14 and 15.

Transfers between funds represent:

- where subsequent instructions are received from a donor restricting income that was originally recorded in a prior period with no restrictions,
- where two or more restricted funds have a common purpose, transfers may be made to support a project which matches their specific restriction, or the funds may be merged, or
- where restricted donations are received for projects initially underwritten from unrestricted funds in a prior period.

13. Unrestricted funds

	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Fund balances carried forward £
Free unrestricted reserves	-	56,651	(54,531)	14,060	16,180

Notes to the Financial Statements (cont'd)

14. Restricted funds

	Fund balances brought forward £	Income £	Expenditure £	Transfer (to) / from Unrestricted funds £	Fund balances carried forward £
Restricted Funds held for specific areas/projects	-	153,522	(115,767)	(14,060)	23,695

Restricted Funds held by the Charity for specific areas or projects

Provide funds for specific departments or projects within NHSAAA, as specified by the donor on receipt of the donation, for which the Charity has accounts set up. There were 11 separate restricted funds open during the financial period, the larger ones being detailed on the following page.

15. Restricted funds breakdown

	Balances b/fwd £	Income £	Expenditure £	Tfr between Restricted Funds £	Tfr (to) / from Unrestricted funds £	Balances c/fwd £
Neonatal	-	13,021	(12,434)	-	-	587
Paediatrics	-	2,673	(1,609)	-	-	1,065
Women's Services & Maternity	-	2,574	(16)	-	-	2,558
Rainbow House	-	10,665	3,395	-	(14,060)	-
Mortuary Viewing Room	-	2,321	-	-	-	2,321
COVID Fund	-	191	-	-	-	191
Maternity bereavement services	-	2,638	-	-	-	2,638
Neonatal legacy fund	-	104,964	(104,964)	-	-	-
Emergency funds	-	5,760	(138)	-	-	5,622
Total	-	210,173	(182,797)	-	(14,060)	23,695

Notes to the Financial Statements (cont'd)

16. Analysis of net assets between funds

	31 March 2023 Total £
Restricted funds	23,695
Unrestricted funds	16,180
Total	39,875

17. Indemnity Insurance

Indemnity insurance in respect of the Directors and Officers of the Charity is in place.