



WE DISCOVER, WE GROW

Girlguiding

Scotland



The Guide Association Scotland

Executive Report and Financial Statements
for the year ended 31 December 2018

Scottish Charity Number SC005548

SCOTTISH PRESIDENT

Mrs Linda Urquhart

SCOTTISH EXECUTIVE COMMITTEE

Scottish Chief Commissioner

Dr. M McKenna

Deputy Scottish Chief Commissioners

Mrs G Fox
Mrs C Morwood
Miss L Millar (appointed 01.09.18)

Honorary Treasurer

Mr B Lawrie

Chair, Business Management & Finance

Miss L Millar

Chair, Guiding Development

Mrs A Mack

Chair, Growing Guiding

Mrs S MacNeill

Chair, Marketing & Communication

Mrs T Alexander

External

Mrs J White

Central region

Mrs J Coates

Highlands & Islands region

Mrs C Linklater

Lothian & Borders region

Mrs G Amos

South West region

Mrs B Murray

(retired 30.09.18)

South West region

Miss D Hope

(appointed 01.10.18)

Strathclyde region

Mrs K Harrison

(retired 17.03.18)

Strathclyde region

Miss J Elborn

(appointed 18.03.18)

Grampian region

Mrs C Gray

(retired 17.03.18)

Grampian region

Mrs J Petrie

(appointed 18.03.18)

Nominated by counties

Mrs H Welsh

(appointed 02.06.18)

Nominated by counties

Mrs A Coyle

(appointed 02.06.18)

Chief Executive

Mrs D Spence (non-voting)

MANAGEMENT TEAM SENIOR STAFF

Chief Executive

Mrs D Spence

Head of Business Management & Finance

Miss K Gray

Guiding Development Manager

Mrs L Wright

Membership Development Manager

Miss L Henderson

Marketing and Communications Manager

Mrs C Fox McKay

Netherurd Centre Manager

Miss J Lowe

SCOTTISH HEADQUARTERS

16 Coates Crescent, Edinburgh, EH3 7AH

ADVISERS

Independent External Auditor

Saffery Champness LLP

Edinburgh Quay

133 Fountainbridge

Edinburgh

EH3 9BA

Solicitor

Lindsays WS

Caledonian Exchange

19a Canning Street

Edinburgh

EH3 8HE

Investment Manager

Brewin Dolphin

6th Floor, Atria One

144 Morrison Street

Edinburgh

EH3 8EX

Banker

The Royal Bank of Scotland

142-144 Princes Street

Edinburgh

EH2 4EQ

Banker

Shawbrook Bank Limited

Lutea House

Waverley Hill Business Park

The Drive Great Warley

Brentwood

CM13 3BE

Banker

Virgin Money

Jubilee House

Gosforth

Newcastle upon

Tyne

NE3 4PL

The Guide Association Scotland

Report of the Executive Committee

The trustees of Girlguiding Scotland are pleased to present their report and the financial statements for the year ended 31 December 2018. This marked the end of a four year strategic plan and this report looks back at the trustees' assessment of the successes and challenges over this period and then projects forward to the plans for 2019 to 2021.

The financial statements which follow reflect the activities under the control of the Guide Association Scotland but exclude the financial activities of the Girlguiding Scotland counties (all of which are registered as separate charitable bodies), divisions, districts and units.

Vision and Strategy 2014 to 2018

Girlguiding Scotland worked towards a vision of delivering quality guiding to empower and inspire girls and young women in every community in Scotland.

In 2016 the trustees reviewed the progress they had made and revised their focus, strengthening the link with the 38 counties in Scotland to:

1. Grow guiding to reach more girls
2. Offer exciting opportunities for girls and young women
3. Inspire volunteers to deliver Good Guiding
4. Raise our profile and the voice of young women
5. Communicate effectively with our members
6. Demonstrate good governance

In 2016 we aligned our work with the four themes shared across Girlguiding which were introduced in 2015: Access, Excellence, Voice and Capacity.

Summary

At the end of 2018 the trustees were pleased that over the last four years Girlguiding Scotland had delivered improved media profile and public relations impact, expanded the volume and scope of activities directly offered to members and completed a thorough review of effective governance within the counties.

They also recognised that there had been, in the last two years, a sustained focus on growth and that whilst progress had been made with counties to understand this challenge more work was needed to enthuse teams in divisions and districts.

Vision and strategic goals for 2019 to 2021

In 2018 we undertook a process of consultation with trustees and members, including Guides and Rangers, and resolved to create a three year plan using the same four themes.

We share the vision, mission and values as we are part of Girlguiding. The vision is: An equal world where all girls can continue to make a positive difference, be happy, safe and fulfil their potential.

Girlguiding Scotland goals are:

1. More girls and adults from across Scotland will **ACCESS** the benefits of guiding
2. We will improve the **EXCELLENCE** of our programme offer and delivery
3. We will improve the way we listen to and promote the **VOICE** of girls and young women
4. We will improve our structures, processes and **CAPACITY**

The report that follows sets out, for each theme, the work achieved in 2018, a summary of progress 2014 to 2018 and a glimpse of the areas of work agreed for 2019. In each area we have also tried to illustrate the impact we are making to the lives of girls and volunteers.

ACCESS



We will grow guiding in Scotland to reach more girls

In 2018 we:

- Established a growth and development working group to provide targeted, evidence-based support to counties to help them overcome local barriers to growth
- Published a resource, 'stepping up' to help support leaders to encourage more girls to move up to their next section
- Held tailored growth workshops with volunteers from Grampian and Central regions to help them identify strategies to overcome local challenges to growing guiding
- Promoted the suite of Girlguiding resources available to support growth planning to counties throughout Scotland and provided local data to help all counties monitor their own progress
- Distributed 18 Gannochy Trust-funded Developing Guiding Grants to support local activities designed to strengthen guiding at district, division, county and region-level
- Promoted flexible approaches to guiding and supported 'holiday guiding' pilot projects in East Lothian, Orkney and Glasgow which gave girls that might have otherwise have missed out, their first taste of guiding (funded by The Gannochy Trust and Generation CashBack)
- Provided ongoing support for recruitment of girls and adults through the distribution of recruitment resources and support for membership enquiries



We know that being a member of Girlguiding has a huge impact on girls' lives. Research has shown that spending three years or more as a member has lifelong benefits including increasing girls' chances of having better mental health in later life. We know that lots of girls have already made the journey from Rainbows to Brownies to Guides and Rangers and onto young and adult leadership roles, but many others leave after a couple of years.

That's why in 2018 we launched Stepping Up a resource aimed at volunteers help support them to inspire girls to stay in guiding for longer and to transition into the next section

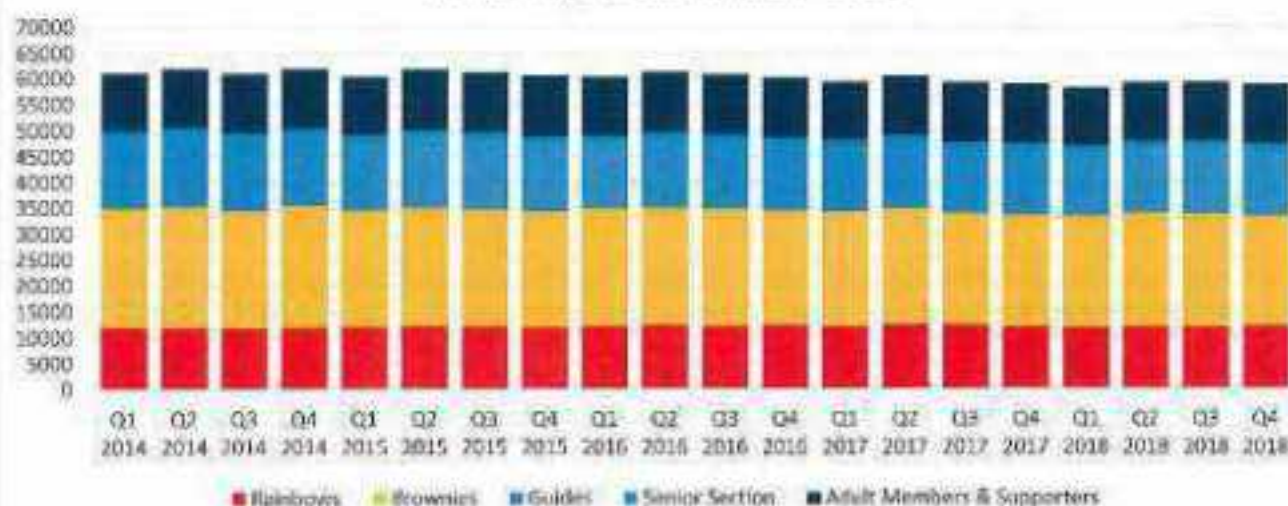


ACCESS



2014 to 2018 overall performance

Membership by section, 2014 - 2018



The trustees regret the ongoing overall decline in membership and have taken the following actions:

- Analysed membership data to find key issues to target action towards - for girls it is transition between sections and overall rates of retention especially for girls age 9 plus; for adults it is improving the speed of response to enquiry, speed and consistency of induction, and offering more choice and flexibility in the volunteer roles
- Prioritised human and financial resources to motivate counties and local areas to engage with planning for growth. In the last 18 months this has been driven by the Scottish chief commissioner and her team and in 2018 a dedicated volunteer team was established to offer additional help
- Generation Cashback has funded our outreach/development work, which is prescriptive both in area and scope. Matching the funding with need and opportunity can present challenges but appetite is building to invest further in this work
- Sincere thanks to the Gannochy Trust who have supported local and regional initiatives with successful and innovative projects across Scotland

ACCESS



ACCESS 2019 to 2021

We know that guiding offers girls and young women amazing, life-changing opportunities. We know that guiding helps girls build confidence, reach their potential and make a positive difference to their communities and the world. We want to change the lives of even more girls. To do this, we need to shout out about the value of guiding, attract more volunteers and reduce barriers to participation.

In 2019 alongside ongoing support provided by volunteers and staff this will include:

- Deeper engagement with counties to embed planning for growth and inspire new, local growth-related activity helped by project funding from Gannochy Trust
- Building on Girlguiding's recruitment campaign by having a dedicated Scotland-wide project in early autumn 2019
- Employing a fixed term, Cashback funded, development worker in Edinburgh
- Continuing to provide Cashback grants to local areas
- Initiating research into potential partners and opportunities to engage new communities

EXCELLENCE



We will offer exciting opportunities for girls and young women

In 2018 we :

- Ran events under the umbrella theme, 'Challenge Yourself' including:
 - Two large scale sleepover events were held in Blackpool aimed at transition and retention of girls aged 7 to 14 years. Over 750 Brownies, Guides and Leaders attended
 - Glamping for Brownies in wigwams. 2 events were held and over 60 Brownies and leaders took part. Activities at the events were based on the Forest Challenge badge produced in partnership with the Scottish Forestry Commission
 - National watersports day for 75 guides held at Port Edgar, near Edinburgh.
- Launched a new partnership with Skills Development Scotland to promote interest in digital technology across all sections
- Launched a partnership with Scottish Rugby to encourage girls to get active and take up rugby
- Supported members to travel abroad to Lesotho, the Netherlands, Cambodia and India
- Held a fun wide game around Copenhagen, Denmark for over 400 members
- Enabled more than 50 units to access adventure through Cashback grants available to support units in targeted areas of Scotland



As part of our series of challenge yourself events aimed at encouraging girls to step outside their comfort zone, 75 Guides headed to Port Edgar for a day of water sports.

From dinghy sailing to kayaking and paddle boarding to pier jumping the day on the Firth of Forth was a real opportunity for girls to try something completely new.

As well as focusing on trying new activities the water sports day challenged girls through team working and leadership tasks.



EXCELLENCE



2014 to 2018 overall comments :

- We expanded the number, scale and type of events on offer both in Scotland and abroad. This has encouraged girls from all parts of Scotland to take part. A sample of the many activities, are listed below:
 - Adventure 2014 - Adventure Activity events held on 4 sites across Scotland. Over 1,400 Guides and Senior Section members took part
 - Have Your Say Referendum event held in partnership with Scottish Youth Parliament and chaired by a member of the Electoral Commission
 - G in the Park 2015 - Festival style camp for more than 700 guides travelling to Ayrshire from all over Scotland
 - Tartan Gig 2015 and Tartan Gig 2017. Over 13,000 members in total attended the bi annual exclusive pop concert. 35 of 38 counties had members attending
 - Space is the Place - Over 2,800 Brownies, Guides, Young Leaders and Leaders took part in 6 sleepover events at Glasgow Science Centre
 - Rise to the Challenge - resource and celebration events. Hundreds of units across the UK took up the challenge and 2,600 members attended the all section celebration day at Glamis Castle
 - International wide games - Parisopoly, Catch us in Cologne and Denmark Dash gave over 600 members an international experience exploring one of these cities
- Celebrated with Brownies and senior section members the centenary of their sections with a series of special activities and events. 4,000 members attended the Big Brownie Birthday Fun Day held at Gleneagles. The Senior Section had a variety of fun projects and activities including: Dash to Ulster, Tea Party Challenge and Senior Section Sunday Spectacular - a giant tea party!
- Rainbow Resource to celebrate Rainbows 30th Birthday - Mermaid Mayhem. An extremely popular resource which was bought by members all over the UK
- We created many partnerships over the four years to add value to the local programme experience. These included: Ocean Challenge, Scottish Rugby - Guides into Rugby, Keep Scotland Beautiful, Forest Challenge, Sustainable Development Goals Challenge and Digital Scotland Challenge
- Piloted the achievement of SQA leadership qualification as a national 4/5 Leadership Qualification. The project has been highlighted as a successful case study on the SQA website
- With support from Cashback funding we invested in leadership training through a series of events for patrol leaders and young leaders
- We produced a template for an event to promote transition between Brownies and Guides. The resource, Gateway to Guides has proved popular with at least six counties organising their own events. We would have liked to develop more of these over this period.

EXCELLENCE



We will inspire our volunteers to get better and better at what we do for girls

In 2018 we:

- Prepared trainers to support leaders with introduction of our new programme and ran a midnight launch event in July 2018
- Provided training for local commissioners in Highlands and Islands in growing guiding and managing change
- Continued the effective roll out of the mandatory safe space training reaching 198 volunteers during the year
- With support from the National Voluntary Youth Organisations Support Fund (NVYOSF) convened events for 38 county commissioners and their assistants to help them develop and deliver plans for growing guiding and managing their areas effectively

2014 to 2018 overall comments

- We recruited more volunteers to become trainers with 22 gaining their qualification in the last four years and 72 becoming active as trained peer educators. There are 135 volunteers involved in delivering training
- We recognise that the pattern of attending trainings is changing and so we introduced an optional summer Saturday programme and supported 5 counties to bring their county executive committees to have a training session at Scottish headquarters. It is recognised there is an ongoing decline in the use of Netherurd as a residential training venue and that there is too much variation in the quantity and quality of trainings provided locally which will need to be addressed in the next few years
- We hosted two conferences, each for around 100 delegates from across the whole country, one to inspire those aged 18 to 35 to take on new opportunities and another to inspire volunteers in their role as local commissioners
- We supported the induction and ongoing training and support of county commissioners with funding support from NVYOSF convening conferences and weekends to provide skills based training, peer motivation and networking across counties

EXCELLENCE



Excellence 2019 to 2021

We want to make sure that every girl in Scotland - whoever she is, and wherever she is from - is offered the very best opportunities to develop her potential and make a difference in the world. We know that the world for girls and young women is rapidly changing, so we need to keep listening and responding to them to ensure that we offer them a first-class, modern programme that reflects their needs.

To ensure that every girl can access the highest quality guiding experience, we will support all our volunteers to be great role models. We will review the learning and development that they are offered to ensure that all of them have the time, training and support to deliver excellence for girls and we will complement the programme with high quality partnerships.

In 2019 we will:

- Increase the number of members with going-away with qualifications e.g. by offering Sleeping Under the Stars event at Netherurd
- Support and grow the international opportunities offered to members including a World Thinking Day wide game 2019 - Wander the World, Edinburgh edition
- Run the Tartan Gig 2019 - arena pop concert for 10,000 members
- Plan for Camp Brave, an International Camp and for other 2020 activity
- Deliver events for volunteer trainers and prospective trainers, assisting them to attend the UK Trainers Conference
- Support prospective trainers and trainers to deliver trainings, including safe space in all 38 counties across Scotland
- Deliver a series of training roadshows at 7 venues across Scotland
- Provide facilities at Netherurd for girls and volunteers to have access to adventures, and high quality training experiences
- Promote Duke of Edinburgh and Peer Education to members and deliver the first Gateway to Rangers event
- Deliver specialised support and training for international and outdoors teams of volunteers
- Deliver a weekend at Netherurd for county commissioners to build skills and confidence
- Agree a new policy for how we engage with external partners who can add value to the programme
- Prepare, with our volunteer archive team, an external funding bid for a membership engagement project

VOICE



We will promote the voice of girls and raise the profile of Girlguiding Scotland

In 2018 we :

- Through open recruitment appointed a deputy chief commissioner under 30 years of age with a brief to explore and increase youth participation and decision making within Girlguiding Scotland
- Celebrated the success of Polaris as the Scottish Youth Forum and consulted with members on how this should look going forward. Taking into consideration members feedback, Speak Out, an external facing youth panel was launched
- Actively participated in Scottish Government's Year of Young People including:
 - Published our flagship research, Girls in Scotland, carried out by Childwise, which took a snapshot of the lives of girls (7-21) in Scotland today
 - Launched Citizen Girl, a national campaign to empower more girls and young women. The aim was to increase democratic awareness and to date over 7,500 girls have taken part
 - Delivered our first Camp CEO, a weekend residential event for 60 members (14-18) which focussed on employability skills, leadership training and inspiration. The girls were joined by 20 female leaders who provided mentoring and helped raise aspirations
- Provided county PR adviser training and webinars to increase the knowledge and confidence of local PR volunteers



90% of 9 to 10 year-olds think women and men have the same chance of succeeding in their jobs. But only 35% of 17 to 21 year-olds feel the same.

Camp CEO Scotland is about changing that by empowering and inspiring girls to develop the skills and confidence to take the lead now and in the future.

Scotland's first ever Camp CEO was a unique 4 day camp bringing together inspiring women from across Scotland's business, tech, media, charity and public sectors with 60 girls age 14-18. Through mentoring, skills development sessions and adventure girls and CEOs alike were put through their paces.



VOICE



2014 to 2018 overall comments

- Increased our profile especially with decision makers (local councillors, MSPs and MPs particularly) through supporting girls to have their voices heard on issues that matter to them: period poverty, sexual harassment in schools, no more page 3, celebration of centenary of women's suffrage, celebration of female role models, "wow women"
- Actively involved at Pride events to increase awareness that Girlguiding Scotland is for all girls
- Supported 40 girls to run their own social action projects as part of a Girlguiding funded Action for Change programme
- Provided a bank of more than 20 press releases for local use and delivered annual training events for volunteers involved in the local promotion of guiding
- Overhauled our online presence, renewed the websites, expanded the number of social media channels
- Established a regular newsletter for members and produced with support from Friends of Girlguiding Scotland a series of promotional video shorts. We have also produced an annual opportunities calendar for members
- We know we need to keep responding to changing preferences for how members wish to receive their communications and that events and activities being provided by Scotland need to be planned and promoted further in advance
- We made a start on making more use of technology to support members in terms of communication but want to further embed the use of technology for virtual meetings and trainings to enable easy access from all communities in Scotland



Attending Pride events reinforces our policy of being fair, open and inclusive. It highlights that members and supporters are welcomed irrespective of their faith, race, culture, nationality, sexual orientation or gender identity.

Pride events also offer the opportunity to celebrate the brilliant contributions of all our LGBT members, and to reach out to volunteers who may not have considered guiding before.

Each summer, we also support a number of local guiding areas to attend their local Pride events



VOICE



Voice 2019 to 2021

We want to empower more girls to speak out and make a difference, both inside guiding and in the wider world. We want to show girls that their voices matter by involving them in decision making at every level in guiding and by reflecting their priorities, needs and opinions in all that we do.

We will also continue to build our expertise on the issues that matter to girls and young women in their everyday lives by strengthening and expanding our research into the views and experiences of girls from all backgrounds across Scotland. And we will use this research to call for positive change for girls everywhere.

We know that girls' voices and actions can transform the world around them for the better, so we will offer platforms and opportunities for girls to speak out about what matters to them and take part in social action.

In 2019 we will

- Agree a future strategy for youth participation and engage young members in shaping the programme offer from Girlguiding Scotland
- Enable our youth forum Speak Out to meet to shape the direction of advocacy work including a campaign
- Continue our involvement with the Scottish Youth Parliament
- Promote and share Girls in Scotland, our flagship research published in 2018
- Research, create and shape stories with public relations potential nationally and locally
- Review digital strategy and work on plans for a new website

CAPACITY



We will work together to improve our governance

In 2018 we:

- Facilitated a self-evaluation exercise in each county and devised a future good governance model for how a county should operate
- Promoted best practice in relation to regulatory compliance including workshops for treasurers and a best practice seminar for those involved in managing property as well as support with compliance with GDPR
- Specified and procured an updated Netherurd booking system and organisation wide accounting software
- Established a senior leadership team comprising the Scottish chief commissioner and deputies, the chairs of the four main sub-committees and the senior management team with a shared remit to improve internal planning and ways of work

2014 to 2018 overall comments

- Carried out a governance review looking at the current and future structure and governance arrangements for guiding in Scotland
- Refreshed the Marketing and Communications function and set up a Membership Development function
- Set up county concerns support team to assist with concerns, compliance and safeguarding
- Completed country-wide exercise for 10,000 volunteers to become members of the Protecting Vulnerable Groups (PVG) scheme
- Strengthened reporting format for trustees to engage in debate about strategic priorities
- Introduced general principle for open advertising of all Scottish volunteer vacancies
- Set up series of seminars to help with money matters, and managing property
- Continue to devote management attention to ensuring OSCR compliance and providing support for local commissioners to do this
- Carried out a review about the future of Netherurd, our training and activity centre, and as a result of this agreed a programme of investment and five year plan with annual business performance review
- Ongoing annual review of retail performance in line with agreed retail performance targets

CAPACITY



Capacity 2019 to 2021

We can achieve brilliant outcomes for girls only if our charity has in place robust structures, processes and decision making. We will work collaboratively to improve these processes and systems and provide a strong foundation for all of our work. By strengthening these important functions we will make guiding easier for our volunteers and staff, reducing administrative pressure so that we can focus more on delivering excellent guiding for all girls.

2019 we will

- Deliver the final report from governance working group and work intensively with counties to strengthen their governance, promote joint working and in case of similar counties merge then in order to form more sustainable entities
- Prepare the land registry application for Coates Crescent, Edinburgh and support counties on ad hoc property matters
- Update the interior and furniture in Scottish HQ
- Introduce a headquarters based fundraising function
- Deliver an efficient response to concerns raised in Scotland
- Support Scottish levels to register with OSCR online and monitor Scottish levels' compliance with OSCR filing requirements through targeted follow up and action

Netherurd

2018

Events for younger members included 11 'Holidays in the House' and 11 fun activity days. 13 counties had training events. Approximately 6,500 members visited or stayed at Netherurd during 2018. Evaluation of their experiences were tracked by the Netherurd working group and were reporting as consistently positive in terms of facilities and staff support.

Two new schools used the facilities and there were 5 schools who were returning customers. Examples of other types of customer group include trefoil guilds, churches, university student unions and groups for people with disabilities.

An art wall and water rill were installed during the year generously funded by Friends of Netherurd.

Overall business performance was disappointing with an operating deficit reported at the year end. This was mainly due to lower income realised from the guiding customer base with a higher incidence of cancellations and shortfall in expected numbers. As a result the working group has reviewed terms and conditions, particularly the deposit and cancellation policy.

2014 to 2018

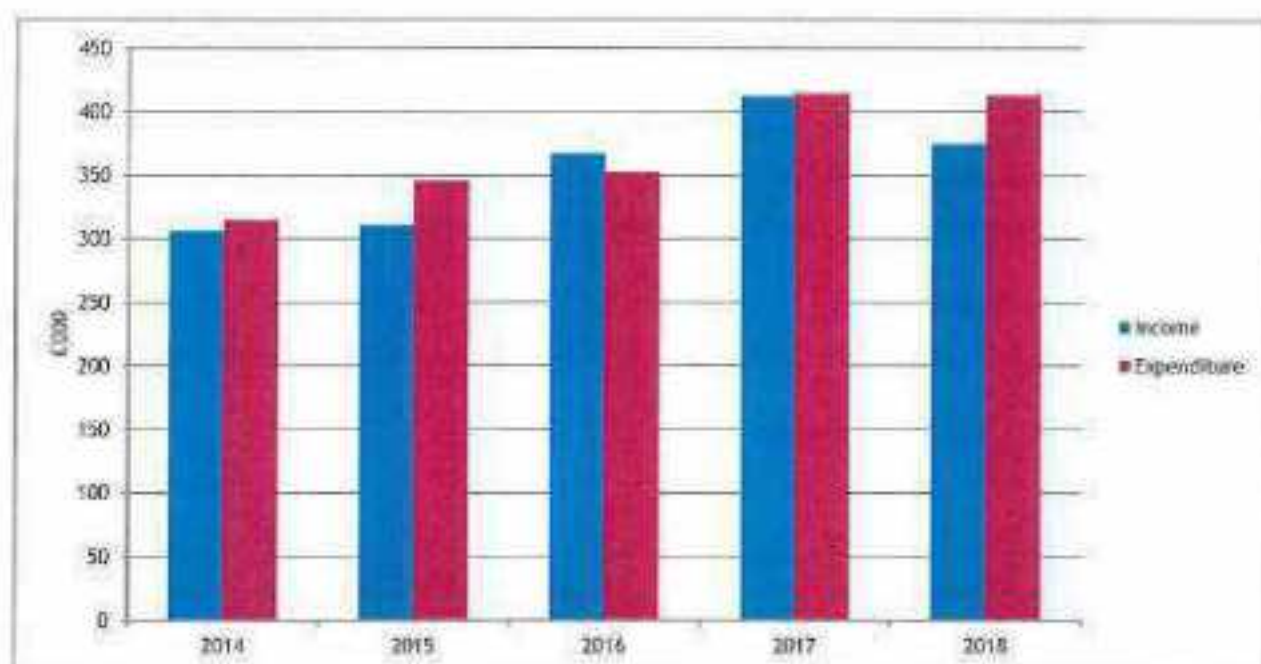
In 2015 the trustees accepted the findings of the Netherurd advisory group report and committed to a five year plan including up to £250k of investment. This helped to improve the residential facilities and bring new activities to the estate. The branding was refreshed and an active working group of volunteers was recruited

CAPACITY



to promote Netherurd to internal Girlguiding customers. The staff team developed new programme offers for members e.g. activity days, holidays in the house and have continued to grow the external business.

Each year the financial performance has been reviewed and an income target set. In 2016 there were positive signs that the centre could become self-financing with sustained support from guiding customers and growth in schools and other external bookings. However, this has not yet proved to be a sustainable pattern and the trustees remain vigilant about the centre's performance.



2019 to 2021

In 2020 the trustees will need to examine the five years of business performance and determine their future commitment.

In 2019 we will:

- Celebrate the 20 years plus contribution of the centre manager and recruit her replacement
- Promote the centre to achieve an income target of £450k
- Extend the activity offer including a new Escape Room
- Extend the residential facilities with financial support from Girlguiding Dumfriesshire adding three more glamping huts to the Village
- Be diligent with the planned preventative maintenance programme
- Embed the new booking system and updated terms and conditions

CAPACITY



Retail

2018

Following a slow start to the year the staff teams responded magnificently to the launch of the new programme in July. This created an increased demand for resources from early adopters. £1m of turnover was achieved in 2018 for the first time since the centenary in 2010. Online sales almost doubled from the previous year.

2014 to 2018 overall comments

- Contributed over £200k to fund Girlguiding Scotland activities
- Streamlined the delivery model through investment in electronic point of sale equipment, stock management systems and a staff restructure
- Launched a new ecommerce offer with online now representing 20% of total sales
- Expanded and supported the local volunteer depot network to deliver financial support for local guiding
- Refurbished the Edinburgh shop
- Promoted challenge packs and badges to support programme delivery often working with external partnerships
- Provided pop up shops at major events

2019 to 2021

We will ensure that retail meets the dual objective of providing a service to members and an income stream both for Girlguiding Scotland and local levels through the volunteer depot network. This will be achieved through active promotion of the multi-channel offer; expansion of the volunteer network; provision of own brand product and programme resources; and delivering a streamlined service, all with clear financial objectives.

In 2019 we will:

- Explore additional depot options in the West of Scotland
- Provide pop up shops at Wander the World, the Roadshows and Tartan GIG events
- Continue to promote and service retail demand for the new programme and new uniform options
- Liaise with our key suppliers to minimise and mitigate the possible impact of Brexit

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Financial review

The statement of financial activities (SoFA)

Income and expenditure for the year are detailed in the SoFA, together with net gains and losses on investment. These are shown separately for unrestricted funds, which may be used at the discretion of the Scottish executive committee, and restricted funds which must be spent in accordance with donor wishes.

The net unrestricted income deficit for the year was £97,870. Total unrestricted income was up by over £90,000 due to increased retail sales and subscription income, offset by less event income as there was no Tartan Gig in 2018. The £70,000 plus increase in unrestricted expenditure reflects the direct costs associated with income changes together with increased staffing costs to support increased activity. As investments are held at market value the volatility of the stock markets at the year end is reflected in a £45,344 loss in 2018 compared to a gain of £33,517 in 2017.

The restricted net income movement of £17,567 includes a £50,000 legacy for the maintenance and upkeep of Netherurd. £50,000 additional Cashback income in 2018 funded a development worker for the full year and the flow of start up and grow grants for local areas increased by £40,000.

Balance sheet

The association holds various tangible fixed assets to support its activities. These are the headquarters building in Edinburgh, the shop in Glasgow and our training and activity centre in the Borders. There were no major additions in the year.

Investment policy and performance

Almost £500,000 of the charity's reserves has been invested. These are held to provide investment income for day to day running costs and fund strategically important projects in the future. A professional fund management company is employed to manage the funds and its performance is reviewed by the Business Management and Finance committee. Performance is benchmarked against appropriate performance indices. Investments were valued at £558,857 at 31 December 2018 reflecting a cumulative unrealised gain of £64,118.

Fundraising

The Guide Association Scotland's activities are funded predominantly by subscriptions from members, surpluses from trading in the shops, and grant assistance and other sources of income including legacies, as disclosed in the SoFA.

Girlguiding Scotland records its thanks to funders who supported our work during the year: The Scottish Government through the Children, Young People & Families Early Intervention Fund, NYYOSF and the Cashback for Communities Fund have helped guiding locally and nationally to build capacity, The Gannochy Trust, and Girlguiding for funding to support safe space training in Scotland.

Reserves policy

Reserves are classified as unrestricted general income funds, unrestricted designated funds, restricted or endowed funds defined as follows:

General funds may be used by The Guide Association Scotland at the discretion of the Scottish executive committee to meet future capital or revenue expenditure.

Unrestricted designated funds may be expended in furtherance of the objectives of The Guide Association Scotland at the discretion of the Scottish executive committee.

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Restricted funds may be used subject to specific restrictions that may have been imposed by the donor or in terms of restrictive wording of an appeal. The restricted funds are analysed over the individual funds. Endowed funds are retained and invested in furtherance of charitable purposes.

Based on working capital needs and an assessment of income security, property asset and trading risks, the Scottish executive committee considers that the minimum target for the general funds 'free reserves' should be £506,000 which represents three and a half months' operational expenditure. The current level of free reserves represents four and a half months which the executive committee consider satisfactory.

Structure, governance and management

Organisational structure and decision making

The Guide Association nationally (Girlguiding) is incorporated under a Royal Charter that gives powers to form area Associations of which Scotland is one. The Guide Association Scotland conducts its activities under a Constitution for Scotland dated 11 April 2002, which has been approved by the Guide Association and which describes the organisation of guiding in Scotland. The Guide Association Scotland utilises the operating name of Girlguiding Scotland. The Guide Association Scotland is a recognised Scottish Charity registered under charity number SC005548.

The Guide Association Scotland is governed by the Scottish executive committee who has responsibility for the decisions of the Association and has delegated its authority in specific areas to the following sub committees and working groups under individual terms of reference:

- Business Management & Finance
- Guiding Development
- Marketing & Communications
- Growth Working Group
- Awards

Each new member of the Scottish executive committee and sub-committees is offered an induction programme at the time of appointment. The induction is held at Scottish headquarters and is arranged by the chief executive. The induction includes information about the purpose, status and structure of the Guide Association Scotland, as well as the legal and financial duties of the executive committee and the trustees' role.

Key management

The Scottish executive committee is also authorised to appoint and delegate authority to the chief executive to implement policy. The chief executive is authorised to take appropriate financial and operational management responsibility to act within the terms of the business plan and budget. The arrangements for setting the pay of the chief executive are the responsibility of the Scottish chief commissioner in consultation with other senior executive committee members using an external adviser to provide charity sector benchmarking information.

Risk management

The executive committee discussed risk areas currently facing Girlguiding Scotland and identified the following as a continuing strategic risk for 2019: membership figures and lack of overall growth which they now believe is closely related to weak operating structures at County level.

Formal proposals to renew the county model will be put forward in 2019 and the trustees are committed to

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providing the necessary support to implement a programme of change to enable counties to be more sustainable and therefore able to thrive and grow.

A highlighted risk for 2019 includes Brexit both as it relates to retail supply chain and to financial investments.

The trustees also recognised that Girlguiding will launch a new strategic plan expected towards the end of 2019 and there is a small risk the two plans will not be aligned. This will be kept under close review during the year.

Concerns management

Concerns are managed in line with a national Girlguiding framework of policies and processes for reporting and managing safeguarding, compliance and complaint matters through UK headquarters in London. The Girlguiding Scotland concerns support team role is to provide direct support to counties to help them to investigate and resolve concerns and complaints locally. Support is also provided by Scottish headquarters to report notifiable events to the Office of the Scottish Charity Regulator (OSCR). The concerns support team reports annually to the Scottish executive committee.

Volunteers

The Guide Association Scotland is grateful for the dedication and support of our 11,500 volunteers across Scotland who give their time and energy to help our girls and young women to achieve their potential make a difference and be their best. It is estimated that each volunteer gave on average 130 hours of their time throughout the year. Using a qualified youth worker rate of pay, this would cost more than £15 million per annum.

Connected bodies

The Guide Association Scotland forms part of the Guide Association to whom Scottish members pay an annual subscription. In addition, the Guide Association Scotland purchases uniforms, publications etc. from Girlguiding Trading Service. These are acquired on an arm's length trading basis and are reflected through the SoFA. Girlguiding has also provided funding for safe space training during the year.

Auditor

Saffery Champness LLP was appointed auditor for the year ended 31st December 2018 at the Scottish executive committee meeting held on 2 June 2018.

Statement of Responsibilities of the Executive of The Guide Association Scotland

The Scottish executive committee is required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs and of the surplus or deficit of The Guide Association Scotland for that period. In so doing, the Scottish executive committee is required to:

- i. Select suitable accounting policies and then apply them consistently
- ii. Observe the methods and principles in the Charities SORP
- iii. Make judgements and estimates that are reasonable and prudent
- iv. State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- v. Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Guide Association Scotland will continue in business.


The Scottish executive committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of The Guide Association Scotland and enable the Scottish executive committee to ensure that the financial statements comply with the Charities & Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Statement of Recommended Practice, and the constitution of the charity. The Scottish executive committee also has a responsibility for safeguarding the assets of The Guide Association Scotland and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

To the knowledge and belief of each of the persons who are executive committee members at the time the report is approved:

- So far as the executive committee member is aware, there is no relevant information of which the association's auditor is unaware, and
- He/she has taken all the steps that he/she ought to have taken as an executive committee member in order to make himself/herself aware of any relevant audit information, and to establish that the association's auditor is aware of the information.

By order of the Scottish executive committee
16 Coates Crescent
Edinburgh EH3 7AH

Approved by the Scottish executive committee on 1 June 2019
Authorised to sign on their behalf


Dr M McKenna
Scottish Chief Commissioner

Opinion

We have audited the financial statements of The Guide Association Scotland for the year ended 31 December 2018 which comprise statement of financial activities, balance sheet, statement of cashflows 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 charity's affairs as at 31 December 2018 and of its 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 charity 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 charity'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 auditors' 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.

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.

Matters on which we are required to report by exception

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 information given in the trustees' annual report is inconsistent in any material respect with the financial statements; or
- the charity has not kept proper accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 21, the trustees 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 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 trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the charity'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 trustees 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 charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP
Chartered Accountants
Statutory Auditors



Edinburgh Quay
133 Fountainbridge
Edinburgh
EH3 9BA

1 June 2019

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE GUIDE ASSOCIATION SCOTLAND FOR THE YEAR ENDED 31 December 2018
STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds		Restricted	Endowment	2018 Total Funds	2017 Total Funds
		General	Designated				
		£	£	£	£	£	£
Incoming and endowments from:							
Donations & legacies	3	11,104	28,271	52,287	-	91,662	67,615
Charitable Activities							
Subscriptions		660,948	-	-	-	660,948	624,884
Trading income	4	1,377,656	-	-	-	1,377,656	1,208,385
Events & trips income	5	234,735	-	240	-	234,975	355,666
Grants & other income	6	8,552	5,631	184,914	-	199,097	158,446
Investments	7	14,400	4,411	-	-	18,811	18,779
Total		2,307,395	38,313	237,441	-	2,583,149	2,433,775
Expenditure on:							
Raising funds	8	4,790	4,148	-	-	8,938	8,895
Charitable activities	9-11	2,281,975	107,321	219,874	-	2,609,170	2,492,631
Total		2,286,765	111,469	219,874	-	2,618,108	2,501,526
Net (loss)/gain on investments		(33,709)	(11,635)	-	-	(45,344)	33,517
Net income/(expenditure)		(13,079)	(84,791)	17,567	-	(80,303)	(34,234)
Transfers between funds		(12,500)	12,500	-	-	-	-
Net Movement in Funds		(25,579)	(72,291)	17,567	-	(80,303)	(34,234)
Total funds at start of year		720,335	1,473,229	55,546	126,970	2,376,080	2,410,314
Total funds at end of year		694,756	1,400,938	73,113	126,970	2,295,777	2,376,080

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure was derived from continuing activities.

The notes on pages 27 to 38 form part of these financial statements.

THE GUIDE ASSOCIATION SCOTLAND FOR THE YEAR ENDED 31 December 2018
STATEMENT OF FINANCIAL ACTIVITIES

	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	12	1,195,103	1,262,656
Investments	13	558,857	612,097
		<u>1,753,960</u>	<u>1,874,753</u>
Current assets			
Stocks	14	108,735	95,921
Debtors	15	335,355	77,792
Cash at bank and in hand	16	466,486	478,248
		<u>910,576</u>	<u>651,961</u>
Liabilities			
Creditors falling due within one year	17,18	<u>368,759</u>	<u>150,634</u>
Net current assets		541,817	501,327
Net assets		<u>2,295,777</u>	<u>2,376,080</u>
The funds of the charity			
Unrestricted income funds	20,22	694,756	720,335
Unrestricted designated income funds	21,22	1,400,938	1,473,229
Restricted income funds	21,22	73,113	55,546
Endowment fund	21,22	126,970	126,970
Total charity funds		<u>2,295,777</u>	<u>2,376,080</u>

The financial statements were approved and authorised for issue by the Scottish executive committee on 1 June 2019 and signed on its behalf by:

 Dr M McKenna, Scottish Chief Commissioner

 E B Lawrie, Honorary Treasurer

The notes on pages 27 to 38 form part of these financial statements.

THE GUIDE ASSOCIATION SCOTLAND FOR THE YEAR ENDED 31 December 2018
STATEMENT OF CASH FLOWS

	Notes	2018 £	2017 £
Cash flows from operating activities	25	(36,707)	8,600
Cash flows from investing activities			
Dividends and interest		18,811	18,779
Purchase of property, plant & equipment		(359)	(59,990)
Disposal of investments		83,177	24,326
Purchase of investments		(76,684)	(23,908)
Net cash from/(used in) investing activities		<u>24,945</u>	<u>(40,793)</u>
Change in cash and cash equivalents in the year		(11,762)	(32,193)
Cash and cash equivalents at beginning of year		<u>478,248</u>	<u>510,441</u>
Cash & equivalents at end of year	16	<u>466,486</u>	<u>478,248</u>

1. ACCOUNTING POLICIES

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

A) BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard 102 (FRS102), as issued by the Financial Reporting Council (effective 1 January 2015), the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Guide Association Scotland meets the definition of a public benefit entity under FRS102. The statements are prepared on the historical cost basis, except for investments which have been included at fair value. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

These financial statements are presented in pounds sterling (GBP) as that is the currency in which transactions are denominated.

B) CRITICAL JUDGEMENTS AND ESTIMATES

In preparing the financial statements the executive committee makes estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates. At the year-end there are no areas where critical judgements or material estimates have been made.

C) GOING CONCERN

Based on the security of membership subscription income, confirmation of core grant income until March 2019, ongoing promotion of retail and Netherurd, and the availability of adequate free reserves, the Scottish executive committee are of the view that the future of the charity is secure for at least the next 12 to 18 months and that on this basis the charity is a going concern.

D) FUND ACCOUNTING

Unrestricted funds are available to spend on activities that further any of the purposes of the Guide Association Scotland. Designated funds are unrestricted funds which the executive committee has decided to set aside for specific purposes. Restricted funds are income where the donor has imposed restrictions on the use of the funds. Details on the purpose and use of these funds are shown in note 21 to the financial statements. The Webster fund is endowed where the capital must remain intact. The income from this fund is designated.

E) INCOME

Income is recognised when entitled, measurable and receipt is probable. Subscriptions run for a calendar year and are recognised when due. Income from government and other grant providers is recognised when the grant has been awarded and any performance conditions have been met. Retail income is recognised at point of sale, and income receivable for use of the Netherurd facilities is recognised when the facilities are used. Investment income is recognised when due. Interest is recognised using the effective interest rate applicable to the asset and dividend income is recognised when declared. Legacies are recognised when the Guide Association Scotland becomes entitled to the income and it is probable that it will be received and the amount is quantifiable. Entitlement to a legacy exists when there is sufficient evidence that gift has been left and the executor is satisfied that it is not required to settle claims on the estate. Other income is recognised when received.

F) EXPENDITURE AND BASIS OF ALLOCATION

Expenditure is recognised on an accruals basis when the Guide Association Scotland has entered into a legal or constructive obligation and is related where practicable to the Association's charitable activities.

Cost of raising funds comprises investment management costs and direct costs associated with Friends of Netherurd and Girlguiding Scotland fundraising activities.

Charitable expenditure includes direct and support costs associated with the four themes contained in the Association's 2016-2018 Being Our Best Strategic Plan together with Retail and Netherurd trading activities.

G) INVESTMENTS

Investment assets are valued within the financial statements at fair value in accordance with the SORP. Realised and unrealised gains or losses on assets are accounted for in full within the particular fund of which the asset forms a part.

The gain or loss arising on the disposal of an investment asset is the difference between the sales proceeds and the carrying value of the asset and is recognised in the SOFA.

H) TANGIBLE FIXED ASSETS

Individual assets costing over £2,500 are capitalised at cost. Part of the cost of heritable property comprises land and it is not practicable to allocate the cost between land and buildings.

Depreciation is charged on tangible fixed assets on a straight line basis to write off the cost, over their estimated useful lives. The principal rates of depreciation are:-

Heritable properties	- 2% to 6.67%
Furniture & fittings	- 10%
IT equipment	- 20%
Motor vehicles	- 25%

I) STOCK

Stocks of goods for resale are valued at the lower of cost and net realisable value. Provision is made for obsolete or slow moving stock where appropriate.

J) DEBTORS

Trade debtors are amounts due from customers for merchandise sold or services performed. Trade debtors are recognised at the undiscounted amount of cash receivable, which is normally invoice price, less any allowances for doubtful debts.

K) CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand and balances with banks and are measured at fair value.

L) CREDITORS

Trade creditors are obligations to pay for goods or services that have been acquired. They are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

M) FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial instruments are recognised in the statement of financial activities when the Guide Association Scotland becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price and subsequently accounted for as set out below.

Financial instruments are classified as basic in accordance with Chapter 11 of FRS102. At the end of each reporting period, financial instruments are measured at amortised cost using the effective interest rate method. Where the fair value cannot be reliably measured, they are recognised at cost less impairment.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the Guide Association Scotland has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

N) PENSIONS

The Guide Association Scotland operates a defined contribution pension scheme for staff with NEST. A number of employees are members of the Girlguiding defined contribution pension scheme with Scottish Widows. The pension charge represents the amounts payable to these schemes in respect of the year.

O) OPERATING LEASES

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

2. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds		Restricted	Endowment	2017 Total Funds
	General	Designated			
	£	£	£	£	£
Incoming and endowments from:					
Donations & legacies	16,286	17,845	33,484	-	67,615
Charitable Activities					
Subscriptions	624,884	-	-	-	624,884
Trading income	1,208,385	-	-	-	1,208,385
Events & trips income	339,266	16,400	-	-	355,666
Grants & other income	5,848	4,764	147,834	-	158,446
Investments	14,267	4,512	-	-	18,779
Total	2,208,936	43,521	181,318	-	2,433,775
Expenditure on:					
Raising funds	4,868	4,027	-	-	8,895
Charitable activities	2,209,536	106,604	176,491	-	2,492,631
Total	2,214,404	110,631	176,491	-	2,501,526
Net gains on investments	24,879	8,638	-	-	33,517
Net income(expenditure)	19,411	(58,472)	4,827	-	(34,234)
Transfers between funds	(12,500)	20,386	(7,886)	-	-
Net Movement in Funds	6,911	(38,086)	(3,059)	-	(34,234)
Total funds at start of year	713,424	1,511,315	58,605	126,970	2,410,314
Total funds at end of year	720,335	1,473,229	55,546	126,970	2,376,080

3. DONATIONS & LEGACIES

	Unrestricted Funds		Restricted	2018 TOTAL	2017 TOTAL
	General	Designated	£	£	£
Funds	£	£			
Donations	8,215	24,011	1,000	33,226	21,921
Legacies	189	-	50,000	50,189	6,132
Trust income	2,700	4,260	1,287	8,247	39,562
Total	11,104	28,271	52,287	91,662	67,615

Trust donations were gratefully received from the following organisations:

Miss A A Clutterbuck Trust, Pilkington Trust, Hugh & Mary Miller Trust, Friends of Girlguiding Scotland, and the Friends of Netherurd.

4. TRADING INCOME

	Unrestricted Funds			2018	2017
	General	Designated	Restricted	TOTAL	TOTAL
	£	£	£	£	£
Retail	1,006,382	-	-	1,006,382	798,658
Netherurd	371,274	-	-	371,274	409,727
	<u>1,377,656</u>	<u>-</u>	<u>-</u>	<u>1,377,656</u>	<u>1,208,385</u>

5. EVENTS INCOME

Tartan Gig	-	-	-	-	162,944
Other events	111,107	-	240	111,347	107,326
International trips	123,628	-	-	123,628	85,396
	<u>234,735</u>	<u>-</u>	<u>240</u>	<u>234,975</u>	<u>355,666</u>

6. GRANTS AND OTHER INCOME

Grants	8,000	-	184,914	192,914	153,559
Other income	552	5,631	-	6,183	4,887
	<u>8,552</u>	<u>5,631</u>	<u>184,914</u>	<u>199,097</u>	<u>158,446</u>

The executive committee acknowledge with thanks the support from the Scottish Government through the Children, Young People & Families Early Intervention Fund, the Cashback for Communities programme and the National Voluntary Youth Organisation Support Fund; and Girlguiding for safe space training and legal support.

7. INVESTMENTS

	Unrestricted Funds			2018	2017
	General	Designated	Restricted	TOTAL	TOTAL
	£	£	£	£	£
Bank interest	1,783	10	-	1,793	1,141
Dividends & interest	12,617	4,401	-	17,018	17,638
	<u>14,400</u>	<u>4,411</u>	<u>-</u>	<u>18,811</u>	<u>18,779</u>

8. RAISING FUNDS

Investment management	4,790	-	-	4,790	4,868
Direct costs	-	4,148	-	4,148	4,027
	<u>4,790</u>	<u>4,148</u>	<u>-</u>	<u>8,938</u>	<u>8,895</u>

9. CHARITABLE EXPENDITURE

	Unrestricted			2018	2017
	General	Designated	Restricted	TOTAL	TOTAL
	£	£	£	£	£
Direct costs:					
Delivery Being our Best	418,248	31,787	116,230	566,265	680,689
Retail	687,110	-	-	687,110	518,778
Netherurd	60,501	-	-	60,501	65,771
	<u>1,165,859</u>	<u>31,787</u>	<u>116,230</u>	<u>1,313,876</u>	<u>1,265,238</u>

Delivery Being our Best includes zero expenditure on the Tartan Gig in 2018 (£242,435 in 2017).

Support costs:					
Staff costs (note 11)	833,748	-	23,342	857,090	807,779
Headquarters overheads	89,260	-	1,019	90,279	94,475
CYPFEIF core contribution	(60,000)	-	60,000	-	-
Cashback/Gannochy cont'n	(17,010)	-	17,010	-	-
Retail overheads	68,075	-	-	68,075	55,646
Netherurd overheads	129,065	8,935	1,053	139,053	143,199
Professional fees	4,679	990	-	5,669	9,827
Governance (note 10)	18,422	-	-	18,422	14,094
Committees/working groups	13,272	775	1,220	15,267	7,200
Depreciation	3,078	64,834	-	67,912	66,291
Irrecoverable VAT	33,527	-	-	33,527	28,882
	<u>1,116,116</u>	<u>75,534</u>	<u>103,644</u>	<u>1,295,294</u>	<u>1,227,393</u>
	<u>2,281,975</u>	<u>107,321</u>	<u>219,874</u>	<u>2,609,170</u>	<u>2,492,631</u>

10. GOVERNANCE

	2018			2017
	£			£
Audit fee	6,610	-	-	7,400
Trustee meetings	11,812	-	-	6,694
	<u>18,422</u>	<u>-</u>	<u>-</u>	<u>14,094</u>

11. ANALYSIS OF STAFF COSTS, TRUSTEE EXPENSES AND COST OF KEY MANAGEMENT

	Unrestricted Funds			2018	2017
	General	Designated	Restricted	TOTAL	TOTAL
	£	£	£	£	£
Salaries and wages	741,152	-	20,252	761,404	701,238
Social security costs	52,402	-	1,655	54,057	54,420
Pension costs	38,127	-	1,435	39,562	32,913
Other employee benefits	2,067	-	-	2,067	2,413
Termination/redundancy	-	-	-	-	16,795
	<u>833,748</u>	<u>-</u>	<u>23,342</u>	<u>857,090</u>	<u>807,779</u>

The average number of staff employed during the year was:

	2018	2017
	number	Number
Full time	24	23
Part time	11	11
Total Staff	<u>35</u>	<u>34</u>

11. ANALYSIS OF STAFF COSTS, TRUSTEE EXPENSES AND COST OF KEY MANAGEMENT

The highest paid employee was the chief executive, whose emoluments were a salary of £58,506 and pension contributions of £5,851 (2017: £56,663 salary; £5,667 pension). Emoluments for the other key management personnel (as shown on page 1) totalled £211,043 (2017: £202,291), which included pension contributions of £15,122 (2017: £11,904).

Representatives of the Scottish executive committee and other sub-committees comprise, for the most part, volunteers who are not remunerated for their services. The remunerated members of these committees are full time staff whose costs are reflected in the figures noted above. No executive committee member received remuneration of any kind throughout the current and prior years.

Payments are made to volunteers to reimburse them for travel and certain other related expenses necessarily incurred by them in fulfilling their duties as committee members, advisers and essential volunteer training which amounted to £114,920 (2017: £103,649) of which £12,200 was paid to 18 executive committee members (2017: £10,445 to 19 members).

12. TANGIBLE FIXED ASSETS

	Heritable Property £	Furniture & Fittings £	IT Equipment £	Motor Vehicles £	TOTAL £
Cost					
At 1 January 2018	1,587,494	62,016	80,541	16,698	1,746,749
Additions	-	359	-	-	359
At 31 December 2018	1,587,494	62,375	80,541	16,698	1,747,108
Depreciation					
At 1 January 2018	408,027	16,907	42,461	16,698	484,093
Charge for the year	41,614	10,191	16,107	-	67,912
At 31 December 2018	449,641	27,098	58,568	16,698	552,005
Net Book Value					
At 31 December 2018	1,137,853	35,277	21,973	-	1,195,103
At 31 December 2017	1,179,467	45,109	38,080	-	1,262,656

All assets are used for direct charitable purposes. The executive committee members are aware that there is a material difference between the disclosed value of the land & buildings in these accounts and the market value, but do not believe that there is value, commensurate with the associated cost, in ascertaining the market value at this time.

13. INVESTMENTS

	Unrestricted General £	Webster Endow/Income £	2018 £	2017 £
Market value at 1 January 2018	454,346	157,751	612,097	579,429
Acquisitions	76,684	-	76,684	23,908
Disposals	(83,177)	-	(83,177)	(24,326)
Net (loss)/gain on revaluation	(34,750)	(11,997)	(46,747)	33,086
Market value at 31 December 2018	413,103	145,754	558,857	612,097
Historical cost at 31 December 2018	367,769	126,970	494,739	492,661

Most of the investments of the Association are held in pooled managed funds.

14. STOCKS

	2018 £	2017 £
Shop goods for resale	<u>108,735</u>	<u>95,921</u>

15. DEBTORS

	2018 £	2017 £
Trade debtors	24,807	10,851
Other debtors	72,800	65,845
Prepayments	273	1,096
Tartan Gig	237,475	-
	<u>335,355</u>	<u>77,792</u>

16. CASH AT BANK AND IN HAND

	2018 £	2017 £
Cash in hand	1,930	1,233
Cash held by investment manager	3,522	1,502
Cash at bank	<u>461,034</u>	<u>475,513</u>
	<u>466,486</u>	<u>478,248</u>

17. CREDITORS: Amounts Falling Due Within One Year

	2018 £	2017 £
Trade creditors	39,472	21,834
Deferred income (note 18)	246,266	60,393
Accruals	28,024	43,393
Taxation & social security	51,152	6,468
Other creditors	3,845	18,546
	<u>368,759</u>	<u>150,634</u>

18. DEFERRED INCOME

	2018 £	2017 £
At 1 st January 2018	60,393	87,373
Amounts released from previous years	(60,393)	(87,373)
Incoming resources deferred in the current year	246,266	60,393
At 31 st December 2018	<u>246,266</u>	<u>60,393</u>

Where the charity has a contract in place to provide services, but entitlement to the income has not been earned as the work was not carried out in the reporting period, the appropriate proportion of the income is deferred.

19. FINANCIAL ASSETS AND LIABILITIES

	2018 £	2017 £
Financial assets at amortised cost	<u>564,093</u>	<u>554,944</u>
Financial liabilities at amortised cost	<u>(71,341)</u>	<u>(83,773)</u>

Financial assets comprise trade debtors, other debtors, and cash at bank and in hand.
Financial liabilities comprise trade creditors, accruals and other creditors.

20. GENERAL FUNDS

	Balance at 1 Jan 2018 £	Income £	Expenditure £	Transfers £	Gains and Losses £	Balance at 31 Dec 2018 £
General Fund	720,335	2,307,395	(2,286,765)	(12,500)	(33,709)	694,756
Net (decrease) in general funds						(25,579)

2017 MOVEMENT	Balance at 1 Jan 2017					Balance at 31 Dec 2017
General Fund	713,424	2,208,936	(2,214,404)	(12,500)	24,879	720,335
Net increase in general funds						6,911

21. PROJECT FUNDING HELD AS UNRESTRICTED AND RESTRICTED FUNDS

Funds are raised to finance specific projects and these are held in both unrestricted and restricted funds.

UNRESTRICTED FUNDS	Balance at 1 Jan 2018 £	Income £	Expenditure £	Transfers £	Gains and Losses £	Balance at 31 Dec 2018 £
Designated Funds						
Asset Investment	1,327,334	-	(72,714)	-	-	1,254,620
Delivery Being our Best	122,396	19,282	(22,010)	12,500	(11,635)	120,533
Friends	23,499	19,031	(16,745)	-	-	25,785
	1,473,229	38,313	(111,469)	12,500	(11,635)	1,400,938

Net (decrease) in designated funds	(72,291)
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2017 MOVEMENT	1 Jan 2017					31 Dec 2017
Asset Investment	1,390,506	-	(63,172)	-	-	1,327,334
Delivery Being our Best	100,278	28,696	(35,602)	20,386	8,638	122,396
Friends	20,531	14,825	(11,857)	-	-	23,499
	1,511,315	43,521	(110,631)	20,386	8,638	1,473,229

Net (decrease) in designated funds	(38,086)
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Designated funds are expendable at the discretion of the Scottish executive committee in accordance with the pre-determined guidelines set by that committee. Transfers to and from designated funds represent transfers to and from general reserves, approved by the Scottish executive committee. Funds are designated for particular projects as follows:

ASSET INVESTMENT FUNDS:

CAPITAL DEVELOPMENT FUND - To support the construction of the Garden House at Netherurd. Charged with depreciation over 50 years.

PROPERTY DEVELOPMENT FUND - Charged with depreciation on the development programme at Netherurd and the Edinburgh shop refit both completed in 2016/17. To support major property repairs at all Girlguiding Scotland properties.

IT & COMMUNICATIONS FUND - To implement ongoing investment in IT and communication platforms. Charged with depreciation costs over the life of the assets purchased.

DELIVERY BEING OUR BEST FUNDS:

SPECIAL NEEDS FUND

To be used for extending Guiding opportunities to girls and young women with disabilities.

INTERNATIONAL FUND

To support international activities, both in Scotland and elsewhere for members of the Guide Association Scotland. This will include support for attendance at WAGGGS (World Association of Girl Guides and Girl Scouts) World Centres and Girlguiding GOLD (Girlguiding Overseas Linked with Development) projects. This fund includes annual income from the Chief's Memorial fund administered by the Guide Association, the residual balance of the Ghana fund to support Ghanaians attending WAGGGS training events and support for the Lesotho partnership.

TRAVEL FUND

To subsidise the cost of travel to Girlguiding events at Netherurd and Girlguiding Scotland promoted events and trainings elsewhere in Scotland.

WEBSTER INCOME FUND

Flexible income fund established from the legacy of Miss Elizabeth Webster. The income is to be used in the best interests of Scottish Guiding. Income is generated from the invested Webster Legacy.

GENERAL COUNTIES FUND

To assist with Guiding at a local and county level.

QUALIFICATIONS FUND

To subsidise the cost of obtaining external qualifications to support programme delivery.

TARTAN GIG 2019

To support the delivery of the 2019 event.

FRIENDS FUNDS:

FRIENDS OF GIRL GUIDING SCOTLAND

To support Girlguiding Scotland at the discretion of the Scottish executive committee.

FRIENDS OF NETHERURD

To support the development of Netherurd to bring fun and adventure to members.

RESTRICTED FUNDS

	Balance at 1 Jan 2018	Income	Expenditure	Transfers	Balance at 31 Dec 2018
	£	£	£	£	£
Chief Commissioner's	3,205	1,287	(1,858)	-	2,634
Netherurd Fund	2,324	51,000	(1,054)	-	52,270
Special Events Fund	22,420	26,389	(38,539)	-	10,270
Generation Cashback	3,887	98,765	(95,647)	-	7,005
Scottish Gov't CYPFEIF	-	60,000	(60,000)	-	-
Developing Guiding	23,710	-	(22,776)	-	934
	55,546	237,441	(219,874)	-	73,113

Net increase in restricted funds

17,567

21. PROJECT FUNDING HELD AS UNRESTRICTED AND RESTRICTED FUNDS (CONTINUED)

RESTRICTED FUNDS 2017 MOVEMENT	Balance at 1 Jan 2017 £	Income £	Expenditure £	Transfers £	Balance at 31 Dec 2017 £
Chief Commissioner's	6,540	1,186	(4,521)	-	3,205
Netherurd Fund	10,732	510	(8,918)	-	2,324
Ghana Project	7,886	-	-	(7,886)	-
Special Events Fund	10,541	40,630	(28,751)	-	22,420
Generation Cashback	(227)	47,204	(43,090)	-	3,887
Scottish Gov't CYPFEIF	-	60,000	(60,000)	-	-
Developing Guiding	23,133	31,788	(31,211)	-	23,710
	58,605	181,318	(176,491)	(7,886)	55,546

Net (decrease) in restricted funds (3,059)

Restricted Funds are expendable in accordance with each donor's specifications. The purposes of the individual funds are as follows:

CHIEF COMMISSIONER'S FUND

To be used by the Chief Commissioner at her discretion. Income, generated from the Buchanan legacy held by The Guide Association, is received annually.

NETHERURD FUND

Specific donations, legacies and trust funding are received to assist with the development of facilities and equipment at Netherurd.

SPECIAL EVENTS FUND

To record external funding for specific Guiding events taking place beyond the accounting year in which the funds are received from Girlguiding and the National Voluntary Youth Support Fund.

GENERATION CASHBACK

To provide proactive support to disadvantaged young people between 10 and 24 years via a local development worker. The aims are to build confidence, develop physical and personal skills, effect positive change in behaviours and aspirations and improve the wellbeing. Grants are available to new and existing groups.

SCOTTISH GOVERNMENT CHILDREN, YOUNG PEOPLE & FAMILIES EARLY INTERVENTION FUND (CYPFEIF)

Infrastructure funding to improve and widen girls' life skills through a varied and challenging programme; improve youth member leadership and decision making skills and equip leaders to support increased numbers of members achieve better outcomes.

DEVELOPING GUIDING (GANNIOCHY TRUST)

To support local initiatives to increase guiding provision, effective regional collaboration on projects that have positive outcomes for girls, development of flexible guiding models and training provision to support growth.

ENDOWMENT FUND	Balance at 1 Jan 2018 £	Income £	Expenditure £	Gains and Losses £	Balance at 31 Dec 2018 £
Webster Legacy	126,970	-	-	-	126,970

The Webster Legacy Endowment Fund represents a legacy that must remain intact. Investment income earned on the legacy investment is credited to the Webster Income Fund.

22. FUNDS

Fund balances at 31st December 2018 are represented by:

	Unrestricted Funds		Restricted	Endowment	Total
	General	Designated			
	£	£	£	£	£
Tangible Fixed Assets	44,409	1,150,694	-	-	1,195,103
Investments	413,103	18,784	-	126,970	558,857
Current Assets	606,003	231,460	73,113	-	910,576
Creditors falling due within one year	(368,759)	-	-	-	(368,759)
	694,756	1,400,938	73,113	126,970	2,295,777
2017 COMPARATIVE					
Tangible Fixed Assets	44,874	1,217,782	-	-	1,262,656
Investments	454,346	30,781	-	126,970	612,097
Current Assets	371,749	224,666	55,546	-	651,961
Creditors falling due within one year	(150,634)	-	-	-	(150,634)
	720,335	1,473,229	55,546	126,970	2,376,080

23. RELATED PARTY TRANSACTIONS

The Guide Association is an umbrella organisation. Girlguiding Scotland is one of nine separately constituted Country/Region Associations established under the powers of the Royal Charter to administer guiding in each area.

During the year, purchases of £619,342 (excluding VAT) were made from the Guide Association Trading Service (2017 £408,665). These purchases were made at arm's length. £24,347 was included in trade creditors at the year-end (2017: £8,396). The Guide Association Trading Service is a wholly owned subsidiary of the Guide Association.

24. OPERATING LEASES

The Guide Association Scotland is committed to make the following payments under non-cancellable operating leases over the lease term, due:

	2018	2017
	£	£
Land & Buildings		
Within one year	3,800	950

25. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018	2017
	£	£
Net income for the reporting period:	(80,303)	(34,234)
Adjustments for:		
Depreciation charges	67,912	66,291
Unrealised loss/(gain) on investments	46,747	(33,086)
Dividends and interest	(18,811)	(18,779)
(Increase)/decrease in stock	(12,814)	10,253
(Increase)/decrease in debtors	(257,563)	50,019
Increase/(decrease) in creditors	218,125	(31,864)
Net cash (used in)/provided by operating activities	(36,707)	8,600

26. ANALYSIS OF NET DEBT

The charity has no indebtedness under any term debt facility (2017: Nil).

