



# THE GUIDE ASSOCIATION SCOTLAND

Executive Report and Financial Statements  
for the year ended 31 December 2017

## SCOTTISH PRESIDENT

Mrs Linda Urquhart (appointed 01.04.17)

## SCOTTISH EXECUTIVE COMMITTEE

Scottish Chief Commissioner

Mrs S Walker (retired 31.08.17)  
Dr. M McKenna (appointed 01.09.17)

Deputy Scottish Chief Commissioners

Mrs E Martin (retired 31.08.17)  
Mrs E Kelly (retired 31.08.17)  
Mrs C Edwards (retired 31.08.17)  
Mrs G Fox (appointed 01.09.17)  
Mrs C Morwood (appointed 01.09.17)

Honorary Treasurer

Mr B Lawrie

Members

Miss L Millar  
Mrs J White  
Mrs C Gray (retired 17.03.18)  
Mrs K Harrison (retired 17.03.18)  
Mrs W Hutchison (retired 15.08.17)  
Mrs J Coates (appointed 16.08.17)  
Mrs C Linklater  
Mrs G Fox (retired 24.11.17)  
Mrs G Amos (appointed 25.11.17)  
Ms C Dempster (retired 25.11.17)  
Ms E Guthrie (retired 25.11.17)  
Mrs B Murray  
Mrs A Mack  
Mrs S MacNeil  
Mrs T Alexander  
Miss H Brutin (retired 25.11.17)  
Ms J Elborn (appointed 18.03.18)  
Mrs J Petrie (appointed 18.03.18)  
Mrs H Welsh (appointed 02.06.18)  
Mrs A Coyle (appointed 02.06.18)

Mrs D Spence

(staff - nonvoting)

## 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

Banker

Solicitor

Investment Manager

Saffery Champness LLP

The Royal Bank of Scotland

Lindsays WS

Brewin Dolphin

Edinburgh Quay

142-144 Princes Street

Caledonian Exchange

6<sup>th</sup> Floor, Atria One

133 Fountainbridge

Edinburgh

19a Canning Street

144 Morrison Street

Edinburgh

EH2 4EQ

Edinburgh

Edinburgh

EH3 9BA

EH3 8HE

EH3 8EX



The members of the executive committee of the Guide Association Scotland (Scottish executive committee) are pleased to present their report and the financial statements for the year ended 31 December 2017. The contents of this financial report should be read in conjunction with the Annual Review for 2017, which provides more illustration of the extent of the association's activities in Scotland for the year.

The financial statements comply with the Charities & Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, the constitution, and Accounting and Reporting: the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102).

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.

### OBJECTIVES, ACHIEVEMENTS AND PERFORMANCE

The aim of the Guide Association Scotland is to empower girls and young women reach their potential, becoming active citizens who make a positive difference to their community and the world. The successful delivery of the organisation's 2014 to 2018 strategic plan will advance the constitutional purpose through the provision of training for volunteers, fun and adventurous events for girls and young women, opportunities for girls and young women to speak out, support with systems and processes, financial support and advice, and help with recruiting and retaining girls and volunteers.

In Scotland a small team of staff and senior volunteers support around 11,500 volunteer adults to deliver a weekly programme of non formal education to approximately 50,000 girls and young women aged 5 to 25. Throughout 2017 more than 5000 girls of eligible age were on waiting lists for local units, underlining the continued popularity of the opportunities provided by the organisation and the ongoing challenge we face in building capacity to meet this demand.

### OVERALL SUMMARY

Girlguiding Scotland was delighted that Linda Urquhart accepted an invitation to become our new president and she was welcomed at a summer reception given by Lady Rosebery at Dalmeny House. In September we also welcomed Dr Moira McKenna as the new Scottish chief commissioner; she was joined by two new deputies. We said thank you and farewell to the outgoing team and were pleased that their contribution over the past five years was recognised by Girlguiding with the presentation of individual awards for outstanding service.

In 2017 Girlguiding Scotland's Rise to the Challenge programme was offered to all sections and to the Trefoil Guild (a separate charity offering fun and adventure to those above 18). It was very popular with more than 23,000 badges sold and more than 2,500 members, of all ages, celebrating at Glamis Castle in August where a day of adventure and new challenges was held. We held the biggest ever Tartan Gig, a pop concert for girls and young women, at the SSE Hydro in Glasgow. This attracted nearly 8,000 girls and leaders from as far afield as Orkney and Liverpool who came to hear chart topping names at the members-only concert.

Rainbows began in 1987 and in 2017 many units joined in with the Mermaid Mayhem resource which aimed to challenge girls to take part in sleepovers to celebrate their 'pearl' (30<sup>th</sup>) anniversary.

The new chief commissioner and her team recognise that growing guiding remains the top priority for Girlguiding Scotland. In 2017 more than 10,000 girls and 800 adults joined Girlguiding Scotland for the first time, however, we are not yet experiencing net growth overall. In September 2017,



the executive determined that improving the recruitment and welcome of new volunteers together with keeping girls in Girlguiding Scotland for longer should be a clear focus for the year ahead.

The work of the governance review group continued with research undertaken into the views of members, both in general and of those involved in volunteer management positions. The group identified that more work needed to be done to define the exact issues to be addressed before structural solutions could be proposed.

Girlguiding Scotland was pleased to receive a contribution to its core work through the Children, Families and Young People Early Intervention Fund (CYPFEIF) and reported in detail on the funds used. Similarly the Gannochy Trust was satisfied with the report provided detailing use of their funding for developing guiding and a second year allocation of £31,788 was received in October. Additional grants were received from Girlguiding and from the National Voluntary Youth Organisation Support Fund (NVYOSF) for specific projects. We are also part of a youth organisation consortium in receipt of a new three year programme of funding from the Scottish Government's Cashback for Communities scheme which started in April 2017.

In 2016 the executive committee reviewed the progress of the 2014 to 2018 strategic plan and decided to update and align it with the themes of the Girlguiding plan 2015 to 2020, Being Our Best. The themes are: excellence, access, voice and capacity. This report reflects the updated set of strategic objectives and a summary of the work achieved is set out below.

## STRATEGIC PLAN 2016 TO 2018

### ACCESS

#### **WE WILL GROW GUIDING IN SCOTLAND TO REACH MORE GIRLS**

The trustees debated the challenges around growing guiding at each meeting and had an in-depth debate in early autumn resulting in the agreement to make growing guiding the overarching priority for the organisation.

At both spring and autumn events for county commissioners they received detailed updates on membership trends and the growth challenges facing Girlguiding in Scotland. They were briefed on resources and funding available to support local growth projects. In October 2017, the new chief commissioner challenged county commissioners to commit to a growth pledge and to ensure that a local development plan was in place by March 2018.

Over the course of 2017, we opened 32 units across Scotland. A total of £8,814 from Girlguiding's starting a new unit grant scheme was administered, helping with start-up costs.

In 2017 with the new round of Cashback for Communities funding we began targeted work which aimed to strengthen existing Girlguiding presence and start new units for girls aged 10 plus living in socio economically deprived neighbourhoods in Glasgow. Girlguiding Glasgow also piloted a new model of welcoming adult volunteers in 2017 as part of Girlguiding's Improving Access to Guiding project. Resources related to this project were shared more widely across Scotland in the autumn. These included: welcome and induction videos, a localised welcome booklet for new volunteers and a recruitment checklist. They were well received and are gradually being adopted across the country.

Local recruitment activity was also supported by Girlguiding Scotland's recruitment resources lending service. Members took part in a range of community engagement activities (from gala days and festivals to careers fairs and student volunteering events) as well as larger scale events such as the Scottish Air Show. Girlguiding Scotland also took part in the Glasgow Pride event again which was very well received and highlights the organisations commitment to inclusion.



Girlguiding's recruitment bootcamp and subsequent campaign, Know Your Place, aimed at non-member women age 24-35 also helped to inspire members to raise awareness of guiding in their local area.

In 2017 we continued to support counties, advisers and trainers to access local membership data. We provided infographics to encourage volunteers to engage in conversations about growth and retention and provided data to aid local planning sessions. We saw an encouraging increase in requests for data support suggesting that county commissioners and trainers in particular are now more active in understanding and acting on tailored membership data reports.

With support from The Gannochy Trust, we trialled different models of holiday guiding in Ross-shire, Midlothian and Orkney. The latter two projects were aimed at giving girls aged 5-7 their first experience of Girlguiding and both resulted in new Rainbow units which are now meeting regularly. Following research undertaken into the flexible guiding model offered through Lone Guiding a new promotional video was commissioned, also supported by funding from The Gannochy Trust.

The Developing Guiding Fund funded by The Gannochy Trust, supported districts, divisions and counties in their efforts to expand local opportunities. Projects funded during 2017 included a number of transition-themed camps for older Brownies and Guides (e.g. in Caithness county, New Leith division and Renfrew division) and upskilling and confidence building training sessions for volunteers, often with a specific focus on providing adventurous experiences for girls (e.g. in Banff & Buchan county) and growing guiding to reach more girls (e.g. in Angus county).

The Developing Guiding Fund also provided funding for regions to pilot cross-county working. In 2017, Highlands and Islands region delivered the Highland Fling camp on the Black Isle for more than 200 girls. Counties from Strathclyde region worked together to hold a regional training event for new volunteers. South West region came together to attend the Scottish Airshow and promote Girlguiding to prospective volunteers from across the region (and beyond).

In 2017, we responded to the need to encourage local levels to think more about retaining young members with a 'Stepping Up' workshop in Inverness. The workshop brought together volunteers with interest and experience in supporting girls to transition through our sections. A pilot resource was introduced at the workshop and participants responded with enthusiasm, agreeing to trial activities locally in autumn 2017.

Following the success of the initial Gateway to Guides transition event several areas including counties in Strathclyde, and Lothian and Borders used this template in 2017 to help prepare girls for the transition from Brownies to Guides.

#### WE WILL GROW GUIDING TO REACH MORE GIRLS DURING 2018 BY:

- ESTABLISHING A GROWTH & RETENTION WORKING GROUP TO PROVIDE TARGETED, EVIDENCE-BASED SUPPORT TO COUNTIES TO HELP THEM OVERCOME LOCAL BARRIERS TO GROWTH
- PROMOTING AND SUPPORTING TRANSITION BY PUBLISHING THE 'STEPPING UP' RESOURCE
- MOTIVATING LOCAL AREAS TO USE 'OUR PLAN' FOR MEMBERSHIP GROWTH & RETENTION TO RESEARCH THEIR LOCAL NEEDS AND DEVELOP TAILORED GROWTH ACTION PLANS
- DISTRIBUTING GANNOCHY TRUST GRANTS FOR ACTIVITIES WHICH WILL STRENGTHEN LOCAL GUIDING AT DISTRICT, DIVISION, COUNTY AND REGION-LEVEL
- PROVIDING ONGOING SUPPORT FOR RECRUITMENT OF GIRLS AND ADULTS (THROUGH THE DISTRIBUTION OF RECRUITMENT RESOURCES AND SUPPORT FOR MEMBERSHIP ENQUIRIES)



- MAKING GROWTH & RETENTION A PRIORITY FOR ALL GIRLGUIDING SCOTLAND STAFF AND VOLUNTEER TEAMS

## EXCELLENCE

### **WE WILL OFFER EXCITING OPPORTUNITIES FOR GIRLS AND YOUNG WOMEN**

In 2017 more than 20,000 members took part in Rise to the Challenge, completing tasks and activities in each of the five sections: nature, creativity, survival skills, baking, and construction and engineering. A celebration day was held at Glamis Castle in August and more than 2,500 members came from all over Scotland. Participant evaluation of the day included feedback such as: "girls were delighted with the selection of activities and the fact that they could explore the site themselves" and "it was great to have the event at Glamis; as an Aberdeen unit frequently seeing events in the central belt, anything that cuts our travel time is hugely appreciated".

At the start of the year, 800 girls attended the second Space is the Place Glasgow Science Centre Sleepover. The success of these events can be seen by the way they have been replicated with several counties/areas organising supplementary events.

Tartan Gig 2017, saw around 8,000 girls and young women enjoy a lifetime memory making experience at The SSE Hydro in Glasgow where they saw a line up of the latest music stars including Jess Glynne and Pixie Lott amongst others. The scale of the concert was dramatically increased with the use of an arena venue which required significant investment in production including staging, sound and lighting. Although ticket income fell short of the target the trustees were confident in their decision to subsidise this event as they recognise the unique experience it offers as an exclusive membership event. Following the evaluation of the event, and after discussion of a feasibility report into the future direction, the trustees have confirmed that there will be another Tartan Gig in 2019.

Over the summer around 100 girls represented Girlguiding Scotland at events abroad in Mexico, Cambodia, the Netherlands, Lesotho, Ireland and Denmark. The impact these experiences make on the lives of the young women who attend is remarkable with girls expressing an increase in confidence, self esteem and a desire to travel more and work on service projects helping vulnerable groups across the world.

Around 45 girls aged 11 to 14 took part in the International Community Experience three stage programme combining social action with international travel. In 2017 the destination was Norway.

In 2017 Girlguiding Scotland started a new five year partnership with Girl Guides Association of Lesotho. A team of nine young women travelled to Africa and delivered a patrol leader training pack and familiarised members with the Free Being Me, Girlguiding's body confidence peer-education resource. The leader of this event was nominated in 2018's National Youth Work Awards in the category of Community Based Youthwork. She went on to win this category and was voted Youth Worker of the Year at the same awards.

At the end of August 100 girls aged 14 to 18 participated at the international opportunities weekend held at Netherurd, funded by Cashback for Communities, exploring their interest to travel abroad with Girlguiding Scotland in 2018.

Mermaid Mayhem, a programme resource produced to help units celebrate 30 years since the start of the Rainbow section challenged girls to take on new adventures. From the number of badges sold it is estimated that 16,000 girls have completed this activity pack with a further 4,000 completing the supplementary sleepover element.

In August an event was held for members of the Senior Section aged 14 to 25 at Auchengillan. 50 members gathered from all over Scotland to take part in a programme of adventurous and skill-



building activities. Additionally, 31 young members took part in Peer Education training, which will allow them to train their peers on Think Resilient - Girlguiding's mental wellbeing peer-education resource.

The new one day activity events held at Netherurd, Girlguiding Scotland's outdoor adventure centre, were very popular with 800 girls taking part, 600 over five days at Fun and Feathers (an event where girls can experience birds of prey) and 200 across two Magic in the Woodland (an event shaped by RSPB where girls can explore the surrounding wildlife). Netherurd is also a popular destination for residential adventures including the Holiday in the House programme which attracted almost 300 girls in 2017.

A partnership with the Forestry Commission saw the launch of an all section challenge badge in September 2017. The Forest Challenge celebrates the importance of trees and forests and encourages girls to find out more about how to protect them.

#### WE WILL OFFER EXCITING OPPORTUNITIES FOR GIRLS AND YOUNG WOMEN IN 2018 BY:

- CREATING A SUITE OF EVENTS USING THE THEME, CHALLENGE YOURSELF INCLUDING:
  - A CAMP FOR GUIDES STRETCHING THEIR SENSE OF RISK /ADVENTURE
  - GLAMPING IN WIGWAMS FOR BROWNIES
  - EVENTS BEING HELD AT BLACKPOOL BALLROOM FOR BROWNIES AND GUIDES
  - SLEEPOVER TEMPLATE RESOURCE FOR RAINBOWS
- LAUNCH OF NEW PARTNERSHIPS TO EXTEND THE PROGRAMME OFFER FOR GIRLS IN VARIOUS WAYS FROM SCOTDEC'S UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS TO SCOTTISH RUGBY UNION
- ENSURING EFFECTIVE PROMOTION OF FUNDS AVAILABLE TO SUPPORT UNITS IN TARGETED AREAS OF SCOTLAND TO ACCESS ADVENTURE

#### WE WILL INSPIRE OUR VOLUNTEERS TO GET BETTER AND BETTER AT WHAT WE DO FOR GIRLS

Building on the need to inspire more people to take girls away on residential events, we piloted a new model to encourage leaders to start working towards the necessary qualifications for this. Gateway to Adventure was funded by Girlguiding and 25 leaders attended. Feedback was extremely positive, prior to the event less than half of attendees had considered completing the Going Away With scheme and post event 80% said they intended to pursue a qualification. Their progress will be tracked and the model written up as a template for other areas to use in 2018.

In 2017 more than 100 local area commissioners from counties in Strathclyde and, Lothian and Borders received management skills training designed to motivate them to make plans for growing guiding and to have confidence in leading local teams of adult volunteers. It is hoped to reach commissioners in other areas in 2018.

The 38 county commissioners in Scotland met twice in 2017 and the autumn weekend was funded by NYYOSF. This again was focussed on sharing ideas and strategies for growth alongside sharing best practice on a number of other topics from thanks and recognition to fundraising. To further assist county commissioners the process for their appointment and induction was reviewed and updated. The executive committee set up a working group to co-ordinate concerns raised internally or externally about girlguiding in Scotland and this has provided a good support to counties to aid them to resolve issues locally.

70 adults from across Scotland met at the section adviser/additional needs adviser days where they shared experience and best practice. Almost 50 leaders attended a day for those interested in supporting the Duke of Edinburgh Award scheme through Girlguiding. In addition to those already working on the scheme, a further 110 young members registered for D of E in 2017.



An additional opportunity for leaders was provided through Summer Saturday's training days which were held in Aberdeen, Glasgow and Edinburgh. 68 people attended one of these sessions covering A Safe Space, the national mandatory safeguarding training.

For adults interested in walking there was a self funded walking holiday to Knoydart in the summer. This is the third such holiday and it has proved very useful for developing the network of walking advocates to encourage volunteers to take girls out locally. In 2017 applications were granted from the qualification fund supporting three leaders to access: mountain leader, level 3 walking and outdoor emergency first aid courses.

We have also invested in growing our pool of volunteer trainers and 12 more completed their training qualification in 2017.

**WE WILL INSPIRE OUR VOLUNTEERS TO GET BETTER AND BETTER AT WHAT WE DO FOR GIRLS IN 2018 BY:**

- PREPARING TRAINERS TO SUPPORT LEADERS WITH INTRODUCTION OF NEW PROGRAMME FOR GIRLS DUE SUMMER 2018
- PROVIDING TRAINING FOR COMMISSIONERS IN GROWING GUIDING AND MANAGING CHANGE
- CONTINUING THE EFFECTIVE ROLL OUT OF THE MANDATORY A SAFE SPACE TRAINING
- PLANNING A ROADSHOW FOR 2019 TO PROVIDE HELP WITH ENSURING EFFECTIVE TAKE UP OF THE NEW PROGRAMME DUE TO BE INTRODUCED SUMMER 2018.
- COMPLETE MAPPING EXERCISE TO CONNECT THE SCOTTISH NATIONAL YOUTH WORK STRATEGY TO THE NEW GIRLGUIDING PROGRAMME

## **VOICE**

**WE WILL PROMOTE THE VOICE OF GIRLS AND RAISE THE PROFILE OF GIRLGUIDING SCOTLAND**

We started to implement the recommendations from the 2016 review of the formal youth forum for girls aged 14 to 25 for Girlguiding Scotland by consulting members on their preference for a new name and focus for the forum. Two consultation events were held along with an online survey providing insight to shape the future of the forum. The new forum Speak Out was launched in January 2018.

We successfully increased the amount of girls voices heard both in the national and local press (with 183 pieces in national print, 35 in broadcast and 1,042 others).

In line with our new advocacy strategy we aimed to amplify the voices of girls and young women in the Scottish Parliament. Girls and young women spoke up on a range of issues including the ongoing reality of sexual harassment at school, period poverty and sex education. Young women attended numerous parliamentary and external discussions on the ongoing issue of sexual harassment in schools. This resulted in proactive contact from journalists and politicians to request expert evidence from the organisation. We also campaigned to raise awareness of period poverty; engaging the membership in a consultation response, asking volunteers to provide free sanitary products within their meeting place and encouraging collections of sanitary products for the Trussel Trust.

In November 2016 we offered, Action for Change, a project, funded by Girlguiding through a grant from the Esmée Fairburn Foundation. The project aimed to empower girls to make change on issues that they were passionate about. 40 young women from Orkney to Dumfries, took part in this weekend event supported by a team of four volunteer coordinators throughout 2017. The project then continued through online support until November 2017. Participants started projects on issues including; increasing the number of girls going into engineering; increasing female participation in sport; reducing rural transport costs; and championing equity in education.



One of our young members was invited to join the First Minister's newly formed Advisory Council on Women and Girls, one of only two council members under 20. Another leader under 30 was part of the World Association of Girl Guides and Girl Scouts' delegation to the UN Convention on the Status of Women held in New York in February 2018.

We nurtured external contacts through a second successful critical friends dinner, hosted by our external trustee. The aim of these events is to introduce senior women in Scotland who can share their views and offer advice to Girlguiding Scotland on how we can achieve greater recognition within civic society as well as raising the profile of the organisation within business.

An audit of local volunteers involved in all aspects of marketing and communications was commissioned by the renewed Marketing and Communications sub committee which began its work in spring 2017. This revealed wide variation in capacity and approach and is an area for improvement.

#### WE WILL PROMOTE THE VOICE OF GIRLS AND RAISE THE PROFILE OF GUIDING IN SCOTLAND IN 2018 BY:

- PROACTIVELY AND REACTIVELY ENGAGING WITH OPPORTUNITIES TO ENGAGE WITH EXTERNAL DEBATES ON ISSUES AFFECTING GIRLS AND YOUNG WOMEN
- ACTIVELY PARTICIPATE IN SCOTTISH GOVERNMENT'S YEAR OF YOUNG PEOPLE
- DELIVERING A PROFILE RAISING CAMPAIGN TO PROMOTE DEMOCRATIC AWARENESS
- COMMISSION RESEARCH INTO THE LIVES' OF GIRLS (7-21) IN SCOTLAND TODAY
- DELIVERING CAMP CEO, A WEEKEND EVENT FOR MEMBERS (14-18) TO GIVE THE SKILLS FOR FUTURE CAREERS AND MENTORSHIP BY FEMALE LEADERS
- PROVIDING COUNTY PR ADVISER TRAINING AND WEBINARS TO INCREASE THE KNOWLEDGE AND CONFIDENCE OF LOCAL PR VOLUNTEERS

### CAPACITY

#### WE WILL WORK TOGETHER TO IMPROVE OUR GOVERNANCE

The governance group met a number of times and explored various structural propositions for change as well as undertaking research with members and other organisations that faced similar challenges. The group resolved that more research was needed to establish the requirements for support and to better understand the case for structural change.

A seminar for volunteers who manage local guide halls was held in Dundee in May 2017, 50 volunteers attended. An overview was given of best practice for property ownership and management. This event was supported by Girlguiding Scotland's legal advisers and Unity Insurance.

In May 2017, we co-hosted Ready, Steady, GO, with Girlguiding's membership systems team ahead of the launch of an upgraded membership database (launched summer 2017). The upgraded system experienced bedding in issues but in time will enable improved reporting which can help with local evidence-based planning.

Throughout 2017, we provided additional support to members and Girlguiding as part of the ongoing roll out of PVG membership to existing volunteers in qualifying roles. The completion of this exercise remained an urgent priority at the end of the year.

Ongoing support was provided to counties to help ensure OSCR reporting compliance. Through

diligent attention by local commisioners, supported by the finance staff team in Scotland, a substantial reduction in the number of defaulting units was achieved.

With access to more funding the capacity to support local guiding could be grown both in terms of locally based field/office staff and by having more staff at a national level to assist in other ways, such as encouraging improved local compliance or staging more large scale events.

The Business Management and Finance committee continued to monitor in detail the performance of Netherurd and were delighted that the stretched income targets for guiding/non guiding income in 2017 were met. It was slightly disappointing that a small operational deficit of £2,205 was realised at the end of the year, however performance continues to improve following significant investment in upgrading facilities and activities and through ongoing marketing to the membership and beyond.

In retail, substantial refurbishment at the Edinburgh shop was completed early in 2017 along with the introduction of a new online shop and modern back office systems and processes. This enabled continued growth in the online sales to compensate for a decline in footfall in both shops. The overall retail opeational surplus of £43,630 was greatly assisted by sales of merchandise for Tartan Gig and from badges related to programme initiatives. Retail was restructured to reduce ongoing management costs; this meant that we said farewell to our loyal and long serving shop managers in both Edinburgh and Glasgow.

#### WE WILL WORK TOGETHER TO IMPROVE OUR GOVERNANCE IN 2018 BY:

- FACILITATING THE COMPLETION OF A SELF-EVALUATION EXERCISE BY EACH COUNTY AND PROPOSING TO THE TRUSTEES A WAY FORWARD FOR THE COUNTY DEVELOPMENT STRUCTURE
- CONTINUING TO PROMOTE BEST PRACTICE IN RELATION TO REGULATORY COMPLIANCE IN ALL AREAS INCLUDING GENERAL DATA PROTECTION REGULATIONS (GDPR)
- PRODUCING A MID-TERM REPORT ABOUT BUSINESS PERFORMANCE AT NETHERURD IN RELATION TO THE 5 YEAR PLAN AGREED IN 2015
- EXPLORING THE BEST USE OF OTHER PROPERTY ASSETS OWNED BY GIRLGUIDING SCOTLAND
- UPGRADING NETHERURD BOOKING SYSTEMS AND ORGANISATION WIDE ACCOUNTING SOFTWARE

#### VOLUNTEER CONTRIBUTION

The Guide Association Scotland is dependent upon the activities and goodwill of around 11,500 volunteers in various capacities. 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.

#### FINANCIAL REVIEW

At the end of the year we recorded a general unrestricted funds surplus of £6,911.

Total funds held at 31 December 2017 are £2,376,080, of which £126,970 are endowed and £55,546 are restricted funds. £1,217,782 of the unrestricted designated funds of £1,473,229 relate to investment in property and IT assets and will be used up through charging of depreciation over the life of the assets between 5 and 50 years. Unrestricted income funds are £720,335.

#### 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 £612,097 at 31 December 2017 reflecting a cumulative unrealised gain of £119,436.

#### FUND RAISING

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 Statement of Financial Activities.

From time to time special fund raising efforts are undertaken to finance specific projects.

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, NVYOSF and the Cashback for Communities Fund have helped guiding locally and nationally to build capacity, and Girlguiding for its specific funds to help us to grow guiding 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.

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 continuity, property asset and trading risks, the Scottish executive committee considers that the minimum target for the general funds 'free reserves' should be £413,000 which represents three months operating costs. The current level of free reserves represents five months which the executive committee consider satisfactory.

#### RISK MANAGEMENT

The executive committee discussed risk areas currently facing Girlguiding Scotland and identified the following as continuing strategic risks for 2018: membership figures and lack of overall growth and risks relating to capacity of having sufficient effective key volunteers and staff in leadership roles. New risks for 2018 included compliance with new GDPR legislation and ensuring adequate take up of new programme for girls due to be launched by Girlguiding in summer 2018.

The work on membership growth remains a clear focus for trustees who have resolved to focus on two key areas: keeping girls longer and improving the welcome given to new adults who join. A new working group reporting to the board will be set up to coordinate the efforts being made to support local guiding to succeed in meeting the ongoing demand for places.

The work on looking at the charity's governance model continues into 2018 and the trustees recognise that they may need to build further capacity amongst paid staff to provide effective support to the volunteer structure in the future. This would need to be financed through a more proactive and strategic approach to fundraising for which there is currently limited capacity. A priority for 2018 is to refresh how senior volunteers and staff work together to maximise and value



their contribution in helping to deliver the overall programme of work.

Reviewing current data protection policies and procedures in readiness to comply with the new GDPR legislation due in May 2018 will be a priority and will be monitored across all component parts of the charity.

The new all section programme will be introduced in summer 2018 with a transitional period of twelve months. To encourage effective take up of this a Scotland wide roadshow is already being planned for spring/summer 2019.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

The Guide Association nationally (operating as 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 is responsible for the governance and overall management in accordance with their Terms of Reference. The members of the Scottish executive committee are also the trustees of the Association and are empowered to approve the annual budget, business plan, and to delegate authority to the main sub-committees thereof, to work within set budgets and performance targets. Membership of the Scottish executive committee comprises:

#### Ex-officio

- Scottish chief commissioner
- Deputy Scottish chief commissioner(s)
- Honorary treasurer
- Chairman of Guiding Development
- Chairman of Business Management & Finance
- Volunteer lead for Marketing & Communications

#### Appointed

- Six county commissioners nominated by the guide regions of Scotland in accordance with a scheme approved by the Scottish county commissioners declaring that where any county commissioner has a job-share with another county commissioner for that county, only the named county commissioner nominated by her region shall be a member of the Scottish executive committee. Each region is entitled to nominate an alternative named county commissioner from the same region to attend, and vote, in the event of her absence.
- Two warranted appointment holders nominated from counties in accordance with a scheme approved by the Scottish county commissioners.
- A senior section member aged 18 or over nominated by the Scottish forum of the Guide Association Scotland.
- An external person with an interest in the aims and objectives of the Guide Association Scotland, selected by the chairman in consultation with members of the Scottish executive committee.

The members of the Scottish executive committee are appointed in accordance with the terms of reference of the Scottish executive committee, which have been formally approved by the Scottish consultative group, as required by the constitution of the Guide Association Scotland.

Each new member of the Scottish executive committee 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 executive committee.

#### 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.

#### CONNECTED BODIES

The Guide Association Scotland forms part of the Guide Association (known as Girlguiding) 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 Statement of Financial Activities. Girlguiding has provided funding for growing guiding initiatives during the year.

#### AUDITOR

Saffery Champness LLP was appointed auditor for the year ended 31<sup>st</sup> December 2017 at the Scottish executive committee meeting held on 2 June 2017.

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.

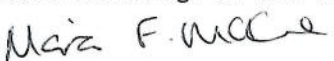
The Scottish executive committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of The Guide Association Scotland and enable the Scottish executive committee to ensure that the financial statements comply with the Charities & 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 2 June 2018  
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 2017 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 2017 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).

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.

## 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 13, 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.



Saffery Champness LLP  
Chartered Accountants  
Statutory Auditors

Edinburgh Quay  
133 Fountainbridge  
Edinburgh  
EH3 9BA

2 June 2018

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 2017  
STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted Funds		Restricted	Endowment	2017 Total Funds	2016 Total Funds
	Notes	General	Designated				
		£	£	£	£	£	£
<b>Incoming and endowments from:</b>							
Donations & legacies	3	16,286	17,845	33,484	-	67,615	111,805
<b>Charitable Activities</b>							
Subscriptions		624,884	-	-	-	624,884	613,919
Trading income	4	1,208,385	-	-	-	1,208,385	1,153,262
Events & trips income	5	339,266	16,400	-	-	355,666	194,280
Grants & other income	6	5,848	4,764	147,834	-	158,446	176,793
Investments	7	14,267	4,512	-	-	18,779	18,251
Other income	8	-	-	-	-	-	65,000
<b>Total</b>		<b>2,208,936</b>	<b>43,521</b>	<b>181,318</b>	<b>-</b>	<b>2,433,775</b>	<b>2,333,310</b>
<b>Expenditure on:</b>							
Raising funds	9	4,868	4,027	-	-	8,895	9,437
Charitable activities	10-12	2,209,536	106,604	176,491	-	2,492,631	2,107,111
<b>Total</b>		<b>2,214,404</b>	<b>110,631</b>	<b>176,491</b>	<b>-</b>	<b>2,501,526</b>	<b>2,116,548</b>
Net gains on investments		24,879	8,638	-	-	33,517	45,017
<b>Net income(expenditure)</b>		<b>19,411</b>	<b>(58,472)</b>	<b>4,827</b>	<b>-</b>	<b>(34,234)</b>	<b>261,779</b>
Transfers between funds		(12,500)	20,386	(7,886)	-	-	-
<b>Net Movement in Funds</b>		<b>6,911</b>	<b>(38,086)</b>	<b>(3,059)</b>	<b>-</b>	<b>(34,234)</b>	<b>261,779</b>
Total funds at start of year		713,424	1,511,315	58,605	126,970	2,410,314	2,148,535
<b>Total funds at end of year</b>		<b>720,335</b>	<b>1,473,229</b>	<b>55,546</b>	<b>126,970</b>	<b>2,376,080</b>	<b>2,410,314</b>

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 20 to 31 form part of these financial statements.



	Notes	2017	2016
		£	£
<b>Fixed assets</b>			
Tangible assets	13	1,262,656	1,268,957
Investments	14	612,097	579,429
		<u>1,874,753</u>	<u>1,848,386</u>
<b>Current assets</b>			
Stocks	15	95,921	106,174
Debtors	16	77,792	127,811
Cash at bank and in hand	17	478,248	510,441
		<u>651,961</u>	<u>744,426</u>
<b>Liabilities</b>			
Creditors falling due within one year	18,19	150,634	182,498
<b>Net current assets</b>		501,327	561,928
<b>Net assets</b>		<u><u>2,376,080</u></u>	<u><u>2,410,314</u></u>
<b>The funds of the charity</b>			
Unrestricted income funds	21,23	720,335	713,424
Unrestricted designated income funds	22,23	1,473,229	1,511,315
Restricted income funds	22,23	55,546	58,605
Endowment fund	22,23	126,970	126,970
<b>Total charity funds</b>		<u><u>2,376,080</u></u>	<u><u>2,410,314</u></u>

The financial statements were approved and authorised for issue by the Scottish executive committee on 2 June 2018 and signed on its behalf by:

 Dr M McKenna, Scottish Chief Commissioner

 E B Lawrie, Honorary Treasurer

The notes on pages 20 to 31 form part of these financial statements.

THE GUIDE ASSOCIATION SCOTLAND  
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017	2016
		£	£
Cash flows from operating activities	26	8,600	156,263
Cash flows from investing activities			
Dividends and interest		18,779	18,251
Purchase of property, plant & equipment		(59,990)	(114,571)
Proceeds from sale of property		-	65,000
Disposal of investments		24,326	68,468
Purchase of investments		(23,908)	(65,306)
Net cash used in investing activities		<u>(40,793)</u>	<u>(28,158)</u>
Change in cash and cash equivalents in the year		(32,193)	128,105
Cash and cash equivalents at beginning of year		<u>510,441</u>	<u>382,336</u>
Cash & equivalents at end of year	17	<u>478,248</u>	<u>510,441</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 23 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 five 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	2016 Total Funds
	General £	Designated £	£	£	£
Incoming and endowments from:					
Donations & legacies	85,219	20,696	5,890	-	111,805
Charitable Activities					
Subscriptions	613,919	-	-	-	613,919
Trading income	1,153,262	-	-	-	1,153,262
Events & trips income	176,280	18,000	-	-	194,280
Grants and other income	34,595	4,537	137,661	-	176,793
Investments	13,866	4,385	-	-	18,251
Other income	-	65,000	-	-	65,000
<b>Total</b>	<b>2,077,141</b>	<b>112,618</b>	<b>143,551</b>	<b>-</b>	<b>2,333,310</b>
Expenditure on:					
Raising funds	4,500	4,937	-	-	9,437
Charitable activities	1,858,482	93,276	155,353	-	2,107,111
<b>Total</b>	<b>1,862,982</b>	<b>98,213</b>	<b>155,353</b>	<b>-</b>	<b>2,116,548</b>
Net gains on investments	33,447	11,570	-	-	45,017
<b>Net income(expenditure)</b>	<b>247,606</b>	<b>25,975</b>	<b>(11,802)</b>	<b>-</b>	<b>261,779</b>
Transfers between funds	(70,000)	70,000	-	-	-
<b>Net Movement in Funds</b>	<b>177,606</b>	<b>95,975</b>	<b>(11,802)</b>	<b>-</b>	<b>261,779</b>
Total funds at start of year	535,818	1,415,340	70,407	126,970	2,148,535
<b>Total funds at end of year</b>	<b>713,424</b>	<b>1,511,315</b>	<b>58,605</b>	<b>126,970</b>	<b>2,410,314</b>

## 3. DONATIONS & LEGACIES

	Unrestricted Funds		Restricted	2017 TOTAL	2016 TOTAL
	General £	Designated £	£	£	£
<u>Funds</u>					
Donations	7,454	13,957	510	21,921	18,417
Legacies	6,132	-	-	6,132	79,575
Trust income	2,700	3,888	32,974	39,562	13,813
	<b>16,286</b>	<b>17,845</b>	<b>33,484</b>	<b>67,615</b>	<b>111,805</b>

Corporate & Trust donations were gratefully received from the following organisations:

The Gannochy Trust provided a further £31,788 for developing guiding initiatives. 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			2017	2016
	General	Designated	Restricted	TOTAL	TOTAL
	£	£	£	£	£
Retail	798,658	-	-	798,658	791,382
Netherurd	409,727	-	-	409,727	361,880
	<b>1,208,385</b>	<b>-</b>	<b>-</b>	<b>1,208,385</b>	<b>1,153,262</b>

#### 5. EVENTS INCOME

Tartan Gig	162,944	-	-	162,944	-
Other events	107,326	-	-	107,326	85,597
International trips	68,996	16,400	-	85,396	108,633
	<b>339,266</b>	<b>16,400</b>	<b>-</b>	<b>355,666</b>	<b>194,280</b>

#### 6. GRANTS AND OTHER INCOME

Grants	5,725	-	147,834	153,559	167,547
Other income	123	4,764	-	4,887	9,246
	<b>5,848</b>	<b>4,764</b>	<b>147,834</b>	<b>158,446</b>	<b>176,793</b>

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; the Ardoch Foundation, and Girlguiding for growing guiding and peer education initiatives and legal support.

#### 7. INVESTMENTS

	Unrestricted Funds			2017	2016
	General	Designated	Restricted	TOTAL	TOTAL
	£	£	£	£	£
Bank interest	1,129	12	-	1,141	1,333
Dividends & interest	13,138	4,500	-	17,638	16,918
	<b>14,267</b>	<b>4,512</b>	<b>-</b>	<b>18,779</b>	<b>18,251</b>

#### 8. OTHER INCOME

Gain on sale of fixed asset	-	-	-	-	65,000
-----------------------------	---	---	---	---	--------

#### 9. RAISING FUNDS

Investment management	4,868	-	-	4,868	4,500
Direct costs	-	4,027	-	4,027	4,937
	<b>4,868</b>	<b>4,027</b>	<b>-</b>	<b>8,895</b>	<b>9,437</b>

## 10. CHARITABLE EXPENDITURE

	Unrestricted			2017	2016
	General	Designated	Restricted	TOTAL	TOTAL
	£	£	£	£	£
Direct costs:					
Delivering Being our Best	556,288	40,290	84,111	680,689	405,836
Retail	518,778	-	-	518,778	528,701
Netherurd	65,771	-	-	65,771	59,224
	<u>1,140,837</u>	<u>40,290</u>	<u>84,111</u>	<u>1,265,238</u>	<u>993,761</u>

Delivering Being our Best includes £242,435 expenditure on the Tartan Gig in June 2017 (nil in 2016).

Support costs:					
Staff costs	797,603	-	10,176	807,779	754,468
Headquarters overheads	93,528	-	947	94,475	93,509
CYPFEIF core contribution	(60,000)	-	60,000	-	-
Cashback/Gannochy cont'n	(12,338)	-	12,338	-	-
Retail overheads	55,646	-	-	55,646	51,532
Netherurd overheads	131,138	3,142	8,919	143,199	104,925
Professional fees	9,827	-	-	9,827	10,244
Governance (note 11)	14,094	-	-	14,094	12,812
Committees/working groups	7,200	-	-	7,200	4,416
Depreciation	3,119	63,172	-	66,291	54,691
Irrecoverable VAT	28,882	-	-	28,882	26,753
	<u>1,068,699</u>	<u>66,314</u>	<u>92,380</u>	<u>1,227,393</u>	<u>1,113,350</u>
	<u>2,209,536</u>	<u>106,604</u>	<u>176,491</u>	<u>2,492,631</u>	<u>2,107,111</u>

## 11. GOVERNANCE

Audit fee	7,400	-	-	7,400	6,950
Trustee meetings	6,694	-	-	6,694	5,862
	<u>14,094</u>	<u>-</u>	<u>-</u>	<u>14,094</u>	<u>12,812</u>

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

	Unrestricted Funds			2017	2016
	General	Designated	Restricted	TOTAL	TOTAL
	£	£	£	£	£
Salaries and wages	692,111	-	9,127	701,238	674,492
Social security costs	53,724	-	696	54,420	41,909
Pension costs	32,560	-	353	32,913	33,284
Other employee benefits	2,413	-	-	2,413	4,783
Termination/redundancy	16,795	-	-	16,795	-
	<u>797,603</u>	<u>-</u>	<u>10,176</u>	<u>807,779</u>	<u>754,468</u>

The average number of staff employed during the year was:

	2017	2016
	number	Number
Full time	23	22
Part time	11	14
<b>Total Staff</b>	<u>34</u>	<u>36</u>



## 12. 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 £56,663 and pension contribution of £5,667 (2016 £54,999 salary, £5,500 pension). Emoluments for the other key management personnel (as shown on page 1) totalled £202,291 (2016 £203,199), which included pension contributions of £11,904 (2016 £10,856).

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 £103,649 (2016 £136,560), of which £10,445 was paid to 19 executive committee members (2016 £10,685 to 19 members).

## 13. TANGIBLE FIXED ASSETS

	Heritable Property £	Furniture & Fittings £	IT Equipment £	Motor Vehicles £	TOTAL £
<b>Cost</b>					
At 1 January 2017	1,564,353	30,212	75,496	16,698	1,686,759
Additions	23,141	31,804	5,045	-	59,990
At 31 December 2017	1,587,494	62,016	80,541	16,698	1,746,749
<b>Depreciation</b>					
At 1 January 2017	366,146	8,443	26,515	16,698	417,802
Charge for the year	41,881	8,464	15,946	-	66,291
At 31 December 2017	408,027	16,907	42,461	16,698	484,093
<b>Net Book Value</b>					
At 31 December 2017	1,179,467	45,109	38,080	-	1,262,656
At 31 December 2016	1,198,207	21,769	48,981	-	1,268,957

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.

## 14. INVESTMENTS

	Unrestricted General £	Webster Endow/Income £	2017 £	2016 £
Market value at 1 January 2017	430,366	149,063	579,429	544,822
Acquisitions	23,908	-	23,908	65,306
Disposals	(24,326)	-	(24,326)	(68,468)
Net gain on revaluation	24,398	8,688	33,086	37,769
Market value at 31 December 2017	454,346	157,751	612,097	579,429
Historical cost at 31 December 2017	365,691	126,970	492,661	496,569

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

### 15. STOCKS

	2017 £	2016 £
Shop goods for resale	<u>95,921</u>	<u>106,174</u>

### 16. DEBTORS

	2017 £	2016 £
Trade debtors	10,851	9,817
Other debtors	65,845	116,751
Prepayments	1,096	1,243
	<u>77,792</u>	<u>127,811</u>

### 17. CASH AT BANK AND IN HAND

	2017 £	2016 £
Cash in hand	1,233	2,153
Cash held by investment manager	1,502	6,422
Cash at Bank	475,513	501,866
	<u>478,248</u>	<u>510,441</u>

### 18. CREDITORS: Amounts Falling Due Within One Year

	2017 £	2016 £
Trade creditors	21,834	14,076
Deferred Income (note 19)	60,393	87,373
Accruals	43,393	45,361
Taxation & social security	6,468	9,966
Other creditors	18,546	25,722
	<u>150,634</u>	<u>182,498</u>

### 19. DEFERRED INCOME

	2017 £	2016 £
At 1 <sup>st</sup> January 2017	87,373	93,439
Amounts released from previous years	(87,373)	(93,439)
Incoming resources deferred in the current year	60,393	87,373
At 31 <sup>st</sup> December 2017	<u>60,393</u>	<u>87,373</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.

### 20. FINANCIAL ASSETS AND LIABILITIES

	2017 £	2016 £
Financial assets at amortised cost	<u>554,944</u>	<u>637,009</u>
Financial liabilities at amortised cost	<u>(83,774)</u>	<u>(85,159)</u>

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



## 21. GENERAL FUNDS

	Balance at 1 Jan 2017 £	Income £	Expenditure £	Transfers £	Gains and Losses £	Balance at 31 Dec 2017 £
General Fund	713,424	2,208,936	(2,214,404)	(12,500)	24,879	702,335

## 22. 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 2017 £	Income £	Expenditure £	Transfers £	Gains and Losses £	Balance at 31 Dec 2017 £
<u>Designated Funds</u>						
Special Needs	9,858	-	(195)	-	-	9,663
International Fund	20,798	23,468	(22,729)	7,886	-	29,423
Capital Development	981,500	-	(26,000)	-	-	955,500
Travel	13,663	-	(5,000)	-	-	8,663
Webster Income	29,475	4,500	(5,038)	-	8,638	37,575
General Counties	18,259	728	(1,538)	-	-	17,449
Friends of GGS	9,834	7,943	(5,567)	-	-	12,210
Friends of Netherurd	10,697	6,882	(6,290)	-	-	11,289
Property Development	357,225	-	(21,225)	-	-	336,000
IT & Comm. Strategy	51,781	-	(15,947)	-	-	35,834
Qualifications	8,225	-	(1,102)	-	-	7,123
Tartan Gig 2019	-	-	-	12,500	-	12,500
	<b>1,511,315</b>	<b>43,521</b>	<b>(110,631)</b>	<b>20,386</b>	<b>8,638</b>	<b>1,473,229</b>

Net (decrease) in designated funds **(38,086)**

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:

### 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 Centres and Girlguiding GOLD projects. Annual income from the Chief's Memorial fund administered by the Guide Association. During the year the balance of the Ghana fund was transferred to this fund £4,000 to support Ghanaians attending WAGGGS training events and the balance to support the Lesotho partnership.

### CAPITAL DEVELOPMENT FUND

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

### TRAVEL FUND

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

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

### 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.

### 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.

### 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 STRATEGY

To implement the results of the IT & Communications strategy review. Charged with depreciation costs over the life of the assets purchased.

### 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.

### RESTRICTED FUNDS

	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
	<b>58,605</b>	<b>181,318</b>	<b>(176,491)</b>	<b>(7,886)</b>	<b>55,546</b>

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 and trust funding are regularly received to assist with the development of facilities and equipment at Netherurd.



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

### GHANA PROJECT

The partnership with Ghana was brought to a close during the year and the funds transferred to the International Fund.

### 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.

### 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.

### 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.

### DEVELOPING GUIDING (GANNOCHY 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 2017 £	Income £	Expenditure £	Gains and Losses £	Balance at 31 Dec 2017 £
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.

## 23. FUNDS

Fund balances at 31<sup>st</sup> December 2017 are represented by:

	Unrestricted Funds		Restricted	Endowment	Total
	General £	Designated £	£	£	£
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

## 24. 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 £408,665 (excluding VAT) were made from the Guide Association Trading Service (2016 £460,389). These purchases were made at arm's length. £8,396 was included in trade creditors at the year-end (2016 £4,455). The Guide Association Trading Service is a wholly owned subsidiary of the Guide Association.

## 25. OPERATING LEASES

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

Land & Buildings	2017 £	2016 £
Within one year	950	800
Between two and five years	-	-
	<u>950</u>	<u>800</u>

## 26. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net income for the reporting period:	(34,234)	261,779
Adjustments for:		
Depreciation charges	66,291	54,692
Unrealised gain on investments	(33,086)	(37,769)
Dividends and interest	(18,779)	(18,251)
Profit on sale of fixed assets	-	(65,000)
(Increase)/decrease in stock	10,253	18,624
(Increase)/decrease in debtors	50,019	(70,390)
(Decrease)/increase in creditors	(31,864)	12,578
<b>Net cash provided by operating activities</b>	<u><b>8,600</b></u>	<u><b>156,263</b></u>