

The Guide Association Scotland

Executive Report and Financial Statements
for the year ended 31 December 2020

SCOTTISH PRESIDENT

Linda Urquhart

SCOTTISH EXECUTIVE COMMITTEE

Scottish Chief Commissioner

Deputy Scottish Chief Commissioners

Moira McKenna

Gail Fox

Carol Morwood

Lisa Millar

(retired 31/08/20)

Honorary Treasurer

Chair, Business Management & Finance

Chair, Guiding Delivery

Lead Volunteer Guiding Delivery

Chair, Growing Guiding

Lead Volunteer Membership Development

Chair, Marketing & Communication

Lead Volunteer Communications

External

Central region

Central region

Highlands & Islands region

Highlands & Islands region

Lothian & Borders region

Lothian & Borders region

South West region

South West region

Strathclyde region

Grampian region

Grampian region

Member

Member

Member

Chief Executive

Brian Lawrie

Linda Holden

Anne Mack

Emma Ritchie

Sarah MacNeil

Alison Coyle

Tina Alexander

Matilda Lomas Mackenzie (appointed 21/11/20)

Mike Winter

Janice Coates

Alison Irving

Susan Jamieson

Suzanne Docherty

Gill Amos

Elizabeth Thompson

Diane Hope

Fiona Robertson

Jill Elborn

Joyce Petrie

Alison Williams

Eleanor Swift

Helen Welsh

Alison Coyle

Denise Spence

(retired 26/10/20)

(appointed 27/10/20)

(retired 16/10/20)

(appointed 17/10/20)

(retired 20/11/20)

(retired 31/10/20)

(appointed 01/11/20)

(retired 25/08/20)

(appointed 26/08/20)

(retired 18/04/20)

(appointed 19/04/20)

(retired 04/10/20)

(appointed 05/10/20)

(retired 18/01/20)

(appointed 19/1/20)

(appointed 29/2/20)

(retired 16/10/20)

(non-voting)

MANAGEMENT TEAM SENIOR STAFF

Chief Executive

Head of Business Management & Finance

Finance & Business Services Manager

Guiding Delivery Manager

Membership Development Manager

Marketing and Communications Manager

Denise Spence

Kirsty Gray

Susan Christie

Laura Wright

Louise Henderson

Carolyn Fox McKay

(retired 31/12/20)

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 2020.

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.

About Girlguiding Scotland

Girlguiding Scotland is Scotland's leading charity for girls and young women, with 45,000 young members. We aim to support our tens of thousands of young members and adult volunteers grow in confidence, discover their full potential, have fun and change the world. As one of ten countries and regions that make up Girlguiding in the UK, we share the same vision, mission and values.

Our vision: an equal world, where girls can make a positive difference, be happy, safe, and fulfil their potential.

Our mission: Through fun, friendship, challenge and adventure, we empower girls to find their voice, inspiring them to discover the best in themselves and to make a positive difference in their community.

Our values: Caring, challenging, empowering, fun, inclusive, inspiring.

2020 aims and objectives

Girlguiding Scotland began the year in full pursuit of the second year of a three-year strategic plan to achieve our vision of making Scotland the best place for girls and young women to grow up. We then had to rapidly adapt and adjust our work in response to COVID-19.

The trustees thank the members and supporters of Girlguiding Scotland for their sustained commitment in an exceptional year. There was a major adaptation of systems, programmes and services to assist counties to keep guiding going following the upheaval caused by COVID-19. The resilience shown by girls, volunteers and staff was outstanding and we saw guiding being delivered in new and innovative ways, making flexible guiding a reality across Scotland.

Whilst we adjusted our priorities and ways of working, we continued to strive for effective outcomes and impact in the following areas:

Access

Give more girls and adults across Scotland the opportunity to access the benefits of guiding.

Excellence

Improve the excellence of our programme offer and delivery.

Voice

Improve how we listen to and promote the voice of girls and young women.

Capacity

Build our resilience by improving our structures, processes and capacity to deliver incredible experiences for our members.

The Guide Association Scotland

Report of the Executive Committee

Access

We are passionate that every girl in Scotland - whoever she is and wherever she is from - is offered the very best opportunities to realise her potential and make a difference in the world. In spring 2020, unit meetings were initially paused but within weeks, leaders across the country had begun to set up and deliver the guiding experience in innovative ways, via delivery of activity packs or by meeting online.



5897

girls joined in 2020

470

adults joined in 2020

7941

girls age 5+ on the waiting list to join at the end of 2020

The resilience shown by leaders was incredible. As the year progressed and restrictions permitted, hundreds of units began to meet face to face again outdoors and indoors (where this was possible). New virtual units were created to cover areas where the volunteers were unable to maintain an offer for girls in their units. This approach to offering guiding in a more flexible way has shown benefits that we plan to build on in 2021.

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Recruitment

Identifying more volunteers to deliver the programmes locally remains a key priority for improving access. We leveraged the interest in Girlguiding's digital recruitment campaign by running a complementary Scottish campaign. In the last 3 months of 2020, this joint activity helped to generate 476 enquiries from potential volunteers. Below is one example of the advert seen on Facebook.



We have a real need for new volunteers in Fife with long waiting lists for girls to join Rainbows and Brownies. Whilst the adverts were live we saw interest come from both those who were previously involved in guiding and those who wanted to be involved for the first time. Even during COVID-19 we've managed to give a warm welcome to these new volunteers and many have been helping out with units over Zoom and outdoor meetings.

Rowena Arrandale, Girlguiding Fife County Communications and PR Adviser



Keep Girls in Guiding Fund

The Trustees were aware of the financial impact the COVID-19 pandemic would have on families and how this may impact their ability to meet annual subscriptions. A fund was set up to help girls financially affected to stay in guiding. Funds were designated from general reserves and Friends of Girlguiding Scotland, and donations were received from many Trefoil Guilds and other individuals. Almost £40,000 was awarded by Girlguiding Scotland to support 1,000 girls stay in guiding.

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The Gannochy Trust and Generation CashBack

The Gannochy Trust and Generation CashBack funding has supported us to take bold action to improve access to Girlguiding Scotland. We can see this action through development work in communities and by funding local growth projects and flexible guiding initiatives. In 2020, both The Gannochy Trust and CashBack also directly funded the work of Development Workers to allow more girls to access guiding.

Meet Susan Brown, Girlguiding Edinburgh's County Commissioner

Having a paid development worker in the county is a fantastic support for all our volunteers, providing assistance to promote and enhance activities to encourage growth. In addition to the resource and time available to grow and develop guiding, it gave us excellent opportunities to engage in the wider youth work sector in Edinburgh. This included significant networking, participation in research, strategy development and increased profile of the benefits of being a member. Having the development worker in place during COVID has allowed these developments to continue, responding to the changing requirements of existing and new volunteers, particularly using virtual platforms.



Meet Pam Stevenson, Development Worker

Based in Edinburgh, Pam's joined the team as a development worker, funded by The Gannochy Trust. Pam's role involves working closely with volunteers across Edinburgh and Fife to find new ways to bring Girlguiding Scotland to more girls and young women. She's been supporting existing units to flourish and expand whilst also helping to get new volunteers on board so new units can open up in the future.

"The goal is to make sure more girls can join us and benefit from everything Girlguiding offers girls and young women. I want to do everything I can to make a difference"



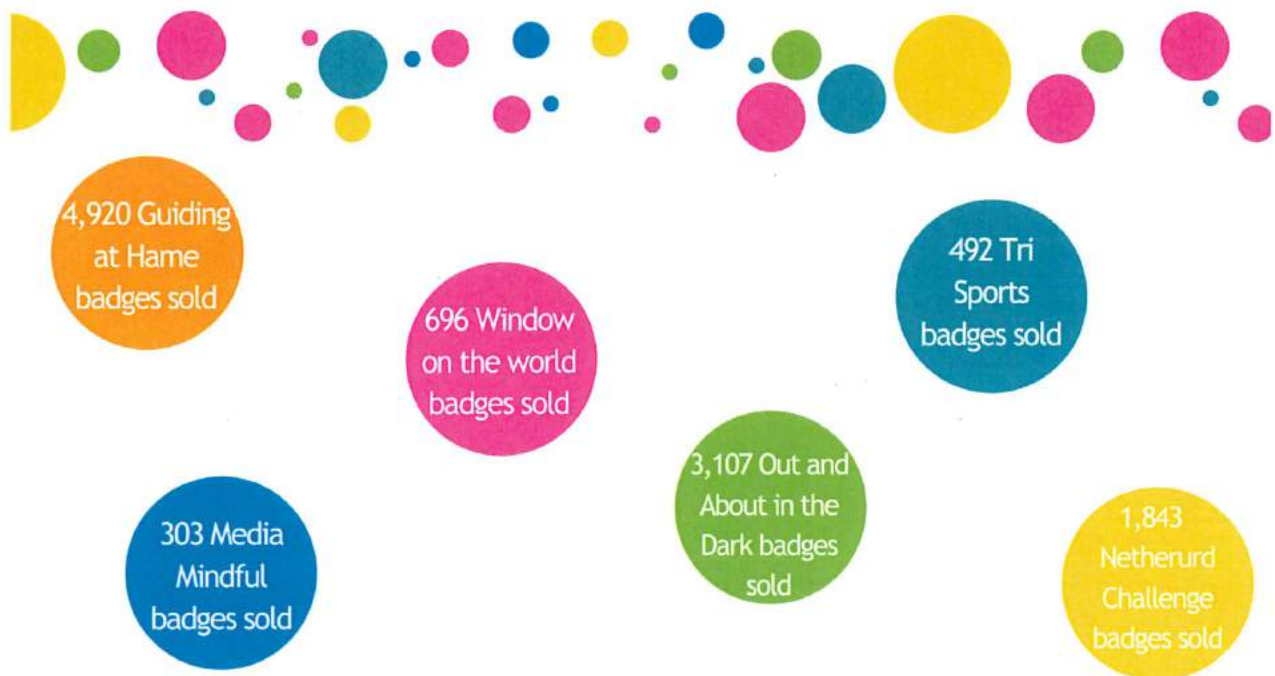
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Excellence

'Guiding at Hame'

In responding to COVID-19 we introduced a brand new Guiding at Hame challenge and other resources to help unit leaders deliver an online programme and enable girls to access programme materials directly. This complemented the reshaped offer of the core programme that was made by Girlguiding.



A Safe Space trainings

Online training took place for members to ensure they had the correct safeguarding qualifications to carry out their role. 58 Level 3 trainings were held by Girlguiding Scotland with 928 people gaining their qualification. 14 Level 4 trainings were held with 120 people gaining Level 4. We are very grateful to the team of committed volunteer trainers who unstintingly gave their time and skills to deliver these sessions.

Zoom Training

We developed Zoom training sessions to support our volunteers with online guiding. The training covered the basic elements and features of the platform and advice on how to successfully run unit meetings online through video calls. This was a very popular training with over 700 volunteers taking part.

Skills Builders for Commissioners

137 district and division commissioners took part in a virtual event, focusing on: returning to guiding, virtual events, supporting new volunteers, recruitment and retention and compliance.

Online Theme Training

Over 250 leaders attended online trainings on how to deliver the 6 programme themes online.

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Patrol Leader Weekend

Attended by 26 members and funded by CashBack, the syllabus was 'activities and discussions around what it means to be a leader, leadership styles, and qualities of being a good leader, along with team building activities'. The weekend also featured some adventurous activities: the 3G swing, abseiling and an adventure challenge course.

Louise Garden, Trainer

It's been inspiring to train so many volunteers over the past year. We wrestled with technology at the start but all upskilled extremely rapidly to be able to deliver high quality training to our volunteers, improving engagement and the learning experience. We acted upon feedback received and provided tailored courses so that volunteers received the information they needed to be able to give our girls the best possible experience throughout the pandemic.



International Opportunities (INTOPs)

This event is normally held in person allowing girls their first taste of international opportunities. For the first time it was held virtually with over 100 Girls aged 13-18yrs taking part from across Scotland. A strong community spirit was created with sessions including; global citizenship, dance/keep fit and a motivational speaker. As the event was held virtually it meant it was more accessible than ever before and those who attended had a brilliant time.

"I enjoyed the self-development and self-esteem talk as it made me think about long term things and to feel better about myself".

Participant feedback



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World Thinking Day, Wander the World Dundee

Our annual World Thinking Day celebration in February 2020 saw 1000 Girlguiding Scotland members of all ages race around Dundee completing challenges inspired by the city. They visited the V&A, took selfies with statues inspired by the city's journalism, and learned about Dundee's textile industry and life sciences at the University of Dundee. The day ended at Caird Hall with a special Promise ceremony led by Scottish Chief Commissioner, Moira McKenna and some of our young members.



Awards



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Voice

Girls in Scotland

We listen to girls' views on issues that matter to them in their everyday lives. This is demonstrated through our advocacy and research work. In 2020 we published our second Girls in Scotland report which revealed what it's really like to be a girl growing up in Scotland. This time we worked with our sister organisation, Girlguiding, and surveyed just over 500 girls in Scotland aged between 7-21. We covered five main themes similar to 2018 but with a few new additions:

- My Life and Wellbeing
- My Sport and Play
- My Planet and the Environment
- My Community and Connections
- My Voice and Future

The results are used to shape our advocacy work but also for quotes in PR, on social media and to enable us to react to current news stories by sharing the views of girls and young women on a particular topic. The full report can be read at girlguidingscotland.org.uk/girls-taking-action/girls-in-scotland/.

Peer Education

We also took part in a Girlguiding UK-wide survey of our young members which revealed the recurring challenge in lockdown was being able to maintain positive mental health and well-being. We responded to this through our Peer Education programme which successfully delivered hundreds of virtual sessions throughout lockdown, on topics such as self-esteem, mental wellbeing and challenging gender stereotypes to other young Girlguiding members right across Scotland and the UK.

"I feel privileged to have been a Peer Educator over lockdown and very proud to have helped so many girls over this time. I have put in many hours of work into delivering sessions online, and it has been so worth it to see the reactions of the girls and leaders during the sessions, and how much it has helped them during the COVID-19 pandemic."

Kathryn Marshall, 22, from Perth who was one of five Peer Educators to receive the highest accolade for Girlguiding's Peer Education programme - the Gold Peer Educator Award, after delivering over 50 sessions



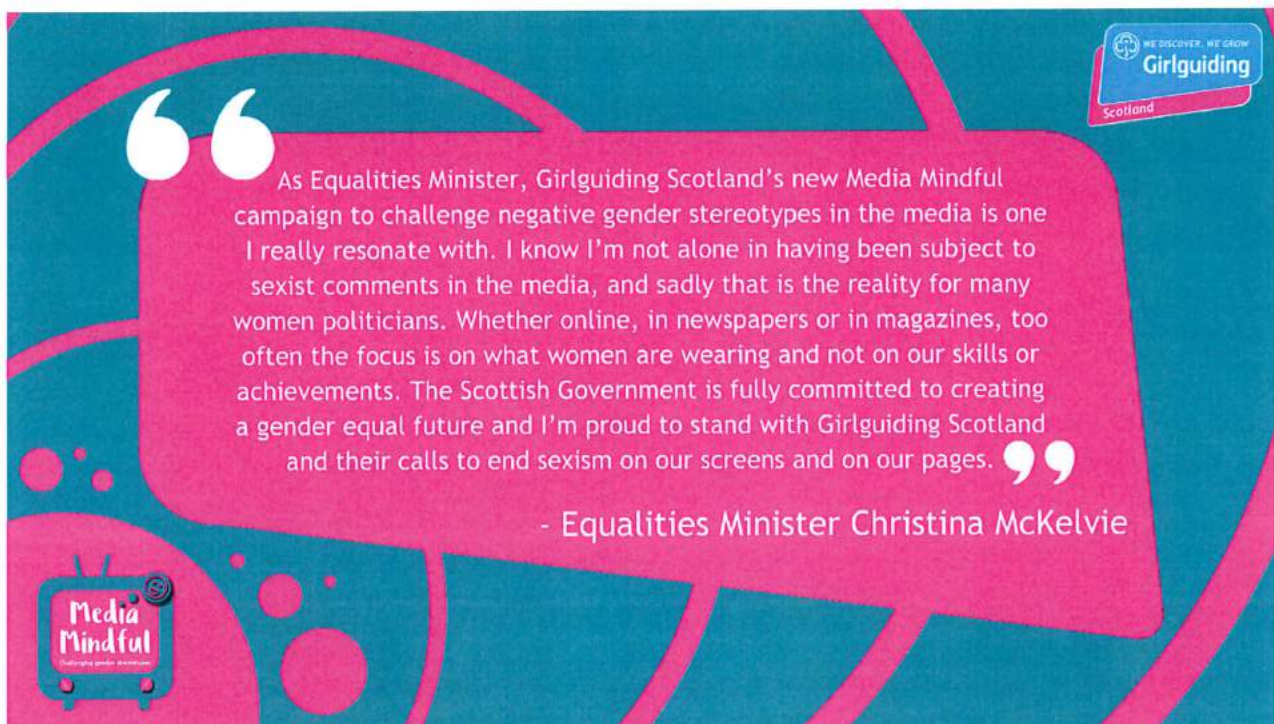
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Speak Out

Our 18 Speak Out champions resolved to tackle how girls and young women are portrayed in the media. They launched the #MediaMindful campaign in October to challenge sexism and gender stereotypes in the media. They called on media outlets, the Scottish Government, and elected representatives to take action and worked remotely to create a challenge pack for Girlguiding Scotland members to take part in while at home.

We received positive endorsement from Monica Lennon MSP, Ian Blackford MP, Owen Thompson MP, Sandra White MSP, Equalities Minister Christina McKelvie MSP, Maree Todd MSP, Jeremy Balfour MSP, Colin Beattie MSP, Martyn Day MP. A Parliamentary Motion was also submitted by Sandra White MSP commending the campaign and an Early Day Motion from Lisa Cameron MP in the House of Commons. In addition, we received a host of press, radio and digital coverage of the campaign, raising the profile of the organisation.



The group also met with First Minister, Nicola Sturgeon, to discuss women in leadership, politics and the Deposit Return System in Scotland. Members of Speak Out took part in other key campaign areas, such as supporting the landmark Free Period Products Act to end period poverty, gave evidence to the Scottish Parliament Economy, Energy and Fair Work Committee on the impact of COVID-19 on young people and took part in a panel discussion on body image. Speak Out has kindly been funded in 2020 by AMW Trust, Meikle Fund and the Tay Charitable Trust.

Scottish Youth Parliament (SYP)

Our MSYPs worked tirelessly in their roles representing Girlguiding Scotland members in the Scottish Youth Parliament, especially over lockdown. They took part in the Executive Team Youth Takeover with senior civil servants discussing education and participated in the Scottish Parliament Education and Skills Committee's focus group on the impact of COVID-19 on learning and teaching in the Senior Phase. They championed our work on outdoor education and successfully put forward a motion with other MSYPs on the importance of this, which passed with 96% in agreement. Both MSYPs also ran for election to the SYP Board, resulting in one MSYPs being successful. She now sits on the Board of Trustees and leads on the work of the role of National Voluntary Organisations in SYP.

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Capacity

Netherurd

We had to make the difficult decision to close our outdoor activity centre, Netherurd. Despite our best efforts, a move to running more virtual trainings, low numbers of members using the facility and the impact of the Coronavirus exacerbating financial issues, meant it was no longer viable for us to continue operating the centre. We began marketing the Netherurd estate for sale at the end of 2020. Further details about the sale are on page 37. We thank all the staff and volunteers who made Netherurd such an amazing place providing everlasting memories for so many generations of members. This is a significant loss to Girlguiding Scotland. We remain committed to ensuring that girls and young women can keep having adventure and benefit from all that the outdoors has to offer and that volunteers will be able to access the learning and development opportunities they need.

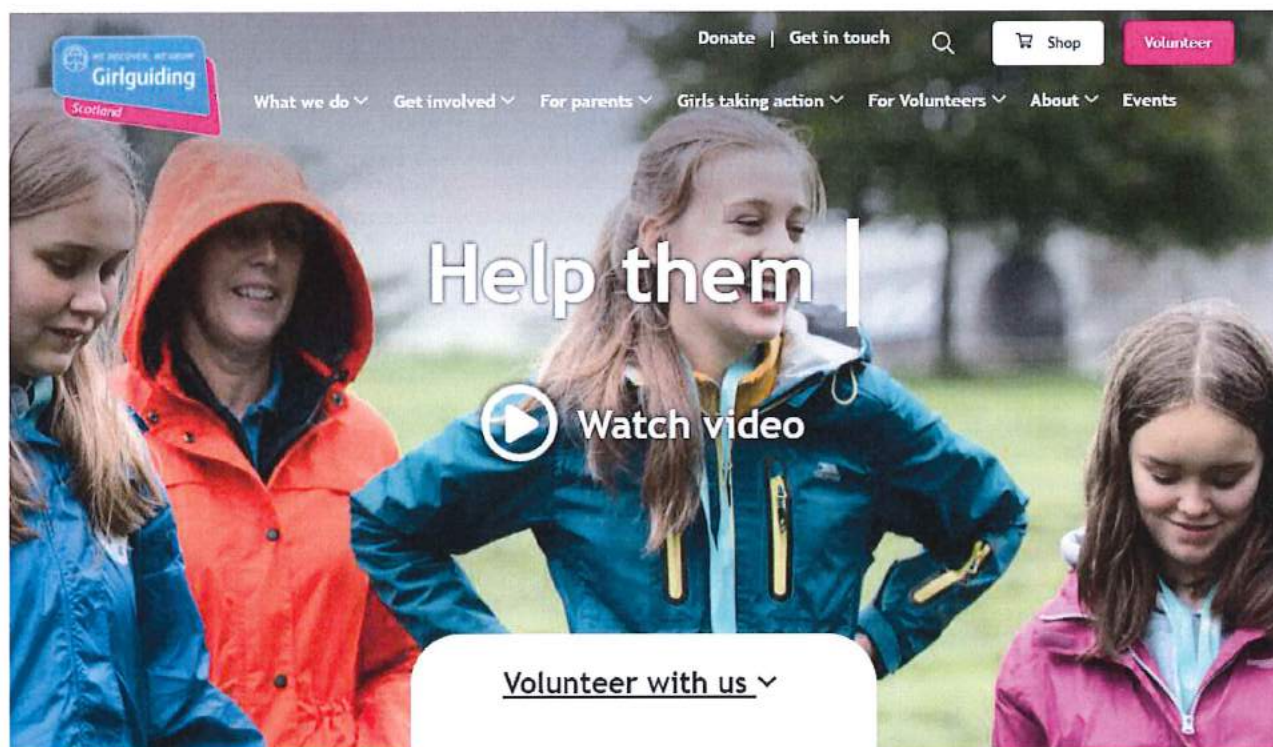
Staff team

In response to changes in workload due to cancelled events, reduction in retail sales and site closure at Netherurd, we made use of the furlough scheme for support with staff costs during the year. There were a number of redundancies during the year at the Glasgow shop, Netherurd, Edinburgh shop and within the head office staff. We moved swiftly to be able to work from home and we thank all the staff for their commitment and flexibility.

Coates Crescent

We overhauled our IT provision and telephony systems and plan to complete this set of improvements with upgrades to wifi and video conferencing when we are able to work from the offices again. This has allowed us to maintain a quality support service and stay connected with members throughout lockdown.

Website



In 2020 we delivered a new website and we will finalise a new event booking module in 2021. The new website provides a much more accessible and user-friendly platform to both enhance the

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external profile of the organisation and to provide up to date information, resources and opportunities for members. The new website has seen an increase in page views of over 500% based on the same time last year with visitors spending longer on the site and visiting more pages.

In addition to the new website, we're utilising Google Grants through an agency to drive traffic towards our new website and to our online shop. In 2020, PPC drove 7,052 visitors, 378 shop sales, £16,753 revenue (an ROI of 3.1 based on our agency fees).

Retail

Following a very successful year of sales in 2019, we faced a huge challenge in 2020. A decision had already been made to close the Glasgow shop and this was accelerated in March. Through the sterling efforts of the retail operations manager, we were able to maintain an online sales presence throughout lockdown and satisfy members' requirements for programme materials and badges to support them as they continued to offer guiding in different ways. We have plans to expand the network of volunteer run shops and depots to build up the retail network across Scotland. Below is an illustration of just a few of the products available.



Elmbank Street

With the closure of the shop and in agreement with Girlguiding City of Glasgow we sold the Elmbank Street premises in summer 2020. The trustees record their thanks to the volunteers and staff involved in handling the process of the sale of this significant asset.

Governance

We thank all trustees for their service during the year and in particular those whose term of office came to an end. Following an open recruitment process we were delighted to welcome a number of new trustees to the Scottish team.

Strengthening the governance in counties continued as a priority in 2020 and the first of a series of planned mergers took place in summer 2020 when Shetland joined with city of Aberdeen and they celebrated with a virtual event. More mergers of groups of counties are expected in 2021.

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A working group was set up to review the governance model of Girlguiding Scotland and researched various options for updating the model to better suit the needs of the organisation in the 21st century. It is expected that this will be implemented in 2022.

We offer our sincere thanks to all volunteers involved in Girlguiding Scotland projects, working groups, committees or other roles helping to provide support for counties, learning and development for volunteers and great experiences for girls. It was an exceptional year and the resilience and capacity for innovation from volunteers across Scotland has helped us to thrive in this difficult time. The volunteer and staff commitment was outstanding.

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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 surplus for the year was £143,625. As a result of the COVID-19 pandemic which impacted our trading income significantly, total unrestricted income was down by over £1.3 million. Our shop in Glasgow was closed permanently in June 2020 and the premises sold. This resulted in a gain on disposal of £189,309. Our Edinburgh shop was closed in March due to restrictions, and opened again in August. However, online trading continued throughout this period and demand continued. These factors resulted in a fall in retail income of over £500,000.

Our training and adventure centre was also closed and the Trustees took the decision to close this permanently and dispose of the property. This resulted in a drop in income of just over £335,000.

In addition, income from events also fell by £441,552 due to there being no Tartan Gig in 2020 and international and other events being cancelled. Finally, in 2019 we were in receipt of a significant legacy.

The closure of shops, our training and adventure centre and our headquarters, together with cancellation of events resulted in a fall in unrestricted expenditure of £1.2 million. We were also able to take advantage of the furlough scheme offered by the government during this time.

As investments are held at market value the volatility of the stock markets at the year end is reflected in a small loss of £4,502 in 2020 compared to a gain of £81,116 in 2019.

Additional funds have been designated towards Keeping Girls in Guiding, to offer financial support to members affected during the pandemic and governance transformation and membership development.

The restricted net income was £53,807 and includes grant income as detailed in note 6 of the financial statements.

Balance sheet

The association holds various tangible fixed assets to support its activities. These are the headquarters building in Edinburgh, and our training and activity centre in the Borders. There were no major additions in the year but we did dispose of our shop in Glasgow. Our training and activity centre was also put on the market at the end of 2020. Further details are in note 27 events after the reporting period.

Investment policy and performance

Almost £500,000 of the charity's reserves have 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 £615,953 at 31 December 2020 reflecting a cumulative unrealised gain of £126,359.

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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 continued to support our work during the year: The Scottish Government through the Children, Young People & Families Early Intervention Fund, National Voluntary Youth Organisations Support Fund (NVYOSF) and the CashBack for Communities Fund. The Gannochy Trust, Girlguiding, Friends of Girlguiding Scotland and the Friends of Netherurd have all helped guiding locally and nationally to build capacity.

We are grateful for funding received in 2020 from the Meikle Foundation, PF Charitable Trust, The AMW Charitable Trust, The Tay Charitable Trust, Miss A A Clutterbuck Trust, Hugh & Mary Miller Trust, and legacy income from the late Jean McEwen and the late Agnes Guthrie. These funds were used for volunteer training and delivering activities for girls.

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 security, stock market volatility, property asset and trading risks, the Scottish executive committee considers that the minimum target for the general funds 'free reserves' should be £600,000 which represents six months' operational expenditure. The current level of free reserves represents eleven months. The executive committee are aware that membership numbers will be affected by the pandemic and that this will have an impact on membership subscriptions and retail income, which are our main income sources going forward. Budgeting has indicated that the 2021 position will be a deficit and that free reserves may be used during this period. It is anticipated that the target of six months will be the position at the end 2021. The trustees have taken post year end action to minimise the impact and preserve resources.

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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 Delivery
- Marketing & Communications
- Growth Working Group
- Awards
- County Concerns and Support

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 strategic risks for Girlguiding Scotland for 2021 are linked to: strengthening effective governance at national and county level; ongoing and new challenges associated with recovering and growing the overall membership particularly in light of the recent pandemic; the proper use of funds realised from the sale of our adventure and training centre and maintaining existing income streams as well as accessing new ones where possible.

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

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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 thousands of 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.

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 delivering diversity and legal support during the year.

Auditor

Saffery Champness LLP was reappointed auditor for the year ended 31st December 2020 at the Scottish executive committee meeting held on 6 June 2020.

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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 5 June 2021
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 2020 which comprise statement of financial activities, balance sheet, statement of cash flows 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 2020 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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.

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 this gives rise to a material misstatement in the financial statements themselves. 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 18, 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.

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Date: 5 JUNE 2021

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

THE GUIDE ASSOCIATION SCOTLAND
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds		Restricted	Endowment	2020 Total Funds	2019 Total Funds
		General £	Designated £	£	£	£	£
Incoming and endowments from:							
Donations & legacies	3	7,574	48,319	63,664	-	119,557	437,530
Charitable Activities							
Subscriptions		748,334	-	-	-	748,334	756,231
Trading income	4	481,985	-	-	-	481,985	1,329,707
Events & trips income	5	16,562	-	-	-	16,562	458,084
Grants & other income	6	77,651	42	192,541	-	270,234	206,312
Investments	7	13,847	4,085	-	-	17,932	20,871
Gains on disposal of tangible fixed assets		189,309	-	-	-	189,309	-
Total		1,535,262	52,446	256,205	-	1,843,913	3,208,735
Expenditure on:							
Raising funds	8	4,872	1,050	-	-	5,922	15,802
Charitable activities	9	1,358,040	75,619	202,398	-	1,636,057	2,885,953
Total		1,362,912	76,669	202,398	-	1,641,979	2,901,755
Net (loss)/gain on investments		(3,335)	(1,167)	-	-	(4,502)	81,116
Net income/(expenditure)		169,015	(25,390)	53,807	-	197,432	388,096
Transfers between funds		(326,666)	337,066	(10,400)	-	-	-
Net Movement in Funds		(157,651)	311,676	43,408	-	197,432	388,096
Total funds at start of year		1,104,405	1,382,988	69,510	126,970	2,683,873	2,295,777
Total funds at end of year		946,754	1,694,664	112,917	126,970	2,881,305	2,683,873

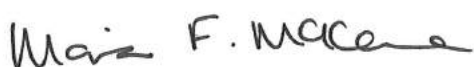
The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure was derived from continuing operations.

The notes on pages 25 to 37 form part of these financial statements.

THE GUIDE ASSOCIATION SCOTLAND
BALANCE SHEET AS AT 31 DECEMBER 2020

	Notes	2020	2019
		£	£
Fixed assets			
Tangible assets	12	1,144,978	1,185,389
Investments	13	615,953	635,113
		<u>1,760,931</u>	<u>1,820,502</u>
Current assets			
Stocks	14	80,594	104,431
Debtors	15	71,536	107,772
Cash at bank and in hand	16	1,052,466	928,656
		<u>1,204,596</u>	<u>1,140,859</u>
Liabilities			
Creditors falling due within one year	17	84,222	277,488
Net current assets		<u>1,120,374</u>	<u>863,371</u>
Net assets		<u>2,881,305</u>	<u>2,683,873</u>
The funds of the charity			
Unrestricted income funds	20,22	946,754	1,104,405
Unrestricted designated income funds	21,22	1,694,664	1,382,988
Restricted income funds	21,22	112,917	69,510
Endowment fund	21,22	126,970	126,970
Total charity funds	22	<u>2,881,305</u>	<u>2,683,873</u>

The financial statements were approved and authorised for issue by the Scottish executive committee on 5 June 2021 and signed on its behalf by:



Dr M McKenna, Scottish Chief Commissioner



E B Lawrie, Honorary Treasurer

The notes on pages 25 to 37 form part of these financial statements.

THE GUIDE ASSOCIATION SCOTLAND
STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020	2019
		£	£
Cash flows from operating activities	25	(67,265)	512,622
Cash flows from investing activities			
Dividends and interest		17,932	20,871
Purchase of property, plant & equipment		(30,824)	(76,498)
Proceeds from sale of property		189,309	-
Disposal of investments		127,156	42,091
Purchase of investments		(112,498)	(36,916)
Net cash from/(used in) investing activities		191,075	(50,452)
Change in cash and cash equivalents in the year		123,810	462,170
Cash and cash equivalents at beginning of year		928,656	466,486
Cash & equivalents at end of year	16	1,052,466	928,656

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 2019), 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 that 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 2022, ongoing promotion of retail, 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. For a further explanation read note 27.

D) FUND ACCOUNTING

Unrestricted funds are available to spend on activities that further any of the purposes of The Guide Association Scotland. Designated funds, which are unrestricted funds, are set aside by the executive committee 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 2019-2021 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	2019 Total Funds
	General	Designated			
	£	£	£	£	£
Incoming and endowments from:					
Donations & legacies	333,875	26,491	77,164	-	437,530
Charitable Activities					
Subscriptions	756,231	-	-	-	756,231
Trading income	1,329,707	-	-	-	1,329,707
Events & trips income	458,084	-	-	-	458,084
Grants & other income	15,353	10,723	180,236	-	206,312
Investments	16,134	4,737	-	-	20,871
Total	2,909,384	41,951	257,400	-	3,208,735
Expenditure on:					
Raising funds	7,276	8,526	-	-	15,802
Charitable activities	2,517,720	148,230	220,003	-	2,885,953
Total	2,524,996	156,756	220,003	-	2,901,755
Net gain/(loss) on investments	60,261	20,855	-	-	81,116
Net income/(expenditure)	444,649	(93,950)	37,397	-	388,096
Transfers between funds	(35,000)	76,000	(41,000)	-	-
Net Movement in Funds	409,649	(17,950)	(3,603)	-	388,096
Total funds at start of year	694,756	1,400,938	73,113	126,970	2,295,777
Total funds at end of year	1,104,405	1,382,988	69,510	126,970	2,683,873

3. DONATIONS & LEGACIES

	Unrestricted Funds		Restricted	2020 TOTAL	2019 TOTAL
Funds	General	Designated			
	£	£	£	£	£
Donations	5,174	17,370	2,000	24,544	65,674
Legacies	500	30,000	-	30,500	329,959
Trust income	1,900	949	61,664	64,513	41,897
	7,574	48,319	63,664	119,557	437,530

Donations were gratefully received from the following organisations:

The Gannochy Trust, Meikle Foundation, PF Charitable Trust, The AMW Charitable Trust, The Tay Charitable Trust, Miss A A Clutterbuck Trust, Hugh & Mary Miller Trust. We are grateful for the continued support of Friends of Girlguiding Scotland and the Friends of Netherurd and legacy income from the late Jean McEwen and the late Agnes Guthrie.

4. TRADING INCOME

	Unrestricted Funds			2020	2019
	General	Designated	Restricted	TOTAL	TOTAL
	£	£	£	£	£
Retail	438,393	-	-	438,393	950,478
Netherurd	43,592	-	-	43,592	379,229
	481,985	-	-	481,985	1,329,707

5. EVENTS INCOME

Tartan Gig	-	-	-	-	289,100
Other events	11,257	-	-	11,257	37,060
International trips	5,305	-	-	5,305	131,924
	16,562	-	-	16,562	458,084

6. GRANTS AND OTHER INCOME

Grants	73,519	-	191,291	264,810	190,141
Other income	4,132	42	1,250	5,424	16,171
	77,651	42	192,541	270,234	206,312

The executive committee acknowledge with thanks grants from the Scottish Government through the Children, Young People & Families Early Intervention Fund, the CashBack for Communities programme, the Gannochy Trust and the National Voluntary Youth Organisation Support Fund; and Girlguiding for delivering diversity training and legal support. Included in general funds are grants of £69k from the UK Government's Coronavirus Job Retention Scheme.

7. INVESTMENTS

	Unrestricted Funds			2020	2019
	General	Designated	Restricted	TOTAL	TOTAL
	£	£	£	£	£
Bank interest	2,106	33	-	2,139	2,458
Dividends & interest	11,741	4,052	-	15,793	18,413
	13,847	4,085	-	17,932	20,871

8. RAISING FUNDS

Investment management	4,872	-	-	4,872	4,936
Direct costs	-	1,050	-	1,050	10,866
	4,872	1,050	-	5,922	15,802

9. CHARITABLE EXPENDITURE

	Unrestricted General £	Designated £	Restricted £	2020 TOTAL £	2019 TOTAL £
Grants paid	-	-	53,114	53,114	104,948
Direct costs:					
Delivery Being our Best	81,826	6,523	20,507	108,856	657,775
Retail	313,347	-	-	313,347	664,756
Netherurd	14,312	-	-	14,312	64,522
	409,485	6,523	20,507	436,515	1,387,053

Delivering Being our Best includes expenditure of £Nil on the Tartan Gig in 2020 (£294,602 in 2019).

Support costs:					
Staff costs (note 11)	824,656	-	31,584	856,240	902,967
Headquarters overheads	74,497	542	9,129	84,168	145,461
CYPFEIF core contribution	(60,000)	-	60,000	-	-
CashBack/Gannochy cont'n	(28,064)	-	28,064	-	-
Retail overheads	22,087	-	-	22,087	39,470
Netherurd overheads	75,506	-	-	75,506	136,147
Professional fees	4,993	-	-	4,993	13,374
Governance (note 10)	8,187	-	-	8,187	12,963
Committees/working groups	2,154	-	-	2,154	24,892
Depreciation	2,411	68,554	-	70,965	86,212
Irrecoverable VAT	22,128	-	-	22,128	32,466
	948,555	69,096	128,777	1,146,428	1,393,952
	1,358,040	75,619	202,398	1,636,057	2,885,953

10. GOVERNANCE

Audit fee	7,750	-	-	7,750	8,450
Trustee meetings	437	-	-	437	4,513
	8,187	-	-	8,187	12,963

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

	Unrestricted Funds General £	Designated £	Restricted £	2020 TOTAL £	2019 TOTAL £
Salaries and wages	668,725	-	29,022	697,747	788,262
Social security costs	54,670	-	2,406	57,076	61,231
Pension costs	51,942	-	156	52,098	51,363
Other employee benefits	1,956	-	-	1,956	2,111
Termination/redundancy	47,363	-	-	47,363	-
	824,656	-	31,584	856,240	902,967

The average number of staff employed during the year was:	2020 number	2019 Number
Full time	22	24
Part time	8	12
Total Staff	30	36

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 £61,168 and pension contribution of £6,204 (2019: £59,676 salary, £5,968 pension). Emoluments for the other key management personnel (as shown on page 1) totalled £237,702 (2019: £224,843), which included pension contributions of £17,948 (2019: £17,965).

Members of the Scottish executive committee and other sub-committees are, 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 £17,545 (2019: £81,412) of which £4,874 was paid to 13 executive committee members (2019: £10,847 to 19 members).

12. TANGIBLE FIXED ASSETS

	Heritable Property £	Furniture & Fittings £	IT Equipment £	Motor Vehicles £	TOTAL £
Cost					
At 1 January 2020	1,652,825	62,375	91,708	16,698	1,823,606
Additions	-	-	30,824	-	30,824
Disposals	(39,012)	(462)	(34,091)	-	(73,565)
At 31 December 2020	1,613,813	61,913	88,441	16,698	1,780,865
Depreciation					
At 1 January 2020	514,228	37,345	69,946	16,698	638,217
Charge for the year	48,541	10,208	12,216	-	70,965
Disposals	(38,957)	(247)	(34,091)	-	(73,295)
At 31 December 2020	523,812	47,306	48,071	16,698	635,887
Net Book Value					
At 31 December 2020	1,090,001	14,607	40,370	-	1,144,978
At 31 December 2019	1,138,597	25,030	21,762	-	1,185,389

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 £	2020 £	2019 £
Market value at 1 January 2020	468,423	166,690	635,113	558,857
Acquisitions	112,498	-	112,498	36,916
Disposals	(127,156)	-	(127,156)	(42,091)
Transfers in/(out) in the period	5,783	(5,783)	-	-
Net (loss)/gain on revaluation	(3,335)	(1,167)	(4,502)	81,431
Market value at 31 December 2020	456,213	159,740	615,953	635,113
Historical cost at 31 December 2020	362,624	126,970	489,594	489,610

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

THE GUIDE ASSOCIATION SCOTLAND
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

14. STOCKS

	2020 £	2019 £
Shop goods for resale	<u>80,594</u>	<u>104,431</u>

15. DEBTORS

	2020 £	2019 £
Trade debtors	6,638	21,734
Other debtors	64,208	85,856
Prepayments	690	182
	<u>71,536</u>	<u>107,772</u>

16. CASH AT BANK AND IN HAND

	2020 £	2019 £
Cash in hand	464	1,622
Cash held by investment manager	11,760	2,604
Cash at bank	<u>1,040,242</u>	<u>924,430</u>
	<u>1,052,466</u>	<u>928,656</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	16,372	48,647
Deferred Income (note 18)	41,655	135,665
Accruals	16,536	25,595
Taxation & social security	4,786	63,590
Other creditors	4,873	3,991
	<u>84,222</u>	<u>277,488</u>

18. DEFERRED INCOME

	2020 £	2019 £
At 1 st January 2020	135,665	246,266
Amounts released from previous years	(120,712)	(246,266)
Incoming resources deferred in the current year	26,702	135,665
At 31 December 2020	<u>41,655</u>	<u>135,665</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

	2020 £	2019 £
Financial assets at amortised cost	<u>1,123,312</u>	<u>1,036,246</u>
Financial liabilities at amortised cost	<u>(37,781)</u>	<u>(78,233)</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 2020 £	Income £	Expenditure £	Transfers £	Gains and Losses £	Balance at 31 Dec 2020 £
General Fund	1,104,405	1,535,262	(1,362,912)	(326,666)	(3,335)	946,754
Net (decrease) in general funds						(157,651)

2019 MOVEMENT

	Balance at 1 Jan 2019					Balance at 31 Dec 2019
General Fund	694,756	2,909,384	(2,524,996)	(35,000)	60,261	1,104,405
Net increase in general funds						409,649

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 2020 £	Income £	Expenditure £	Transfers £	Gains and Losses £	Balance at 31 Dec 2020 £
Designated Funds						
Asset Investment	1,209,052	-	(69,353)	-	-	1,139,699
Delivery Being our Best	138,013	12,000	(5,499)	347,066	(1,167)	490,413
Friends	35,923	40,446	(1,817)	(10,000)	-	64,552
	1,382,988	52,446	(76,669)	337,066	(1,167)	1,694,664

Net increase in designated funds						311,676
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2019 MOVEMENT

	Balance at 1 Jan 2019					Balance at 31 Dec 2019
Designated Funds						
Asset Investment	1,254,620	1,800	(113,368)	66,000	-	1,209,052
Delivery Being our Best	120,533	9,091	(22,466)	10,000	20,855	138,013
Friends	25,785	31,060	(20,922)	-	-	35,923
	1,400,938	41,951	(156,756)	76,000	20,855	1,382,988

Net (decrease) in designated funds						(17,950)
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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.

During the year £286,666 of legacy donation received in 2019 was transferred from general funds to the County Transformation Fund. The Keeping Girls in Guiding Fund received transfers of £60,400: £40,000 from general funds, £10,000 from the Friends of Girl Guiding Scotland Fund and £10,400 from restricted funds (see below).

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.

DELIVERING 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 fund includes annual income from the Chief's Memorial fund administered by the Guide Association.

TRAVEL FUND

To subsidise the cost of travel to Girlguiding events 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.

COUNTY TRANSFORMATION FUND (HALLIDAY LEGACY) (FORMERLY GOVERNANCE & DIGITAL TRANSFORMATION FUND)

To support counties to recover from the impact of COVID-19 via dedicated development officers focused on three strands: restructure of county governance, growth of membership, inclusion and diversity.

KEEPING GIRLS IN GUIDING FUND

To support girls affected financially by COVID-19 to stay in guiding.

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.

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

RESTRICTED FUNDS	Balance at 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 Dec 2020 £
Chief Commissioner's Fund	2,561	1,483	-	-	4,044
Netherurd Fund	52,270	2,000	(9,129)	(2,000)	43,141
Special Events Fund	6,880	23,530	(13,500)	(1,400)	15,510
Generation CashBack Fund	7,799	119,010	(109,247)	(7,000)	10,562
Scottish Gov't CYPFEIF	-	60,000	(60,000)	-	-
Developing Guiding Fund	-	50,182	(10,522)	-	39,660
	69,510	256,205	(202,398)	(10,400)	112,917

Net increase in restricted funds **43,407**

RESTRICTED FUNDS 2019 MOVEMENT	Balance at 1 Jan 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 Dec 2019 £
Chief Commissioner's Fund	2,634	1,524	(1,597)	-	2,561
Netherurd Fund	52,270	41,000	-	(41,000)	52,270
Special Events Fund	10,270	29,090	(32,480)	-	6,880
Generation CashBack Fund	7,005	91,146	(90,352)	-	7,799
Scottish Gov't CYPFEIF	-	60,000	(60,000)	-	-
Developing Guiding Fund	934	34,640	(35,574)	-	-
	73,113	257,400	(220,003)	(41,000)	69,510

Net (decrease) in restricted funds **(3,603)**

During the year £10,400 of restricted funds was transferred, with permission of the donors, to the unrestricted Keeping Girls in Guiding Fund. 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 (GANNOCHEY 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 2020	Income	Expenditure	Gains and Losses	Balance at 31 Dec 2020
	£	£	£	£	£
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. There were no movements in the Endowment Fund in 2019.

22. FUNDS

Fund balances at 31 December 2020 are represented by:

	Unrestricted Funds		Restricted	Endowment	Total
	General	Designated			
	£	£	£	£	£
AT 31 DECEMBER 2020					
Tangible Fixed Assets	16,806	1,128,172	-	-	1,144,978
Investments	456,213	32,770	-	126,970	615,953
Current Assets	557,957	533,722	112,917	-	1,204,596
Creditors falling due within 1 year	(84,222)	-	-	-	(84,222)
	946,754	1,694,664	112,917	126,970	2,881,305
2019 COMPARATIVE					
Tangible Fixed Assets	18,799	1,166,590	-	-	1,185,389
Investments	468,423	39,720	-	126,970	635,113
Current Assets	894,671	176,678	69,510	-	1,140,859
Creditors falling due within 1 year	(277,488)	-	-	-	(277,488)
	1,104,405	1,382,988	69,510	126,970	2,683,873

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 £258,972 (excluding VAT) were made from The Guide Association Trading Service (2019: £566,438). These purchases were made at arm's length. £2,538 was included in trade creditors at the year-end (2019: £15,572). 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:

	2020 £	2019 £
Land & Buildings	-	-
Within one year	-	-

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

	2020 £	2019 £
Net income for the reporting period:	197,432	388,096
Adjustments for:		
Depreciation charges	70,965	86,212
Unrealised loss/ (gain) on investments	4,772	(81,431)
Dividends and interest	(17,932)	(20,871)
(Profit) on sale of fixed assets	(189,309)	-
Decrease/ (increase) in stock	23,837	4,304
Decrease/ (increase) in debtors	36,236	227,583
(Decrease)/increase in creditors	(193,266)	(91,271)
Net cash (used in)/provided by operating activities	<u>(67,265)</u>	<u>512,622</u>

26. ANALYSIS OF CHANGES IN NET DEBT

The charity has no indebtedness under any term debt facility (2019: Nil).

27. EVENTS AFTER THE REPORTING PERIOD AND GOING CONCERN

During the financial year, the trustees took the decision to sell Netherurd, the training and activity centre in the Borders. The sale of the main house and garden house completed in April 2021 in separate transactions realising a net profit on disposal of £129k. We accepted an offer for the remaining property on the estate, but its sale had not completed at the date the financial statements were approved. The trustees are satisfied that there is no adjustment of the carrying value in the fixed assets at the balance sheet date. The trustees have instructed the charity's investment manager to invest the proceeds from the Netherurd sale, the annual income will be used to support adventure and training for our members. As a consequence, the Trustees are satisfied that activities remain continuing notwithstanding the disposal of the Netherurd site. The trustees, in consultation with the members, will agree plans for using the capital in line with our longer term strategy.

The trustees and management of the charity are aware that 2021 will continue to be a challenging year due to the continued restrictions of COVID-19, and uncertainty moving forward. The two main income streams to Girlguiding Scotland, membership subscriptions and retail income, have been adversely affected by this.

In February 2021, the subscription income for the following 12 months was confirmed and was significantly reduced from the previous year. The trustees are of the opinion that membership development and growth is a key goal for the organisation, and to enable this have designated funds towards supporting this. In addition, being mindful of the need to meet costs within available resource, are also carrying out a detailed review of our cost base to explore potential savings.

At the date of approval of the financial statements, the Trustees have prepared and approved up to date management accounts, budgets and cash flow projections to reflect revenue and cost assumptions that they consider reasonable and prudent. Reforecasts and review of assumptions will be carried out on a regular basis.

Having considered the matters above, the trustees are of the view that the charity will have sufficient resources to continue to operate and meet debts as they fall due for the foreseeable future. The financial statements have therefore been drawn up on a going concern basis.