



Girlguiding's Annual Report and Financial Statements

For the year ending 31 December 2015

BEING OUR BEST IN 2015



WE DISCOVER, WE GROW

Girlguiding

Registered Charity No. 306016

OSCR Registered Charity No. SC038436

Girlguiding is the leading charity for girls and young women in the UK. Our amazing volunteers inspire girls to find their voice and be their best, giving them a space where they can be themselves, have fun, build brilliant friendships, gain valuable life skills and make a positive difference to their lives and their communities.

Our vision

An equal world where all 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

Thanks to 100,000 volunteers across every part of the UK we can deliver life-changing opportunities for girls and young women through Rainbows (aged 5 to 7; 4 to 7 in Northern Ireland), Brownies (aged 7 to 10), Guides (aged 10 to 14) and The Senior Section (14 to 25).

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INTRODUCTION

The trustees of Girlguiding are pleased to present their Report for 2015.

2015 was the first year of our new five-year plan - 'Being our best'. Based on consultation on a scale that Girlguiding had not attempted before, our plan is rooted in the voices of over 20,000 people - including girls, volunteers, parents and external stakeholders.

To develop our plan, we encouraged the questioning of all that we are and all that we do by asking:

What will the world look like in 2020?

What will girls and young women want and need in 2020?

What should Girlguiding be doing that is the same in 2020?

What should Girlguiding be doing that is different in 2020?

The consultation revealed many positives, but also highlighted challenges for the coming years.

Girls told us they want guiding to be even more focused on: adventure, fun, trying new things, international travel, social action, camping and the outdoors. They want to be supported to develop useful skills for life, and having a voice is very important to them.

Volunteers want guiding to be even more about: fun, providing an exciting and varied programme for girls, giving girls a voice and enabling them to participate in social action. Our volunteers want to see happy girls who are exposed to adventure and opportunities to learn.

Parents want guiding to be even more about: opportunities to explore the outdoors, offering their daughters skills for life through a varied programme of social action, trips and international travel, a fun programme and inspiring role models.

External stakeholders want guiding to be even more focused on: being modern and relevant, delivering quality and consistency and being the voice of girls and young women.

All stakeholder groups told us how important it was for Girlguiding to be inclusive to people from all backgrounds.

This valuable feedback allowed us to focus on where we want to be at the end of five years. By 2020, we will empower more girls to find their voice and be their best through high-quality, girl-led programmes delivered by inspirational Leaders.

We worked to identify the four strategic themes that would get us there: **Excellence, Access, Voice and Capacity**. The following pages of this report outline what we have identified as our priorities for the next five years and the progress that we made in working towards them in 2015.

Our consultation showed us that Girlguiding is doing great things, but that there is more we can do. Whoever they are, wherever they are from, whatever their age, we know that the ideas, voices and actions of girls can transform the world around them for the better. We are proud to

support hundreds of thousands of girls and young women to achieve their potential, to make a difference and to be their best.

In 2015 we shared 'Being our best' with every adult in guiding. We supported staff and volunteers at all levels to understand the role that they play in delivering our strategy - and all of us committed to work together to make our vision for girls a reality. This report shows the progress we have made in 2015 in ensuring that we're delivering a bright future for all girls and young women in guiding and to those we hope will be joining.

Gill Slocombe

Gill Slocombe
Chair of Trustees (until 27 May 2016)



Our performance data is collected through a range of externally managed surveys and other data-gathering exercises including an in-depth review of our membership numbers. Central to this is the survey we carry out once a year, where we ask 25% of our members - girls and volunteers - about their experience of Girlguiding.





EXCELLENCE

We will improve the EXCELLENCE of our programme offer and delivery.

Our plan sets out to ensure that every girl in guiding is offered the very best opportunities to develop her potential and make a difference in the world. We know that the world for girls and young women is rapidly changing, so we need to keep listening and responding in order to offer a first-class, modern programme that reflects girls' evolving needs.

It is Girlguiding's 100,000 volunteers who deliver guiding to girls the length and breadth of the UK, week in, week out. Our volunteers make guiding happen, and to ensure that every girl can access the highest-quality guiding experience we need to support our volunteers, in every way we can, to be inspirational leaders. This includes reviewing the learning and development on offer, so that our volunteers have the time, training and support they need to deliver excellence for girls.

What we want to achieve by 2020

- 90% of girls will say that the charity is making a positive impact on their lives.
- 80% of girls will say they have inspiring role models within their unit volunteer team.
- 90% of volunteers will feel valued and supported.

Where we are at the end of 2015

- 86% of girls say that the charity is making a positive impact on their lives.
- 49% of girls say they have inspiring role models within their unit volunteer team.
- 78% of volunteers feel valued and supported.

WHAT WE DID IN 2015

Programme: We will offer girls the dynamic programme opportunities they want and need

In 2015, following on from our Strategic Planning consultation, we took a long, hard look at the programme of activities, challenges and events across all age groups. In consultation with girls and volunteers, we mapped out a rejuvenated, cohesive programme journey that would develop our young members from their first

steps in guiding as a Rainbow, through all our youth sections and beyond. We mapped our existing programme activities into this journey to understand where we can offer the kinds of new and exciting opportunities that girls want and need.

Alongside this major project we continued to develop new

programme resources in response to needs highlighted by our young members, consulting over 3,000 girls and young women in the process. We tested a new peer-education resource on the theme of resilience, and worked with members of The Senior Section to plan the 2016 Senior Section Centenary celebrations.



Leadership: We will support and encourage our volunteers to be inspirational Leaders

In 2015 we successfully engaged 57 groups across the UK in a pilot project to trial a new framework for supporting the quality and consistency of the guiding offer. A group of volunteers from varied roles was recruited to steer the project and act as mentors for those taking part in the pilot. We then consulted Leaders about the development of quality standards before rolling out the framework to the pilot groups. By the end of 2015 all but four of the 57 groups had completed the pilot, with most receiving a full quality accreditation. Following positive evaluation findings from participants, the next stage of the project will see decisions made about wide-scale future roll-out and revisions to the current framework.

Volunteer learning and development is key to delivering quality guiding across the UK. This

year we delivered a conference for 252 volunteer Trainers and increased the number of subject specialisms held by those in our training network by 76%. We launched our redeveloped A Safe Space training, along with guidance on how to accredit existing safeguarding training, to ensure that we are doing our best to safeguard the children in our care. We delivered new toolkits for our Trainers on Managing Change and Managing Conflict. The need to support our volunteers in new and appropriate ways is critical to our success - in the coming year we will be developing a new framework to lay out how Learning and Development is delivered within Girlguiding.

Our Commissioners (volunteer managers) are a vital support to our local volunteers and this was the year when we asked ourselves if

we are giving them the best central support possible. As a result we are reviewing Commissioner role descriptions, induction materials and national training offered, to ensure that they have the right tools and knowledge for their roles. As the needs and expectations of both existing and new volunteers evolve, we recognised the importance of having formal role descriptions for all key roles that reflect accurately what is expected of our volunteers and what they can expect in return.

We are committed to ensuring that our programme offer meets the needs of all girls and young women in the UK. In order to review our current inclusion practices we began work with an external consultant to evaluate our existing practices and to produce an action plan for 2016.

Resourcing: We will help our volunteers find the resources they need to deliver a great programme

Our consultation showed that girls want more outdoor adventure. In 2015 we recruited a new volunteer Outdoor Team; we also updated resources and provided additional training to support volunteers to deliver outdoor activities including narrowboating, rowing, water

safety and canoeing. We launched an exciting new adventurous event, Magic and Mayhem, at our national Activity Centres. Alongside the now sell-out annual Wellies and Wristbands festival events for Guides and The Senior Section, Magic and Mayhem looks to become

a regular fixture - giving girls in our youngest sections, Rainbows and Brownies, the chance to try out circus skills, adventurous activities and magic tricks at this fun residential event.

WHAT WE WILL ACHIEVE IN 2016

Based on our progress in 2015, by the end of 2016 we will have done the following.

- Established a 2016-2020 plan to deliver an improved programme offer to girls based on findings from our 2015 programme review.
- Developed a new Learning and Development policy and framework so that our volunteers and potential volunteers can understand our commitment to their development and what is expected from them.
- Developed a clear youth participation strategy for the remainder of the Strategic Plan and implemented the first phase of this.
- Evaluated the Quality Pilot and made recommendations for next steps in 2016 and beyond.



ACCESS

We will increase the number of girls from all backgrounds who can ACCESS the benefits of guiding.

We know that guiding offers girls and young women amazing, life-changing opportunities. We know that guiding helps girls build confidence, reach their potential and make a positive difference to their communities and the world. This is why we want to grow and shout out more about what makes guiding great - so that we can provide more inspiring opportunities, and change the lives of even more girls. To ensure that girls from an even greater diversity of backgrounds can benefit from these opportunities we are committed to widening access to Girlguiding. We will reach out to new communities and establish groups in areas that haven't traditionally had a guiding presence.

What we want to achieve by 2020	Where we are at the end of 2015
<ul style="list-style-type: none"> 70% of the public would recommend guiding to a girl they know. 	<ul style="list-style-type: none"> 51% of the public would recommend guiding to a girl they know.
<ul style="list-style-type: none"> More than 13% of girls aged 5 to 13 in the UK will be members of Girlguiding. 	<ul style="list-style-type: none"> More than 12.2% of girls aged 5 to 13 in the UK are members of Girlguiding.
<ul style="list-style-type: none"> We will reduce by 20% each year the number of girls of membership age waiting to join for more than one term. 	<ul style="list-style-type: none"> We have reduced by 8.6% in 2015 the number of girls of membership age waiting to join for more than one term.

WHAT WE DID IN 2015

Membership: We will be able to welcome all girls and young women who want to join us

A priority for the year was to enable the tens of thousands of girls on our waiting-to-join lists to become members. In 2014 Girlguiding had invested central funds in trialling the employment of Regional staff to support this process. This intervention was positively evaluated in 2015, with six of our nine Countries/Regions choosing to continue the model. We shared learning from these Growing Guiding pilot initiatives at an Innovation event for key Regional volunteers and staff.

Eight training events for 320 Commissioners (volunteer managers) took place during 2015 to strengthen knowledge of the 'Join Us' waiting list system. In 2015 we welcomed 11,500 new volunteers. Girlguiding is delighted that the Pears Foundation agreed to fund a joining and induction pilot, to take place in 2016. This will help us look at ways to capitalise on offers to volunteer and how, once volunteers have joined us, we can best encourage them to stay.

Girlguiding ended 2015 having reduced the number of girls of membership age waiting to join for more than one term from 46,975 to 42,911. While this is a positive achievement the fact remains that, at the end of 2015, nearly 43,000 girls wanted to join us, but were still waiting. This remains a key challenge for the charity in 2016 - we must also ensure that, once we have welcomed girls into our membership, they choose to stay and grow in guiding.



Appeal: We will increase the number of girls and young women who want to join us

Our focus for 2015 was on tackling waiting-to-join lists but even without a national push on promoting membership among girls, more than 160,000 signed up to join during the year.

At the end of 2015, research showed that 51% of the public would recommend Girlguiding to a girl they know. With a target of 70%

recommendation for 2020, raising awareness of the reality and relevance of our offer UK-wide is an ongoing challenge. In 2015, we achieved over 350 pieces of positive and perception-changing media coverage in a broad range of print, online and broadcast media. This included the *Telegraph*, the *Guardian*, *The Times*, *Huffington*

Post, *Channel 4 News*, *Radio 5 Live*, *Elle*, *Red* and *Children and Young People Now*. At the end of 2015 public awareness of Girlguiding stood at 55%, and we had climbed nine places from our 2014 listing to 74th out of 150 charities on the Charity Brand Index.

Partnerships: We will develop strong partnerships to enable girls and young women who do not currently have access to guiding to join us

Our partnership working with the Youth United Foundation has seen us create 2,226 more places for girls (against a target of 1,500) in areas where Girlguiding has not traditionally had a presence, recruiting 185 new volunteers to run 108 new and 25 'at risk' units. This major project has now concluded and has clearly shown the benefits of employing paid staff to take guiding to communities

where there is little tradition of guiding. Girlguiding has successfully applied for further Youth United funding to support targeted work in England, Northern Ireland and Wales.

This year we piloted a Youth United Foundation-funded leadership development programme for National Citizenship Service (NCS) Graduates aged 16 to 18. This targeted young people

with generally no prior experience of Girlguiding, condensing elements of our Leadership Qualification, giving participants a valuable understanding of leadership in guiding and facilitating their placement into units as volunteers. A toolkit has been developed so the model can be used by local guiding to help get more young people taking on leadership roles across the UK.

WHAT WE WILL ACHIEVE IN 2016

By the end of 2016 we will have done the following.

- Developed and piloted a new process for recruiting and placing volunteers which utilises localised paid staff, reducing administration for our volunteers so they can focus on delivering amazing opportunities for girls.
- Identified when we are losing girls and why, in order to put a robust retention plan in place.
- Completed an audit of our approach to diversity and inclusion and have an agreed action plan in place.
- Delivered an awareness-raising campaign to increase awareness of and understanding about Girlguiding, particularly among women aged 25 to 34.
- Continued to maintain a high positive profile in the national and regional media.





VOICE

We will improve the way we listen to and promote the VOICE of girls and young women.

We want to empower more girls to speak out and make a difference, both inside guiding and in the wider world. We want to show girls that their voices matter by involving them in decision-making at every level of our charity and by reflecting their priorities, needs and opinions in all that we do. We will continue to build our expertise on the issues that matter to girls and young women by strengthening and expanding our research into the views and experiences of girls from all backgrounds across the UK. And we will use this research to call for positive change for girls everywhere. We know that girls' voices and actions can transform the world around them for the better, so we will offer even more platforms and opportunities for girls to speak out about what matters to them and take part in social action.

What we want to do by 2020	Where we are at the end of 2015
<ul style="list-style-type: none"> 60% of our external stakeholders will see us as experts on girls' views. 100% of young members will be involved in social action. All key strategic decisions influencing the national programme and the direction of the charity will include consultation with girls. 95% of girls will report being consulted on the development of their unit programme. 	<ul style="list-style-type: none"> 48% of our external stakeholders see us as experts on girls' views. 93% of young members are involved in social action. 5 out of 8 key strategic decisions influencing the national programme and the direction of the charity include consultation with girls. 72% of girls report being consulted on the development of their unit programme.

WHAT WE DID IN 2015

Research: We will be experts in what girls and young women in the UK think

Girlguiding's Girls' Attitudes Survey, now in its eighth year, is the largest survey of its kind into the lives of girls and young women in the UK. The 2015 survey canvassed the views of 1,574 girls and young women aged 7 to 21 across the UK, both members and non-members of Girlguiding. The findings gave a stark insight into the many pressures girls face today - particularly in the areas of anxiety

about mental well-being, gender stereotyping and sexism.

Drawing on the worrying findings about girls' mental well-being from the 2014 and 2015 surveys, in 2015 we commissioned an in-depth research study to further explore the pressures girls are facing and their resilience to these. The findings will be published in 2016. Alongside this, to ensure we are doing more to support girls and

young women in our membership, in 2015 we developed a peer-education resource on mental well-being and resilience - Think Resilient - to be ready for launch in 2016. Our focus on girls' mental well-being will also shape the advocacy we do as a charity, seeking to improve life for all girls and young women.



Social action: We will empower girls to change the world around them for the better

In the lead-up to the 2015 General Election Girlguiding launched Girls Matter, a campaign to get girls' voices heard by politicians across the political parties. Our members identified eight changes that they felt would make a world of difference. Since the General Election we have continued to offer our young members the opportunity to speak out to influence change in the media - across digital channels and through policy initiatives - no less than 890 times in 2015.

Alongside this we launched a programme resource, endorsed by the 'Parliament in the Making' initiative, to support girls in developing their understanding of democracy and the part they can play in the UK government's decision-making. By the end of 2015 nearly 12,000 girls took part, developing their knowledge and skills and taking action on issues important to them.

Social action is at the heart of Girlguiding - from the good turn to

projects in local communities, fundraising in support of other charities and influencing decision-makers to improve girls' lives. We want to support more girls from all backgrounds to speak out and take social action. In 2015 we secured funding to run training and inspiration events and create Regional advocacy networks across the UK to support girls to take action. We will be piloting this exciting project in 2016.

Girls: We will ensure that girls and young women have their say in guiding and beyond

Girls are at the centre of everything we say and do. We aim to consult them whenever we can at a national level, and to ensure that they are consulted at unit level by supporting our volunteers to work in a girl-led way. Our performance against our KPIs in this area shows that we have work to do in order to be where we want to be in 2020. To sharpen our focus

and improve our practices we have recruited a Lead Volunteer for Youth Participation and begun to develop a new strategy to ensure that we really are as girl-centric as we wish to be.

Our Youth Panel, Advocate, made up of 18 members aged 14 to 25 from across the UK, continues to steer our policy and research work. Now in its eighth year, the panel

not only leads many high-profile campaigns and events on Girlguiding's behalf but also ensures that these campaigns are founded on the views of girls and young women. Our new advocacy networks will enable us to expand and diversify how we seek girls' input, enabling more young members to speak out and make a difference.

WHAT WE WILL ACHIEVE IN 2016

By the end of 2016 we will have done the following.

- Developed a youth-participation strategy to ensure that girls are at the heart of decision-making at every level of Girlguiding.
- Piloted the development of a youth advocacy network to support a wider range of our members to engage in local advocacy and take social action.
- Published our eighth Girls' Attitudes Survey.



We will improve our structures, processes and CAPACITY.

We can achieve brilliant outcomes for girls only if our charity has in place strong structures, processes and decision-making. We are working collaboratively to improve these, and to provide a strong foundation for our work.

What we want to achieve by 2020	Where we are at the end of 2015
<ul style="list-style-type: none"> All key financial targets will be achieved. 	<ul style="list-style-type: none"> We budgeted to make a loss for the year of £0.8 million, but our final results were slightly better at a loss of £0.7 million. We fell short, by £0.6 million, of our income target of £9.6 million. Our reserves were £4.7 million; this is above our policy minimum.
<ul style="list-style-type: none"> 95% of staff will be rated an average of good or better in their annual appraisals across all core competencies. 	<ul style="list-style-type: none"> 98% of staff were rated an average of good or better in their annual appraisals across all core competencies.
<ul style="list-style-type: none"> 85% of volunteers will rate our key systems and processes as satisfactory or above. 	<ul style="list-style-type: none"> 57% of volunteers rate our key systems and processes as satisfactory or above.
<ul style="list-style-type: none"> 80% of national staff and trustees will rate management and governance structures as effective. 	<ul style="list-style-type: none"> 76% of national staff and trustees rate management and governance structures as effective.

WHAT WE DID IN 2015

Finance: We will ensure the financial sustainability of Girlguiding

Much preparatory work was done on Girlguiding’s long-term financial strategy in 2015, including a re-examination of underlying financial policies. A major project, designed to make best use of the charity’s building asset in Buckingham Palace Road, was finished at the end of the year. Rambling offices have been

replaced with rejuvenated, fit-for-purpose work space and a hotel development leased to a commercial partner in a long-term arrangement. The healthy return on investment will be used directly to support the delivery of Girlguiding’s ‘Being our Best’ strategy. Girlguiding’s Trading Service has

continued to provide a reliable income source and the charity has continued its successful journey of developing fundraising activity and increasing fundraising income, principally through corporate partnerships and trusts and foundations. In 2015 we generated 80% of our original fundraising target.



Staff: We will have the staff we need with the right skills and abilities

In 2015 the decision was made to review the structure of the national staff team in order to ensure that staff resource was concentrated on the priorities of the new strategy. 2015 also saw an overhaul of the

annual appraisal process and the second annual staff survey. Once again Girlguiding performed well against charity sector benchmarks, outperforming the benchmark on 33 out of the 45 comparable

questions. It outperforms most significantly in the areas of people management, personal development, overall job satisfaction and in recommending the charity as an employer.

Processes and systems: We will have processes and systems that are fit for purpose and efficient, and which change with our needs

Girlguiding has two major systems projects now in progress: the implementation of a new digital strategy, including website development, and a replacement membership information system. To

ensure that we are delivering an excellent website and a membership system that meets members’ needs, both projects have been revisited and the decision was made to dedicate

more resource to these priority areas. Our performance indicator for this area at the end of 2015 shows this approach to be justified.

Structures and decision-making: We will have effective structures and decision-making processes

The final elements of Girlguiding’s governance review were completed in 2015. The review of its governing document, the Royal Charter, was approved and as a result the role

and responsibilities of our Council changed. New members were elected to represent our Countries and Regions on the new consultative body. Induction

sessions were held to learn from the new Council members (many of them aged under 26) how they thought they could best contribute to Girlguiding’s future direction.

WHAT WE WILL ACHIEVE IN 2016

By the end of 2016 we will have done the following.

- Scoped and developed the replacement membership system ready to test and go live in 2017.
- Developed a long-term financial strategy, taking into account outcomes of our review of membership subscription fees.
- Completed a full switch-over to the new website.
- Put in place a fit-for-purpose back-office ICT infrastructure.
- Implemented changes to the national staffing structure in order to ensure most efficient achievement of our strategy.
- Concluded a review of our member communications and agreed priority areas of implementation for this work to ensure that our members are getting the information they want and need in the right ways.



CONCLUSION

This report highlights the many advances that Girlguiding has made as a national charity in 2015. This was a year of reflection and a year of ambition - we reviewed, tested and piloted ways to improve our offer, our impact and how we work. We put building blocks in place to deliver a better experience for every single girl in guiding, so that we can create a more equal world for girls by 2020. Underpinning every success we saw in 2015 was the contribution that our dedicated volunteers across the UK make every day of every week. Without them there would be no Girlguiding.

It was exciting to embark on a new strategy with a new enthusiasm in 2015 and for all of us in guiding - volunteers, staff and trustees - to work together to be our best. But there is no doubt that our ambitious new plan, and the desire to measure exactly how far down that road we have travelled, has highlighted further important work to be done. We need to find solutions to issues that our monitoring and measurement have raised. How do we make sure we are able to welcome those 40,000 girls who are out there waiting to join us now? How do we make sure we listen to the voice of girls at every level of the charity and ensure that it is their views that lead us through 2016 and beyond? Our volunteers make guiding happen - how do we give them the tools and support to do that in the best way possible through a very extensive and very complex structure?

We will continue to pilot new methods in 2016, to implement tried and tested changes, but, most importantly, we will continue to have fun - so that we continue to be where girls want to be. 2016 marks one hundred years of our 14+ age group, The Senior Section. There will be parties and there will be celebrations. Our girls and young women will be deciding how to mark this special birthday. They will be the ones speaking out in the media about their achievements and their dreams.

As I finish my term as Chief Guide and Chair of the Board of Trustees and reflect on the five-year journey that I have undertaken with Girlguiding, I am proud of the progress we have made as a national charity. I am proud too of the journey that the Rainbow of 2010 has taken to become the Guide of 2015, the progress that the Guide of 2010 has made to become the Young Leader of 2015. Yes, we can look back over five years of annual reports and chart our progress in terms of statistics, reviews and outcomes. But beneath each statistic are the girls who have grown in guiding to become confident, happy young women, ready to be their best and to give back to their communities - that for me is what makes the journey worthwhile.

By 2020, we will empower more girls to find their voice and be their best through high-quality, girl-led programmes delivered by inspirational Leaders.

We will need the help of all our volunteers, supporters, partners and friends to make this happen. Please join us on our onward journey towards 2020 as we focus all our efforts on 'Being our best'.

Gill Slocombe

Gill Slocombe
Chair of Trustees
(until 27 May 2016)



EXCELLENCE



ACCESS



VOICE



CAPACITY



STRUCTURAL INFORMATION

GOVERNING DOCUMENT AND CONSTITUTION

The Guide Association is incorporated by Royal Charter and is registered as a charity (Charity registration number 306016, OSCR registration number SC038436) with its headquarters at 17-19 Buckingham Palace Road, London SW1W 0PT. The Association has its affairs managed and regulated by a Board of Trustees. The constitution of Girlguiding's Council and the Board of Trustees, and the exercise of powers by the Council and Trustees, are set out in the bye-laws to the Royal Charter.

The Board of Trustees has four sub-committees: Audit and Risk, Nominations and Governance, Remuneration and Planning, and Policy and Performance. Terms of reference for each committee clarify the roles and responsibilities of each, their decision-making remit, and the requirements for them to exercise scrutiny and make recommendations to the Board. The decision-making framework for both the sub-committees and the CEO and senior staff is laid down in the Scheme of Delegated Authority which is reviewed annually by the Board of Trustees.

ORGANISATION STRUCTURE

Guiding within the United Kingdom is organised into a number of geographical areas to provide support, lines of two-way communication and opportunities for young members, Leaders and Commissioners to make decisions and take responsibility. Each of the six Regions of England and the three Countries of Scotland, Ulster and Wales has a Chief Commissioner, who is Chair of a Board of Trustees which is appointed according to the Country or Region constitution and which is responsible for the administration of guiding in that Country or Region.

The Board of Trustees of the charity

Chief Guide

Gill Slocombe CBE (until 27.05.16)
Valerie le Vaillant OBE (from 28.05.16)

Deputy Chief Guide

Angela Milln (until 27.05.16)

Treasurer

Graham Littlewood (until 30.09.15)
Robert Cox (from 01.10.15)

Jaki Booth (from 12.02.15)
Hilary Cooper (until 31.01.16)
Maya Dibley
Val Elliott
Cathy Fraser (until 12.02.15)
Carole Graham (from 01.02.16)
Zoe Harris
Su Hassall (from 12.02.15)
Helen Humphreys (from 12.02.15)
Benny Lawrie
Sue Lomas OBE (until 31.01.16)
Margaret Mackie (from 01.02.16)
Tracey Murray (until 12.02.15)
Rosalyn Old
Della Salway (from 01.02.16)
Helen Timbrell

Appointment and induction of trustees

The members of the Board of Trustees are selected and appointed by a Nominations and Governance Committee to ensure a breadth of professional background and experience suitable to direct the affairs of the charity. There are established procedures for the induction of each trustee to ensure that they are aware of the responsibilities of a trustee and the ways of working within the charity.

All trustees are required to take part in group trustee training sessions at least once a year and trustees are also invited to attend specialist one-off training sessions on aspects of their role offered by sector training organisations.

The Guide Association's key management personnel

Chief Executive

Julie Bentley

Deputy Chief Executive and Strategy Director

Sue Field (until 16.08.15)

Ruth Marvel (from 13.06.16)

Communications Director

Becky Hewitt

Operations Director

Joanne Hobbs

Corporate Resources Director

Gary Hocking (from 29.03.16)

Interim Strategic Resourcing Director

Helen Platts (from 17.08.15 until 29.03.16)

Professional advisers and consultants

The professional advisers and consultants during 2015 have been as follows.

Bankers

National Westminster Bank Plc,
169 Victoria Street,
London SW1E 5BT

Fund Managers

Cazenove Capital Management,
12 Moorgate, London EC2R 6DA

Auditors

BDO LLP,
55 Baker St, London W1U 7EU

Legal consultant

Bates, Wells and Braithwaite,
Scandinavian House,
2-6 Cannon St, London EC4M 6YH

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the Board of Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the group and parent charity and of the incoming resources and application of resources of the group and parent charity for the year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Board of Trustees is responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 and regulations made thereunder. They are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Trustees is responsible for the maintenance and integrity of the financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

RAINBOW

'We love the rope swings - it makes me feel like I'm flying high in the sky and it's fun!'

LEADER

'Girlguiding me make a difference', has helped

GUIDE

'The Big Gig is a totally unforgettable experience'

THE GUIDE ASSOCIATION AND PUBLIC BENEFIT

'Girlguiding' is an operating name of The Guide Association which is incorporated/governed by Royal Charter, and is a registered charity in both England and Wales (number 306016) and in Scotland (OSCR SCO 38436).

The charity's trustees have a duty to report on the charity's public benefit in the Annual Report. The benefit that the charity brings to girls and young women, their community and the wider world is explicit in our charitable purpose.

Our charitable purpose

'To promote the education of girls and young women to help them develop emotionally, mentally, physically and spiritually so they can make a positive contribution to their community and the wider world.'

It is also reflected clearly in Girlguiding's vision and mission, which are a fresh expression of the charity's purpose and direction which spearhead the strategic plan for 2015 to 2020 and beyond.

THE SENIOR SECTION

Our vision

An equal world where all 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 Promise

Central to Girlguiding is the Promise, the words that every girl and young woman joining the charity use to express their undertaking to be the best that they can be through guiding and to give back to their community through their involvement in the movement. This is in itself a truly grassroots expression of the charity's public benefit at work.

I promise that I will do my best:

To be true to myself and develop my beliefs,

To serve the Queen and my community,

To help other people and

To keep the (Brownie) Guide Law.

PUBLIC BENEFIT IN 2015

The pages of this report detail the framework that the trustees have adopted to maximise benefit to Girlguiding's members, their communities and the world beyond.

We have referred to the Charity Commission's general guidance on public benefit in setting our strategic plan. In particular, the trustees consider how planned activities will contribute to the aims and activities we have set.

The Excellence strategic strand aims to maximise the benefit to each individual member in guiding. At the end of 2015, 86% of girls and young women in our membership said that the charity is making a positive impact on their lives.

The Access strategic strand aims to maximise the number of girls who benefit from the Girlguiding programme. At the end of 2015 more than 12.2% of girls aged 5 to 13 in the UK were members of Girlguiding.

The Voice strategic strand aims to give our young members the opportunity to be the change in our organisation, in their communities and in the wider world. At the end of 2015, 93% of young members were involved in social action.

This report details the targets that the trustees have set in each of these areas for 2020 and indicates the priority areas for action for 2016 to guide the next steps of that journey.

'It's OK to go camping and want your hair to look nice. You don't have to fit into a stereotype'

ENVIRONMENTAL STATEMENT

Girlguiding UK seeks to create a culture in which environmental considerations are integrated into all policy decisions and business activities across the Association.

RISK STATEMENT

The major risks facing the Association are continually reviewed and carefully scrutinised by members of the Board of Trustees.

A separate risk log has been developed for key Association-led projects. These risks are reviewed and systems revised at meetings during the year involving the trustees and senior managers. In addition, a risk management group continues to analyse evidence from insurance claims to identify areas of local guiding activity where generic advice and guidance to volunteers could be strengthened.

A Serious Incident report was made in 2016 to the Charity Commission, advising that spending on the project to refurbish the HQ offices and create a hotel had overrun the budget, but that the additional costs could be funded from our reserves.

A key risk area for Girlguiding is that the girls and young women who want to join us do not have access to guiding. We are managing this risk by recruiting development workers in each of the Countries and Regions, delivering our new Membership Development plan and implementing the action plan arising out of our recent inclusion audit.

Supporting our volunteers to be inspirational leaders is also a key area of focus. We are addressing this by increasing the learning and development opportunities for our volunteers, by making improvements to our programme offer, and through our work on quality.

The possibility of all levels of guiding not being engaged in delivering the 'Being our best' strategy has been identified as a further key risk for the Association. This is being managed by involving the Countries and Regions in developing Girlguiding's performance framework, and by strengthening our membership communications including upgrading our website.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING

Until 1 April 2016 the staff structure at the charity's head office was organised into three Directorates - Guiding Services (focused on programme delivery and supporting members), Communications and PR, and Strategic Resources (including HR, IT and Finance). On 1 April 2016 the organisation was restructured into four Directorates to aid the effective delivery of the strategic plan: Operations, Communications, Strategic Planning and Corporate Resources. The Board of Trustees has overall responsibility for the decisions of the Association and has delegated its authority in specific areas to Board Sub-Committees, the

Chief Executive and her senior managers under an approved schedule of delegated authority.

VOLUNTEERS

The Association is grateful for the dedication and support of 100,000 volunteers in all parts of the Countries and Regions who give their time and energy to help our girls and young women to achieve their potential, to make a difference and to be their best.

SETTING PAY AT GIRLGUIDING

The Chief Executive's pay was set by the Remuneration Committee in 2014 based on the findings of a benchmarking exercise for the charity sector Chief Executive pay. The pay of other key management personnel is set by the Chief Executive (CEO) based on a benchmarking exercise of pay for similar roles in the sector. All jobs including that of the CEO are placed in a salary band. Salary progression is linked to length of service and each year staff move on to a higher salary step within their band provided that their performance is satisfactory.

BROWNIE

'My favourite thing is I like being the Sixer and I like making friends'

REVIEW OF FINANCIAL POSITION

The financial statements annexed to this report are those of the Association's Headquarters and reflect the activities it undertakes on behalf of the Association as a whole. Countries and Regions, Counties, Divisions, Districts and units are separate charities and are responsible for their own finances.

THE STATEMENT OF FINANCIAL ACTIVITIES (SOFA)

Incoming and outgoing resources for the year are detailed in the SOFA, together with net gains or losses on investments. These are shown separately for the Association's unrestricted funds, which may be used at the discretion of the Board of Trustees, and the Association's restricted trust and special funds, which must be spent in accordance with the donors' wishes.

Net income for the year amounted to £18,470,087, compared with £409,872 in 2014. This includes gains on investments of £19,121,869, of which £19,162,346 relates to the revaluation of our investment property (built at a cost of £10,162,654) to a market value of £29,325,000. This compares to total gains of £44,490 in 2014.

THE BALANCE SHEET

Tangible fixed assets

The Association holds various tangible fixed assets to support its activities. These are the Headquarters (HQ) building, the Members' Trading Service premises and the Activity Centres. A total of £9,538,090 was spent on fixed assets in the year, comprising £63,367 on fittings and equipment, £60,175 on an Activity Centre facility and £9,414,548 to bring the work on the HQ building project to completion. On 30 November 2015, £10,162,654 was transferred to an investment property, being the hotel portion of the HQ building project.

Investment policy

The conversion of part of the Headquarters building to an investment property will provide rental income which will help to fund day-to-day running costs and strategically

important revenue and capital projects in the future. The Association also holds financial investments as an important part of our reserves. Professional fund management companies are employed to manage the funds and their performance is reviewed regularly by the Audit and Risk Committee. Performance is benchmarked against appropriate performance indices. Total unrestricted investments were valued at £36,377,340 at 31 December 2015.

Reserves policy

Free reserves represent the working capital of the Association available to support short- and medium-term objectives and to safeguard against unexpected decreases in income. Charity Commission guidance defines free reserves as 'income which becomes available to the charity and is to be expended at trustees' discretion in furtherance of any of the charity's objectives, but is not yet spent, committed or designated'. Free reserves exclude assets not freely available to spend on the charity's purposes: its tangible fixed assets and the investment property, an asset let on a lease for long-term financial return. The Board of Trustees has examined the needs and challenges faced by the Association in both the short and the medium term along with relevant financial forecasts and has formulated a policy to meet those needs. This policy currently requires a minimum level of free reserves of £3 million. The level of free reserves as at the date of this report, after taking

capital commitments into account, is £4,705,188. Free reserves represent about £171 for each guiding unit supported.

Designated funds

The specific uses and needs to be met by the designated funds are detailed separately in note 19 to the financial statements.

Financial statements for 2015

The annual financial statements for 2015 are annexed to this report and include a report by the Association's auditors, BDO LLP. The financial statements comply with current statutory requirements and with the requirements of the Association's Royal Charter, and were approved by the Board of Trustees at its meeting on 23 June 2016 to be submitted to the Association's Annual General Meeting for adoption.

The Honorary Treasurer was authorised to sign the annual financial statements on behalf of the Board of Trustees.

Annual report

This report was approved by the Board of Trustees at its meeting on 23 June 2016 and the Chief Guide was authorised to sign the report and the annual financial statements on its behalf.



Valerie le Vaillant
Chair of Trustees
23 June 2016

	2015	2014
The Association's free reserves are made up as follows:	£'000	£'000
General fund	41,276	10,880
Less: unrestricted fixed assets for The Association's use (note 13)	(7,246)	(5,342)
Less: value of investment property (note 12)	(29,325)	-
Free reserves	<u>4,705</u>	<u>5,538</u>

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE GUIDE ASSOCIATION

We have audited the financial statements of The Guide Association for the year ended 31 December 2015 which comprise the consolidated statement of financial activities, the charity statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated cash flow statement, the charity cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 144 of the Charities Act 2011 and report in accordance with regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2015 and of the group's incoming resources and application of resources for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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
- proper and sufficient accounting records have not been kept; or
- the parent charity financial statements are not in agreement with the accounting records or returns; or
- we have not received all the information and explanations we require for our audit.



BDO LLP
Statutory Auditor
London, United Kingdom
Date: 23 June 2016

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

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2015

		2015			2014
	Notes	Unrestricted funds	Restricted funds	Endowed funds	Total funds (restated)
		£	£	£	£
Income					
Donations, legacies and grants	2	286,103	880,808	-	1,166,911
Charitable activities					
Subscriptions		5,705,666	-	-	5,705,666
Activity Centres		2,733,805	-	-	2,733,805
Events	3	793,906	-	-	793,906
Publications		132,593	-	-	132,593
Trading activities	4	7,864,989	-	-	7,864,989
Investments	5	239,694	57,110	13,064	309,868
Other	6	299,176	10,170	-	309,346
Total income		18,055,932	948,088	13,064	19,017,084
Expenditure					
Raising funds	7	5,637,652	-	-	5,637,652
Charitable activities	8	13,102,967	924,131	4,116	14,031,214
Total expenditure		18,740,619	924,131	4,116	19,668,866
Net gains/(losses) on investments	12	19,131,028	(6,501)	(2,658)	19,121,869
Net income/(expenditure)		18,446,341	17,456	6,290	18,470,087
Transfers between funds		-	-	-	-
Net movement in funds		18,446,341	17,456	6,290	18,470,087
Reconciliation of funds					
Total funds brought forward at 1 January 2015		23,109,038	3,263,639	319,065	26,691,742
Total funds carried forward at 31 December 2015		41,555,379	3,281,095	325,355	45,161,829

All gains and losses recognised in the year are included in the Statement of Financial Activities.

All amounts arise from continuing activities.

The notes on pages 28 to 45 form part of these accounts.

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2015

		2015			2014
	Notes	Unrestricted funds	Restricted funds	Endowed funds	Total funds (restated)
		£	£	£	£
Income					
Donations, legacies and grants	2	286,103	880,808	-	1,166,911
Charitable activities					
Subscriptions		5,705,666	-	-	5,705,666
Activity Centres		2,733,805	-	-	2,733,805
Events	3	793,906	-	-	793,906
Publications		132,593	-	-	132,593
Trading activities	4	9,648	-	-	9,648
Investments	5	239,694	57,110	13,064	309,868
Other	6	379,853	10,170	-	390,023
Donation from subsidiary		2,584,848	-	-	2,584,848
Total income		12,866,116	948,088	13,064	13,827,268
Expenditure					
Raising funds	7	343,896	-	-	343,896
Charitable activities	8	13,206,907	924,131	4,116	14,135,154
Total expenditure		13,550,803	924,131	4,116	14,479,050
Net gains/(losses) on investments	12	19,131,028	(6,501)	(2,658)	19,121,869
Net income/(expenditure)		18,446,341	17,456	6,290	18,470,087
Transfers between funds		-	-	-	-
Net movement in funds		18,446,341	17,456	6,290	18,470,087
Reconciliation of funds					
Total funds brought forward at 1 January 2015		24,609,038	3,263,639	319,065	28,191,742
Total funds carried forward at 31 December 2015		43,055,379	3,281,095	325,355	46,661,829

All gains and losses recognised in the year are included in the Statement of Financial Activities.

All amounts arise from continuing activities.

The notes on pages 28 to 45 form part of these accounts.

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2015

	Notes	2015		2014	
		£	£	£	£
Fixed assets					
Tangible fixed assets	11		8,319,064		9,877,604
Investments	12		37,953,327		9,585,689
			<u>46,272,391</u>		<u>19,463,293</u>
Current assets					
Stocks	14	761,101		753,060	
Debtors	15	1,487,366		1,294,078	
Short-term bank deposits		-		5,000,000	
Cash at bank and in hand		2,399,420		5,431,462	
		<u>4,647,887</u>		<u>12,478,600</u>	
Current liabilities					
Creditors due within one year	17	(5,309,090)		(4,804,179)	
Net current assets/(liabilities)			(661,203)		7,674,421
Long-term liabilities					
Provisions for liabilities and charges	18		(449,359)		(445,972)
Net assets			<u>45,161,829</u>		<u>26,691,742</u>
Unrestricted funds	19				
<i>General funds</i>		41,276,619		10,880,130	
<i>Designated funds</i>					
Capital fund		-		11,159,443	
Growing Guiding fund		-		434,158	
Insurance fund		-		350,000	
Activity Centre buildings fund		278,760		285,307	
		<u>41,555,379</u>		<u>23,109,038</u>	
Restricted funds	20		3,281,095		3,263,639
Endowed funds	20		325,355		319,065
Total funds			<u>45,161,829</u>		<u>26,691,742</u>

Approved and authorised for issue by the Board of Trustees on 23 June 2016, and signed on their behalf by:



VALERIE LE VAILLANT - Chair of Trustees

The notes on pages 28 to 45 form part of these accounts.



ROBERT COX - Honorary Treasurer

CHARITY BALANCE SHEET AS AT 31 DECEMBER 2015

	Notes	2015		2014	
		£	£	£	£
Fixed assets					
Tangible fixed assets	11		8,319,064		9,877,604
Investments	12		39,603,327		11,235,689
			<u>47,922,391</u>		<u>21,113,293</u>
Current assets					
Stocks	14	64,456		60,994	
Debtors	15	1,211,867		2,264,155	
Short-term bank deposits		-		5,000,000	
Cash at bank and in hand		1,862,258		3,566,554	
		<u>3,138,581</u>		<u>10,891,703</u>	
Current liabilities					
Creditors due within one year	17	(5,199,784)		(4,617,282)	
Net current assets/(liabilities)			(2,061,203)		6,274,421
Long-term debtors					
Long-term loan due from subsidiary	16		1,250,000		1,250,000
Long-term liabilities					
Provisions for liabilities and charges	18		(449,359)		(445,972)
Net assets			<u>46,661,829</u>		<u>28,191,742</u>
Unrestricted funds	19				
<i>General funds</i>		42,776,619		12,380,130	
<i>Designated funds</i>					
Capital fund		-		11,159,443	
Growing Guiding fund		-		434,158	
Insurance fund		-		350,000	
Activity Centre buildings fund		278,760		285,307	
		<u>43,055,379</u>		<u>24,609,038</u>	
Restricted funds	20		3,281,095		3,263,639
Endowed funds	20		325,355		319,065
Total funds			<u>46,661,829</u>		<u>28,191,742</u>

Approved and authorised for issue by the Board of Trustees on 23 June 2016, and signed on their behalf by:



VALERIE LE VAILLANT - Chair of Trustees

The notes on pages 28 to 45 form part of these accounts.



ROBERT COX - Honorary Treasurer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

	2015		2014	
	£	£	£	£
Cash flows from operating activities				
Net cash provided by (used in) operating activities (1)		276,295		4,487,426
Cash flows from investing activities				
Investment income and interest received	309,868		319,351	
Payments to acquire tangible fixed assets	(9,538,090)		(4,200,608)	
Purchase of fixed asset investments	(1,398,537)		(527,278)	
Sale of fixed asset investments	2,478,500		379,665	
		(8,148,259)		(4,028,870)
Cash flows from financing activities				
Increase in cash held for investment	(163,078)		(17,400)	
Transfers from short-term bank deposits	5,000,000		-	
Loan repayments received	3,000		3,000	
		4,839,922		(14,400)
Change in cash and cash equivalents in the year (2)		(3,032,042)		444,156

NOTES TO THE CASH FLOW STATEMENT

	2015		2014	
	£	£	£	£
1. Reconciliation of net income/expenditure to net cash flow from operating activities				
Net income/expenditure for the year (as per the SOFA)		18,470,087		409,872
Adjustments for:				
(Gains)/losses on investments	(19,121,869)		(44,490)	
Investment income	(309,868)		(319,351)	
Depreciation charges	751,358		1,209,469	
Loss on disposal of tangible fixed assets	182,618		900	
(Increase)/decrease in stocks	(8,041)		111,891	
(Increase)/decrease in debtors	(196,288)		(92,847)	
Increase/(decrease) in creditors and provisions	508,298		3,211,982	
		(18,193,792)		4,077,554
Net cash provided by (used in) operating activities		276,295		4,487,426

	2015	Change in year	2014	Change in year	2013
	£	£	£	£	£
2. Analysis of the balances of cash as shown in the balance sheet					
Cash at bank and in hand	2,399,420	(3,032,042)	5,431,462	444,156	4,987,306

CHARITY CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

	2015		2014	
	£	£	£	£
Cash flows from operating activities				
Net cash provided by (used in) operating activities (1)		1,604,041		3,345,667
Cash flows from investing activities				
Investment income and interest received	309,868		319,351	
Payments to acquire tangible fixed assets	(9,538,090)		(4,200,608)	
Purchase of fixed asset investments	(1,398,537)		(527,278)	
Sale of fixed asset investments	2,478,500		379,665	
		(8,148,259)		(4,028,870)
Cash flows from financing activities				
Increase in cash held for investment	(163,078)		(17,400)	
Transfers from short-term bank deposits	5,000,000		-	
Loan repayments received	3,000		3,000	
		4,839,922		(14,400)
Change in cash and cash equivalents in the year (2)		(1,704,296)		(697,603)

NOTES TO THE CASH FLOW STATEMENT

	2015		2014	
	£	£	£	£
1. Reconciliation of net income/expenditure to net cash flow from operating activities				
Net income/expenditure for the year (as per the SOFA)		18,470,087		409,872
Adjustments for:				
(Gains)/losses on investments	(19,121,869)		(44,490)	
Investment income	(309,868)		(319,351)	
Depreciation charges	751,358		1,209,469	
Loss on disposal of tangible fixed assets	182,618		900	
(Increase)/decrease in stocks	(3,462)		2,961	
(Increase)/decrease in debtors	1,049,288		(1,088,394)	
Increase/(decrease) in creditors and provisions	585,889		3,174,700	
		(16,866,046)		2,935,795
Net cash provided by (used in) operating activities		1,604,041		3,345,667

	2015	Change in year	2014	Change in year	2013
	£	£	£	£	£
2. Analysis of the balances of cash as shown in the balance sheet					
Cash at bank and in hand	1,862,258	(1,704,296)	3,566,554	(697,603)	4,264,157

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

1. ACCOUNTING POLICIES

These are the financial statements of the Association's central organisation and reflect the activities it undertakes on behalf of the Association as a whole. Countries and Regions, Counties, Divisions, Districts and units are responsible as separate charities for their own finances. The principal accounting policies applied in the preparation of the financial statements are as follows.

(a) Basis of accounting

These financial statements have been prepared in accordance with 'Accounting and Reporting by Charities', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), and the Charities Act 2011.

The financial statements are prepared in accordance with the historical cost convention except for the revaluation of certain fixed asset investments.

The Association constitutes a public benefit entity as defined by FRS102.

There are no material uncertainties about the Association's ability to continue as a going concern.

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The judgements and estimates considered by the trustees to have the most significant effect on amounts recognised in the financial statements relate to the provision for self-insured claims, which is made on the basis of advice from the Association's insurance brokers and is measured at the best estimate of the settlement amount.

In preparing the accounts, the trustees have considered whether in applying the accounting policies by FRS102 and the Charities SORP FRS102 a restatement of comparative items was needed. An explanation and reconciliation of how the transition has affected the reported financial position is provided in the notes to the financial statements (see note 26).

(b) Basis of consolidation

The consolidated financial statements include the results of the Association and its subsidiary, The Guide Association Trading Service Ltd. All activities are consolidated on a line-by-line basis in the Statement of Financial Activities. Accordingly, the Consolidated Statement of Financial Activities reflects the incoming resources and resources expended of the Group and not the Association as an individual entity.

(c) Fund accounting - unrestricted funds

The Association's unrestricted funds consist of funds which may be used for its purposes at its discretion. These comprise the General fund and four designated funds (the Capital fund, the Growing Guiding fund, the Insurance fund and the Activity Centre buildings fund). The specific uses and needs to be met by the designated funds are detailed separately in note 19 to the financial statements.

(d) Fund accounting - restricted and endowed funds

The Association's trust and special funds consist of a number of different funds where the donor has imposed restrictions on their use which are legally binding. The accounting records separate those restricted funds from the unrestricted funds of the Association, and also distinguish between those funds from which the capital is expendable (restricted funds) and those where the capital must be maintained (permanently endowed funds). A schedule of the movements on the various funds during the year is set out in note 20.

(e) Income

Income is recognised when there is evidence of entitlement, receipt is probable and the amount can be measured reliably. In particular:

- donations are accounted for on receipt
- subscriptions are accounted for when receivable from units at the end of February
- grants are accounted for once a formal offer of funding is received, subject to satisfying any performance-related conditions. In the event that a grant is subject to conditions that require a level of performance before the Association is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Association and it is probable that those conditions will be fulfilled in the reporting period
- legacies are accounted for when probate has been granted and the executor has advised the legacy will be payable.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

(f) Basis of allocation or apportionment of expenditure

Expenditure during the year is analysed into the categories required by the SORP:

- cost of raising funds
- charitable activities.

Note 8 to the financial statements provides an analysis of activities in furtherance of the Association's objects according to function. Support costs reflect the Association's overall establishment and communication costs allocated on an activity-based apportionment. Governance costs are also allocated on an activity-based apportionment. Cost of raising funds includes expenditure incurred on behalf of the Association in relation to investment manager fees, sponsorship and fundraising costs and the operational costs of the trading subsidiary.

(g) Investments

Quoted investments are valued initially at cost and subsequently at market value within the financial statements. Realised and unrealised gains or losses on investments are accounted for in full within the particular fund of which the investment forms a part. The holdings of investments of certain restricted and endowed funds are merged and managed in an investment pool. The funds hold units in the investment pool which represent their share of the capital value of the investments plus any un-invested cash or debtors which exist at the year end. Investment properties are measured initially at cost and subsequently at fair value at the reporting date.

(h) Depreciation

Depreciation is provided on all tangible fixed assets (except land) on a straight-line basis to write off the cost of those assets over their estimated useful lives. No depreciation is provided on investment properties. The principal rates of depreciation are:

- Freehold buildings - 1.333% to 10%
- Long leasehold - over the life of lease
- Assets under construction - no depreciation
- Membership database - 20%
- Equipment, fittings and vehicles:
 - Computer equipment - 30%
 - Other equipment - 10% to 20%
 - Fittings - 10%
 - Vehicles - 25%.

(i) Stocks

Stocks are valued at the lower of cost and net realisable value.

(j) Debtors

Debtors are measured at their recoverable amounts.

(k) Creditors

Amounts due to creditors are measured at their settlement amount. Deferred income is recognised as the amount receivable as an advanced payment for goods or services that must be provided.

(l) Self-insured claims provision

Provision is made for the self-insured element of notified insurance claims on the basis of advice from the Association's insurance brokers, and is measured at the best estimate of the settlement amount.

(m) Pensions

The Association operates a defined contribution pension scheme on behalf of its employees. The scheme is operated by Scottish Widows. The amount charged to the SOFA in respect of pension costs and other post-retirement benefits is the contributions payable in the period. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

(n) Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the costs are incurred.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

(o) Heritage assets

The Association holds a vast written and photographic archive of the history of the Association, the value of which is in the information it contains for Association members and the public's research. It is not possible to place a monetary value on this archive, therefore the asset is not recognised in the balance sheet of the Association. The Association has procedures in place to ensure that the asset is adequately preserved and maintained.

The archive was placed in temporary storage during construction of the investment property and refurbishment of office accommodation at the Association's Headquarters, and access to it was therefore restricted. A decision on a permanent location for the archive is pending. Records are maintained of archive contents.

2. DONATIONS, LEGACIES AND GRANTS	Unrestricted funds	Restricted funds	Endowed funds	Total 2015	Total 2014 [see Table 1]
	£	£	£	£	£
CONSOLIDATED AND CHARITY					
Individual donations	11,199	91,513	-	102,712	101,601
Legacies and in memorial donations	61,447	32,570	-	94,017	213,349
Trusts and foundations	196,042	123,833	-	319,875	304,720
Grants	17,415	632,892	-	650,307	547,940
	286,103	880,808	-	1,166,911	1,167,610

Table 1	Unrestricted funds	Restricted funds	Endowed funds	Total 2014
	£	£	£	£
Analysis of 2014 donations, legacies and grants by fund				
CONSOLIDATED AND CHARITY				
Individual donations	19,467	82,134	-	101,601
Legacies and in memorial donations	124,169	89,180	-	213,349
Trusts and foundations	285,220	19,500	-	304,720
Grants	66,952	480,988	-	547,940
	495,808	671,802	-	1,167,610

Girlguiding would like to thank the following their generous support of the charity in 2015.

- The Bernard Sunley Charitable Foundation.
- Esmée Fairbairn Foundation.
- The Freemasons' Grand Charity.
- Pears Foundation.
- Players of People's Postcode Lottery.
- The supporters who generously left a gift to Girlguiding in their will.
- The families and friends who gave gifts in memory of lifelong supporters.
- The runners, the trekkers, the cyclists and the bakers who gave their time and energy to raise money for Girlguiding.
- Our generous and loyal supporters who have kindly given donations.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

3. EVENTS INCOME	Unrestricted funds	Restricted funds	Endowed funds	Total 2015	Total 2014 [see Table 2]
	£	£	£	£	£
CONSOLIDATED AND CHARITY					
BIG GIG	654,707	-	-	654,707	711,885
Community events	135,659	-	-	135,659	7,646
Other charity events	3,540	-	-	3,540	201,619
	793,906	-	-	793,906	921,150

Table 2	Unrestricted funds	Restricted funds	Endowed funds	Total 2014
	£	£	£	£
Analysis of 2014 events income by fund				
CONSOLIDATED AND CHARITY				
BIG GIG	711,885	-	-	711,885
Community events	7,646	-	-	7,646
Other charity events	201,619	-	-	201,619
	921,150	-	-	921,150

4. MEMBERS' TRADING INCOME	Unrestricted funds	Restricted funds	Endowed funds	Total 2015	Total 2014 [see Table 3]
	£	£	£	£	£
CONSOLIDATED					
Members' Trading Service	7,439,791	-	-	7,439,791	8,084,114
Licence fees and royalties	425,198	-	-	425,198	401,349
	7,864,989	-	-	7,864,989	8,485,463
CHARITY					
Licence fees and royalties	9,648	-	-	9,648	11,946
	9,648	-	-	9,648	11,946

Table 3	Unrestricted funds	Restricted funds	Endowed funds	Total 2014
	£	£	£	£
Analysis of 2014 members' trading income by fund				
CONSOLIDATED				
Members' Trading Service	8,084,114	-	-	8,084,114
Licence fees and royalties	401,349	-	-	401,349
	8,485,463	-	-	8,485,463
CHARITY				
Licence fees and royalties	11,946	-	-	11,946
	11,946	-	-	11,946

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015

5. INVESTMENT INCOME	Unrestricted funds	Restricted funds	Endowed funds	Total 2015	Total 2014 [see Table 4]
	£	£	£	£	£
CONSOLIDATED AND CHARITY					
UK bonds and cash	42,633	12,467	2,889	57,989	69,575
UK equities	113,028	35,862	8,534	157,424	146,012
Property	32,621	5,291	1,259	39,171	42,539
Absolute Return funds	6,097	872	208	7,177	5,086
Overseas equities	27,053	-	-	27,053	27,335
Overseas bonds	4,037	571	136	4,744	6,626
Interest on cash deposits	14,225	2,047	38	16,310	22,178
	239,694	57,110	13,064	309,868	319,351

Table 4

Table 4	Unrestricted funds	Restricted funds	Endowed funds	Total 2014
	£	£	£	£
Analysis of 2014 investment income by fund				
CONSOLIDATED AND CHARITY				
UK bonds and cash	50,612	15,228	3,735	69,575
UK equities	103,219	34,365	8,428	146,012
Property	35,647	5,535	1,357	42,539
Absolute Return funds	4,122	774	190	5,086
Overseas equities	25,949	1,113	273	27,335
Overseas bonds	6,626	-	-	6,626
Interest on cash deposits	19,972	2,162	44	22,178
	246,147	59,177	14,027	319,351

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015

6. OTHER INCOME	Unrestricted funds	Restricted funds	Endowed funds	Total 2015	Total 2014 [see Table 5]
	£	£	£	£	£
CONSOLIDATED					
Corporate sponsorship	229,163	-	-	229,163	266,633
International trips sponsorship	70,013	-	-	70,013	69,094
Other	-	10,170	-	10,170	21,171
	299,176	10,170	-	309,346	356,898
CHARITY					
Corporate sponsorship	229,163	-	-	229,163	266,633
International trips sponsorship	70,013	-	-	70,013	69,094
Other	80,677	10,170	-	90,847	106,648
	379,853	10,170	-	390,023	442,375

Table 5

Table 5	Unrestricted funds	Restricted funds	Endowed funds	Total 2014
	£	£	£	£
Analysis of 2014 other income by fund				
CONSOLIDATED				
Corporate sponsorship	266,633	-	-	266,633
International trips sponsorship	69,094	-	-	69,094
Other	11,200	9,971	-	21,171
	346,927	9,971	-	356,898
CHARITY				
Corporate sponsorship	266,633	-	-	266,633
International trips sponsorship	69,094	-	-	69,094
Other	96,677	9,971	-	106,648
	432,404	9,971	-	442,375

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015

7. COST OF GENERATING FUNDS	Staff costs	Other direct costs	Support costs	Total 2015	Total 2014
	£	£	£	£	£
CONSOLIDATED					
Seeking donations, grants and legacies	184,293	139,603	-	323,896	166,252
Operating costs of trading company	966,830	3,704,179	622,747	5,293,756	5,700,615
Investment management costs	-	20,000	-	20,000	20,000
	1,151,123	3,863,782	622,747	5,637,652	5,886,867
CHARITY					
Seeking donations, grants and legacies	184,293	139,603	-	323,896	166,252
Investment management costs	-	20,000	-	20,000	20,000
	184,293	159,603	-	343,896	186,252

8. CHARITABLE EXPENDITURE	Staff costs	Other direct costs	Support costs	Total 2015	Total 2014
	£	£	£	£	£
CONSOLIDATED					
Excellence	1,652,506	2,740,734	-	4,393,240	5,378,214
Capacity	2,204,980	1,792,679	3,421,550	7,419,209	5,145,339
Access	1,066,980	498,179	-	1,565,159	1,605,809
Voice	406,417	247,189	-	653,606	1,110,985
	5,330,883	5,278,781	3,421,550	14,031,214	13,240,347
CHARITY					
Excellence	1,652,506	2,784,788	-	4,437,294	5,421,578
Capacity	2,204,980	1,839,477	3,421,550	7,466,007	5,162,296
Access	1,066,980	509,400	-	1,576,380	1,607,920
Voice	406,417	249,056	-	655,473	1,113,492
	5,330,883	5,382,721	3,421,550	14,135,154	13,305,286

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2015

9. ANALYSIS OF SUPPORT COSTS	Charitable expenditure	Trading operation	Total 2015	Total 2014
	£	£	£	£
CONSOLIDATED				
Governance	73,388	10,450	83,838	144,348
Finance	1,565,079	114,676	1,679,755	1,911,674
Insurance	372,498	25,768	398,266	458,000
Property management	88,697	236,059	324,756	515,570
Catalogues	-	216,900	216,900	242,073
Information technology	1,162,116	18,894	1,181,010	1,110,646
Human resources	159,772	-	159,772	113,429
	3,421,550	622,747	4,044,297	4,495,740
CHARITY				
Governance	73,388	-	73,388	129,348
Finance	1,565,079	-	1,565,079	1,796,977
Insurance	372,498	-	372,498	431,642
Property management	88,697	-	88,697	278,322
Information technology	1,162,116	-	1,162,116	1,064,781
Human resources	159,772	-	159,772	113,429
	3,421,550	-	3,421,550	3,814,499

Finance costs include £60,717 of auditor's remuneration (2014: £32,000), of which costs of £32,100 are in respect of audit services (2014: £27,000).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

10. STAFF NUMBERS AND REMUNERATION	2015 Total staff costs	2014 Total staff costs
	£	£
Gross salaries and wages	5,704,379	4,890,646
Employer's national insurance	510,081	436,480
Employer's pension contribution	267,546	251,580
	6,482,006	5,578,706
Average number of employees in the year, calculated on a headcount basis	2015 No.	2014 No.
Excellence	74	97
Capacity	123	71
Access	34	40
Voice	12	15
	243	223
Number of employees whose emoluments exceeded £60,000 in the year	2015	2014
£60,001 - £70,000	5	3
£70,001 - £80,000	1	1
£100,001 - £110,000	1	1

The highest paid employee was Julie Bentley, Chief Executive Officer, whose emoluments were a salary of £97,512 and pension contribution of £9,751 (2014: £90,177 salary, £12,775 pension). The 2015 figure includes £2,589 salary due in 2014 but for timing reasons not paid until 2015. Emoluments for other key management personnel of the Association (as shown on page 5) totalled £239,308 (2014: £181,015), which included pension contributions of £12,082 (2014: £13,563).

Members of the Board of Trustees are not remunerated. Expenses reimbursed in the year for travel and out-of-pocket expenses amounted to £14,187 to 16 members (2014: £17,174 to 24 members).

The Association owns a long-leasehold flat, which is available for the use of the Chief Guide during her term of office. The Association pays the service and utility costs of the flat, which totalled £5,840 in the year (2014: £7,235).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

11. TANGIBLE FIXED ASSETS	Freehold land and buildings	Long- leasehold property	Assets under construction	Equipment, fittings and vehicles	Total
	£	£	£	£	£
CONSOLIDATED AND CHARITY					
Cost					
At 1 January 2015	7,076,863	129,318	4,850,812	6,318,842	18,375,835
Additions	-	-	9,474,723	63,367	9,538,090
Disposals	-	-	(142,658)	(817,152)	(959,810)
Transfer between categories	3,849,475	-	(4,174,057)	324,582	-
Transfer to investment property	(520,651)	-	(9,862,305)	-	(10,382,956)
At 31 December 2015	10,405,687	129,318	146,515	5,889,639	16,571,159
Accumulated depreciation					
At 1 January 2015	2,994,842	65,914	-	5,437,475	8,498,231
Provision for the year	193,281	3,249	-	554,828	751,358
Disposals	-	-	-	(777,192)	(777,192)
Transfer to investment property	(220,302)	-	-	-	(220,302)
At 31 December 2015	2,967,821	69,163	-	5,215,111	8,252,095
Net book value at 31 December 2015	7,437,866	60,155	146,515	674,528	8,319,064
Net book value at 31 December 2014	4,082,021	63,404	4,850,812	881,367	9,877,604

Assets to the amount of £10,162,654 have been transferred to the investment property at 30 November 2015.

All other assets are used for direct charitable purposes.

12. INVESTMENTS	Unrestricted funds	Restricted funds	Endowed funds	Total 2015	Total 2014
	£	£	£	£	£
CONSOLIDATED					
Listed investments					
Market value at 1 January 2015	7,716,436	1,338,307	302,913	9,357,656	9,165,553
Acquisitions at cost	987,202	310,929	100,406	1,398,537	527,278
Disposal proceeds	(1,958,431)	(418,096)	(101,973)	(2,478,500)	(379,665)
Net gain/(loss) on revaluation of investments	(31,318)	(6,501)	(2,658)	(40,477)	44,490
Market value at 31 December 2015	6,713,889	1,224,639	298,688	8,237,216	9,357,656
Cash held for investment	338,451	50,416	2,244	391,111	228,033
Portfolio value at 31 December 2015	7,052,340	1,275,055	300,932	8,628,327	9,585,689
Historical cost at 31 December 2015	7,094,551	1,064,628	259,661	8,418,840	8,466,086

Most of the investments of the Association are held in pooled managed funds. Investments in pooled managed funds that exceed 5% of the total market value are as follows: The Equity Income Trust for Charities, value £2,669,876 (2014: £3,100,790).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

The table below shows the asset allocation structure of the total investment portfolio.

	Unrestricted funds	Restricted funds	Endowed funds	Total 2015	Total 2014
	£	£	£	£	£
UK bonds and cash	863,221	145,503	25,436	1,034,160	2,620,984
UK equities	2,547,118	687,942	167,788	3,402,848	3,497,828
Absolute Return funds	618,865	113,292	27,632	759,789	572,321
Property	744,133	123,468	30,113	897,714	672,052
Overseas bonds	353,498	69,480	16,946	439,924	429,958
Overseas equities	1,925,505	135,370	33,017	2,093,892	1,792,546
Total	7,052,340	1,275,055	300,932	8,628,327	9,585,689

	Unrestricted funds	Restricted funds	Endowed funds	Total 2015	Total 2014
	£	£	£	£	£
Investment property					
Market value at 1 January 2015	-	-	-	-	-
Acquisitions at cost	10,162,654	-	-	10,162,654	-
Disposal proceeds	-	-	-	-	-
Net gain on revaluation of investment property	19,162,346	-	-	19,162,346	-
Market value at 31 December 2015	29,325,000	-	-	29,325,000	-
Total value of investments	36,377,340	1,275,055	300,932	37,953,327	9,585,689

The freehold investment property comprising Nadler Hotel was valued as at 31 December 2015 by an external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuations were prepared in accordance with the requirements of the RICS Valuation - Professional Standards: January 2014 (updated December 2014), the international Valuation Standards and the financial reporting standard applicable in the UK and Republic of Ireland (FRS102). The valuation of this property was on the basis of Fair Value, equated to Market Value, on the assumption of an investment. It was principally derived using the Profits and Investment Methods of Valuation.

	Unrestricted funds	Restricted funds	Endowed funds	Total 2015	Total 2014
	£	£	£	£	£
CHARITY					
Listed investments					
Market value at 1 January 2015	7,716,436	1,338,307	302,913	9,357,656	9,165,553
Acquisitions at cost	987,202	310,929	100,406	1,398,537	527,278
Disposal proceeds	(1,958,431)	(418,096)	(101,973)	(2,478,500)	(379,665)
Net gain/(loss) on revaluation of investments	(31,318)	(6,501)	(2,658)	(40,477)	44,490
Market value at 31 December 2015	6,713,889	1,224,639	298,688	8,237,216	9,357,656
Cash held for investment	338,451	50,416	2,244	391,111	228,033
Portfolio value at 31 December 2015	7,052,340	1,275,055	300,932	8,628,327	9,585,689
Historical cost at 31 December 2015	7,094,551	1,064,628	259,661	8,418,840	8,466,086

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

	Unrestricted funds	Restricted funds	Endowed funds	Total 2015	Total 2014
	£	£	£	£	£
UK bonds and cash	863,221	145,503	25,436	1,034,160	2,620,984
UK equities	2,547,118	687,942	167,788	3,402,848	3,497,828
Absolute Return funds	618,865	113,292	27,632	759,789	572,321
Property	744,133	123,468	30,113	897,714	672,052
Overseas bonds	353,498	69,480	16,946	439,924	429,958
Overseas equities	1,925,505	135,370	33,017	2,093,892	1,792,546
Total	7,052,340	1,275,055	300,932	8,628,327	9,585,689

	Unrestricted funds	Restricted funds	Endowed funds	Total 2015	Total 2014
	£	£	£	£	£
Investment property					
Market value at 1 January 2015	1,500,000	-	-	1,500,000	1,500,000
Acquisitions at cost	10,162,654	-	-	10,162,654	-
Disposal proceeds	-	-	-	-	-
Net gain on revaluation of investment property	19,162,346	-	-	19,162,346	-
Market value at 31 December 2015	30,825,000	-	-	30,825,000	1,500,000

The charity investment property includes the Broadheath freehold property which is leased to the trading subsidiary. Investments held by the charity include an additional £150,000 (2014: £150,000) investment in the Association's subsidiary company (note 23).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS	Tangible				Total 2015	Total 2014 [see Table 6]
	fixed assets	Investments	Assets	Liabilities		
	£	£	£	£	£	£
Endowed funds						
Country and Region funds	-	202,997	8,826	-	211,823	213,421
HQ funds	-	97,935	15,597	-	113,532	105,644
Total endowed funds	-	300,932	24,423	-	325,355	319,065
Restricted funds						
Country and Region funds	-	967,123	42,050	-	1,009,173	1,016,972
HQ funds	-	133,568	583,670	(9,512)	707,726	679,694
Activity Centre funds	1,072,633	172,933	316,753	(826)	1,561,493	1,564,330
Other funds	-	1,431	1,272	-	2,703	2,643
Total restricted funds	1,072,633	1,275,055	943,745	(10,338)	3,281,095	3,263,639
Unrestricted funds						
General fund	7,246,431	36,377,340	3,400,959	(5,748,111)	41,276,619	10,880,130
Growing Guiding fund	-	-	-	-	-	434,158
Insurance fund	-	-	-	-	-	350,000
Activity Centre buildings fund	-	-	278,760	-	278,760	285,307
Capital fund	-	-	-	-	-	11,159,443
Total unrestricted funds	7,246,431	36,377,340	3,679,719	(5,748,111)	41,555,379	23,109,038
Total funds	8,319,064	37,953,327	4,647,887	(5,758,449)	45,161,829	26,691,742

Table 6	Tangible				Total
Analysis of 2014 net assets by fund	fixed assets	Investments	Assets	Liabilities	2014
	£	£	£	£	£
Endowed funds					
Country and Region funds	-	204,790	8,631	-	213,421
Headquarters' funds	-	98,800	6,844	-	105,644
Total endowed funds	-	303,590	15,475	-	319,065
Restricted funds					
Country and Region funds	-	975,666	41,306	-	1,016,972
HQ funds	-	231,309	448,385	-	679,694
Activity Centre funds	1,068,913	174,096	321,321	-	1,564,330
Other funds	-	1,443	1,200	-	2,643
Total restricted funds	1,068,913	1,382,514	812,212	-	3,263,639
Unrestricted funds					
General fund	5,342,330	1,000,000	9,787,951	(5,250,151)	10,880,130
Growing Guiding fund	-	-	434,158	-	434,158
Insurance fund	-	-	350,000	-	350,000
Activity Centre buildings fund	-	-	285,307	-	285,307
Capital fund	3,466,361	6,899,585	793,497	-	11,159,443
Total unrestricted funds	8,808,691	7,899,585	11,650,913	(5,250,151)	23,109,038
Total funds	9,877,604	9,585,689	12,478,600	(5,250,151)	26,691,742

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

14. STOCKS	Unrestricted funds	Restricted funds	Endowed funds	Total 2015	Total 2014
	£	£	£	£	£
CONSOLIDATED					
Stocks for resale	741,181	-	-	741,181	733,343
Consumable stocks	19,920	-	-	19,920	19,717
	761,101	-	-	761,101	753,060
CHARITY					
Stocks for resale	44,536	-	-	44,536	41,277
Consumable stocks	19,920	-	-	19,920	19,717
	64,456	-	-	64,456	60,994

15. DEBTORS DUE WITHIN ONE YEAR	Unrestricted funds	Restricted funds	Endowed funds	Total 2015	Total 2014
	£	£	£	£	£
CONSOLIDATED					
Trade debtors	498,878	-	-	498,878	472,977
Other debtors	73,774	11,246	-	85,020	166,367
Prepayments and accrued income	607,609	-	-	607,609	489,765
VAT	295,859	-	-	295,859	161,969
Loans to Countries and Regions	-	-	-	-	3,000
	1,476,120	11,246	-	1,487,366	1,294,078
CHARITY					
Trade debtors	181,151	-	-	181,151	125,853
Amounts due from subsidiary *	43,475	-	-	43,475	1,350,290
Other debtors	73,774	11,246	-	85,020	166,367
Prepayments and accrued income	606,362	-	-	606,362	456,676
VAT	295,859	-	-	295,859	161,969
Loans to Countries and Regions	-	-	-	-	3,000
	1,200,621	11,246	-	1,211,867	2,264,155

Loans to Countries and Regions amount to £0 (2014: £3,000 due from Guides Cymru).

* Amount due from the wholly owned subsidiary being the balance of the 2015 donation.

16. DEBTORS DUE AFTER ONE YEAR	Unrestricted funds	Restricted funds	Endowed funds	Total 2015	Total 2014
	£	£	£	£	£
CHARITY					
Amounts due from subsidiary *	1,250,000	-	-	1,250,000	1,250,000
	1,250,000	-	-	1,250,000	1,250,000

* The long-term loan is secured on the assets of the subsidiary and repayable by written demand giving not less than 12 months' notice. Interest is charged at a rate of 3% over the Bank of England base rate for the long-term loan.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

17. CREDITORS DUE WITHIN ONE YEAR	Unrestricted funds	Restricted funds	Endowed funds	Total 2015	Total 2014
	£	£	£	£	£
CONSOLIDATED					
Trade creditors	545,704	-	-	545,704	1,240,839
Deferred income (see note 17a)	3,298,993	-	-	3,298,993	3,229,297
Accruals and other creditors	1,214,568	10,338	-	1,224,906	333,287
Income tax and national insurance	239,487	-	-	239,487	756
	<u>5,298,752</u>	<u>10,338</u>	<u>-</u>	<u>5,309,090</u>	<u>4,804,179</u>
CHARITY					
Trade creditors	494,027	-	-	494,027	1,130,286
Deferred income (see note 17a)	3,298,993	-	-	3,298,993	3,229,297
Accruals and other creditors	1,156,700	10,338	-	1,167,038	251,910
Income tax and national insurance	239,487	-	-	239,487	-
Amounts due to subsidiary	239	-	-	239	5,789
	<u>5,189,446</u>	<u>10,338</u>	<u>-</u>	<u>5,199,784</u>	<u>4,617,282</u>

Trade creditors includes £9,244 of pension contributions payable to Scottish Widows (2014: £71,266).

Deferred income includes £2,900,000 of advanced rent received from the tenant who occupies the investment property at 8-10 Palace Street, London (2014: £2,900,000).

17a. ANALYSIS OF MOVEMENT IN DEFERRED INCOME	Balance 1 January 2015	Income released in current year	Income deferred in current year	Balance 31 December 2015
	£	£	£	£
CONSOLIDATED AND CHARITY				
Deferred income	<u>3,229,297</u>	<u>(88,420)</u>	<u>158,116</u>	<u>3,298,993</u>

18. PROVISIONS FOR LIABILITIES AND CHARGES	Balance 1 January 2015	Paid during the year	Provision in the year	Balance 31 December 2015
	£	£	£	£
CONSOLIDATED AND CHARITY				
Self-insured claims provision	<u>445,972</u>	<u>(88,420)</u>	<u>91,807</u>	<u>449,359</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

19. UNRESTRICTED FUNDS	Balance 1 January 2015	Transfers of expenditure	Designation to/from General fund	Net income/ investment gains	Balance 31 December 2015
	£	£	£	£	£
CONSOLIDATED					
General fund	10,880,130	288,579	11,661,569	18,446,341	41,276,619
Capital fund	11,159,443	-	(11,159,443)	-	-
Growing Guiding fund	434,158	(282,032)	(152,126)	-	-
Insurance fund	350,000	-	(350,000)	-	-
Activity Centre buildings fund	285,307	(6,547)	-	-	278,760
	<u>23,109,038</u>	<u>-</u>	<u>-</u>	<u>18,446,341</u>	<u>41,555,379</u>

CHARITY

For the charity the General fund includes the revaluation of the Broadheath investment property of £1,500,000.

The main uses of the designated funds are described below.

Capital fund

It has been the policy of the Association to build up a fund of capital for investment with a view to obtaining capital growth and income yield to finance future projects and to ensure income to support the activities of the Association for the longer term. The fund has been used to finance the development of the investment property and redevelopment of the Headquarters offices.

Growing Guiding fund

This fund was used to fund the Growing Guiding initiative. This work is now incorporated within the strategic plan and funded from within the General fund operational expenditure.

Insurance fund

This fund was established to set aside funds to provide for the cost of potential future insurance claims. This cost is now met by a General fund provision (see note 18).

Activity Centre buildings fund

This fund was set up to provide for building improvements at Blackland Farm, Foxlease and Waddow Hall. It is expected to be used within the next two years.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

20. MOVEMENT IN ENDOWED AND RESTRICTED FUNDS	Balance	Transfers	Income	Expenditure	Net	Balance
	1 January				investment	31 December
	2015	2015			gains/(losses)	2015
	£	£	£	£	£	£
Endowed funds						
Support for Countries and Regions	213,421	-	8,825	(8,630)	(1,793)	211,823
Support for UK guiding	105,644	-	4,239	4,514	(865)	113,532
	<u>319,065</u>	-	<u>13,064</u>	<u>(4,116)</u>	<u>(2,658)</u>	<u>325,355</u>
Restricted funds						
Support for Countries and Regions	1,016,972	-	42,049	(41,304)	(8,543)	1,009,174
Support for UK guiding	679,694	-	792,859	(768,046)	3,218	707,725
Support for Activity Centres	1,564,330	-	113,109	(114,783)	(1,163)	1,561,493
Other funds	2,643	-	71	2	(13)	2,703
	<u>3,263,639</u>	-	<u>948,088</u>	<u>(924,131)</u>	<u>(6,501)</u>	<u>3,281,095</u>

Country and Region funds are used to generate income that is distributed to nine Countries and Regions in proportion to their membership. UK guiding funds are used to provide grants to the membership, for example to set up new units, to support members with a disability and to provide travel bursaries. Included in the restricted Activity Centre funds is the restricted Activity Centre Building Appeal fund that totals £844,651 at the end of 2015. This has been spent on building Group Adventure Houses at Foxlease, Waddow Hall and Blackland Farm and will be amortised over the life of the new buildings.

21. FINANCIAL COMMITMENTS

As at 31 December 2014 the Association had £30,435 of capital expenditure to which it was financially committed (2014: £8,427,953).

As at 31 December 2015 the Association's subsidiary, the Guide Association Trading Service Limited, had entered into £2.88 million (2014: £2.65 million) of advance stock purchase orders with suppliers within the ordinary course of business.

22. OPERATING LEASE COMMITMENTS

	2015	2014
	£	£
Minimum lease payments for land and buildings under non-cancellable operating leases		
Not later than 1 year	188,702	404,141
Later than 1 year and not later than 5 years	217,469	350,920
Later than 5 years	-	-
	<u>406,171</u>	<u>755,061</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2015

23. INVESTMENT IN SUBSIDIARY

The Association's subsidiary, the Guide Association Trading Service Limited, operates the Trading Service and the shop activities.

The Guide Association owns the whole of the issued ordinary share capital, amounting to £150,000, of the Guide Association Trading Service Limited, a company registered in England (company number 04301686). As it is a wholly owned subsidiary, the Association is exempt, under Financial Reporting Standard No.8, from reporting its transactions and balances with this entity. The subsidiary donates its profits to the Association under Gift Aid and therefore the net movement in funds for the Association as an entity equals the net movement for the consolidated group.

During the year the Guide Association Trading Service Limited achieved sales of £7,543,731 (2014: £8,164,053). Of those sales, £103,940 were sales to the Association. The Association charged £80,677 in management fees. The Guide Association Trading Service achieved a net profit of £2,584,848 (2014: £2,752,364) and this was donated under Gift Aid to the Association. At the year end The Guide Association Trading Service had £1,552,781 of assets and £1,402,781 of liabilities.

24. THE GUIDE ASSOCIATION TRUST CORPORATION

The Trust Corporation is a Company limited by guarantee and incorporated under the Companies Act. It acts as a custodian trustee and holds land, freehold or leasehold buildings and investments on behalf of guiding units. It is funded by The Guide Association as a service to guiding units and the expenses are included in management and administration expenditure in these financial statements.

Financial statements of the Trust Corporation are available from The Guide Association, 17-19 Buckingham Palace Road, London SW1W 0PT.

25. RELATED PARTY TRANSACTIONS

Donations of £215 were received in the year from one trustee (2014: £450 from one trustee).

There are no other related party transactions requiring disclosure.

26. TRANSITION TO FRS102

This is the first year that the group has prepared its financial statements under FRS102. The last financial statements prepared under previous UK GAAP were for the year ended 31 December 2014 and the date of transition to FRS102 was 1 January 2014. A reconciliation of amounts presented under previous UK GAAP and FRS102 is set out below for the charity, together with an explanation of changes in accounting policies on transition.

PRIOR YEAR ADJUSTMENT FOR TRANSITION TO FRS102	
CHARITY ONLY	
Reconciliation of total funds	£
Funds as previously stated under former UK GAAP at 1 January 2014	26,281,870
Transitional adjustment - gain on reclassification of Broadheath investment property	1,500,000
Funds as stated in accordance with FRS102 1 Jan 2014	<u>27,781,870</u>

Under previous UK GAAP this property was classified under tangible fixed assets whereas under FRS102 this should be treated as an investment property. At the time of transition there was a nil net book value on this property, therefore the full market value of the property was classified as a gain on investment.

Our vision

An equal world where all girls can make a positive difference, be happy, safe and fulfil their potential.



WE DISCOVER, WE GROW

Girlguiding

Registered Charity No. 306016
OSCR Registered Charity No. SC038436