



WE DISCOVER, WE GROW

**Girlguiding**



# ANNUAL REPORT AND FINANCIAL STATEMENTS



The Guide  
Association  
(Incorporated  
by Royal  
Charter)

known as  
Girlguiding

For the year  
ended 31  
December 2013

Registered  
Charity No. 306016  
OSCR Registered  
Charity No. SC038436

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The trustees of The Guide Association are pleased to present their Report for 2013.

## Statement of Purpose

Girlguiding enables girls and young women to develop their potential and to make a difference to the world.

## 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 is governed by a Council and has its affairs managed and regulated by a Board of Trustees (previously known as the Executive Committee). The constitution of the 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.

## Organisation structure

Guiding within the United Kingdom is organised in a series of 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 an Executive Committee 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 Council

### Ex-officio members:

\*Chair  
Her Royal Highness The Countess of Wessex GCVO

\*Chief Guide  
Gill Slocombe

\*Deputy Chief Guide  
Angela Milln

\*Honorary Treasurer  
Graham Littlewood

Chief Commissioners for:

\*Anglia  
Mary Putt

\*London and South East England (LaSER)  
Philippa McKerrow

\*Midlands  
Sally Illsley

\*North East England  
Hilary Cooper

\*North West England  
Susan Lomas (until 1.3.14)  
Julie Bell (from 1.3.14)

\*South West England  
Solange Rebour

\*Scotland  
Sue Walker

\*Ulster  
Carole Graham

\*Wales  
Felicity Ladbrooke

Commissioner for British Guides in Foreign Countries  
Lesley Knighton

\*International Commissioner  
Caroline Davis

\*Chair of Finance and General Purposes Committee  
Alexa Laurence

\*Chair of Guiding Development Committee  
Tracey Murray

\*Chair of Marketing and Communications Committee  
Midge Coombs

\*Chair of Membership Support Committee  
Helen Humphreys

\*Chair of Innovate  
Mollie Bailey

Chair of the Trefoil Guild  
Margaret Routley



## Elected members:

Vivienne Barke  
Emily Beardsmore  
Susan Bisson  
Jess Bond (from 16.6.13)  
Anna Bourne  
Tracey Braziel (from 16.6.13)  
Linda Brown  
Penny Calver (from 16.6.13)  
Georgina Churchlow (from 16.6.13)  
Sue Clough (until 15.6.13)  
Dorothy Dentith  
Mary Dunn  
Valerie Elliott  
\*\*Cathy Fraser  
\*\*Pippa Gardner (from 16.6.13)  
\*\*Rachael Goodman (until 15.6.13)  
Kathryn Gunner (from 16.6.13)  
Emma Guthrie  
Jayne Hancock (until 15.6.13)  
\*\*Joanne Heritage-Harris  
Elizabeth Hogg  
Kaye Jackson (from 16.6.13)  
Lucy Johnson (until 15.6.13)  
Elaine Kelly (from 16.6.13)  
Sandy Kermode  
\*\*Sandy Kinnersley  
Margaret Lester (until 15.6.13)  
Anthea Lister (until 15.6.13)  
Anne Llywelyn-Jones  
Karen MacLeod (until 15.6.13)  
Charlotte Makanga  
\*\*Rachel McMaster (until 15.6.13)  
Kirsty Minnis  
Roseanne Monroe  
Laura Morrow (from 16.6.13)  
Angela Ogden  
Chloe Pilbeam  
Anne Pilkington  
Ellen Pringle  
\*\*Katherine Royse  
Gail Snook (until 15.6.13)  
Dawn Stevenson (until 15.6.13)  
\*\*Deborah Sutton (from 16.6.13)  
Lisa Taylor  
Becki Vesey  
Paula Volkner  
Kate Welch (from 16.6.13)  
Margaret Winter

## Until 31.1.14 the Executive Committee of the Council comprised:

### The Chair

Ex-officio members of the Council as starred \*

Elected members of the Council as starred \*\*

### Non-voting members:

Chair of the Trefoil Guild  
Chief Executive

Following a review of the governance arrangements of the Association, on 1 February 2014 the Executive Committee was replaced by the Board of Trustees.

## From 1.2.14 the Board of Trustees of the Council comprises:

Hilary Cooper  
Maya Dibley  
Val Elliott  
Cathy Fraser  
Zoe Harris  
Benny Lawrie  
Graham Littlewood  
Susan Lomas  
Angela Milln  
Tracey Murray  
Rosalyn Old  
Gill Slocombe  
Helen Timbrell

### Appointment and induction of trustees

The members of the Council and the Board of Trustees are elected, nominated or appointed ex officio by the Chief Guide in accordance with the bye-laws and the procedures established by The Association. The newly created Nominations Committee has delegated authority to consult with the wider guiding network and aim to appoint a Board of Trustees with a breadth of professional background and experience, suitable to direct the affairs of The Association from 2014 onwards. 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 Association.



## The Guide Association's Directors

### Chief Executive

Julie Bentley

### Deputy Chief Executive

Sue Field

### Director of Communications & Public Relations

Becky Hewitt (from 1.3.13)

### Director of Guiding Services

Joanne Hobbs (from 1.3.13)

## Professional advisers and consultants

The professional advisers and consultants during 2013 have been as follows:

### Banker

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

### Fund Manager

Cazenove & Co  
12 Tokenhouse Yard, London EC2R 7AN

### Auditor

BDO LLP  
55 Baker St, London W1U 7EU

### Legal consultant

Mr Roger Peters  
Gordon Dadds, 80 Brook Street,  
London W1Y 2DD (until 31.5.13)

Bates, Wells and Braithwaite  
Scandinavian House, 2-6 Cannon St,  
London EC4M 6YH (from 1.6.13)



## Report of the trustees of The Guide Association 2013 Introduction

We are the leading charity for girls and young women in the UK. We build girls' confidence and raise their aspirations. We give them the chance to discover their potential and encourage them to be a powerful force for good. We give them a space to have fun.

Over a third of girls and young women aged 7 to 21 in the UK are involved in guiding or have been in the past. We run Rainbows (5 to 7 years), Brownies (7 to 10 years), Guides (10 to 14 years) and The Senior Section (14 to 25 years), enabling girls and young women to develop their potential, whatever their ability or background. We offer new opportunities to girls in a broad diversity of communities through our expanding network of 100,000 volunteers.

Our Strategic Plan focuses on increasing the number of girls who benefit from guiding. Our goal is to support our volunteers to make guiding happen in the best way, the length and breadth of the UK.

Our volunteers are the lifeblood of our charity; without them there would be no guiding and hundreds of thousands of girls would lose out on opportunities and adventure. The Board of Trustees warmly thanks every volunteer for enabling our charity - and our girls - to thrive.

2013 was the second year of our 2012-14 Strategic Plan. Our vision is that by the end of 2014 we will be where MORE girls choose to be.

Our trustees are delighted to present this report of progress against the six strands of our Strategic Plan:

1. Opportunity
2. Influence
3. Voice
4. Action
5. Organisation
6. Support.

Gill Slocombe  
Chair of Trustees and Chief Guide



## Aim 1: Opportunity

**By 2014 we will have increased our membership by inspiring and supporting adult volunteers, girls and young women to grow quality guiding at a local level to offer more opportunities to more girls.**

From 2012 to 2013 our membership rose by more than 5,000 to 553,633, with the biggest growth being in numbers of Rainbows (aged 5 to 7) and members of The Senior Section (aged 14 to 25). For the first time, thanks to our online system for people to register their interest in guiding (Join Us), we were able to monitor the number of membership enquiries received UK-wide: in 2013 we received 267,546 new enquiries, many of them from parents of girls. This has led us to put an even stronger focus on our need to attract more volunteers to welcome all the girls who want to join us.

A particular success story has been Girlguiding's work with the Department for Communities and Local Government's Supporting Inclusion Programme through Youth United. In 2013 we received £47,515 centrally with additional funding at regional level, enabling us to employ a team of nearly eight full-time development workers across four guiding regions. Working together with local

guiding, these staff members opened 66 new units and recruited 199 volunteers and 600 girls, reaching initial project targets a year ahead of schedule. Our revised targets are even more ambitious - 111 new units, 222 volunteers and 1,665 girls by mid-2014.

At the beginning of 2013 Girlguiding launched its new branding and new materials to help local guiding attract volunteers and girls. Members can also use an online print centre to adapt a series of templates so that images and messages suit local needs and meet brand guidelines. A new video showcasing the fun girls and adults have was made to show the outside world how amazing guiding is.

Our Join Us system means we can analyse trends in interest and better prepare to meet the demand for guiding. To help our adult volunteers understand how to use the new system, we provided face-to-face training, webinars and documents.

Girlguiding provides start-up grants to new units - in 2013 we updated the application process for these grants and awarded over £73,000 throughout the UK to help get new units off the ground.

Our membership rose by more than  
**5,000 to 553,633**



## Aim 2: Influence

**By 2014 we will have decision-making processes charity-wide that are actively and consistently influenced by the views and opinions of our young members.**

This year we have continued to promote youth participation by building it into new materials for our Trainers and holding a networking event for them. We have consistently reminded our volunteers how important it is for girls to take the lead by making decisions at a local level and contributing to our wider strategy.

We have focused on girl-led advocacy in our themed activity packs for Guides (girls aged 10 to 14), the Go For It! (GFI!) series. Both *GFI! Streets Ahead* and *GFI! Be the Change* were created by girls and gave Guides the skills to take action on issues important to them. We worked with five other charities on a project for girls of all ages, Girls in

Action, to promote advocacy alongside raising awareness and pledging action. We launched Trainers' materials to support the World Association of Girl Guides and Girl Scouts (WAGGGS)' Voices Against Violence badge.

Many of our girls assume a leadership role as a Young Leader or Rainbow or Brownie Helper in units for younger girls. To encourage girls to do this we have revised the syllabus and support materials for the Young Leader Qualification.

Our peer-education programme, 4, enables girls to offer guidance and insight to girls their own age on topics that are important to them. In 2013 we worked with the Department of Health to train 27 Peer Educators in Teen Health. They, along with our other 500-plus Peer Educators, delivered 525 sessions during the year, reaching a staggering 7,800 girls and young women. We also worked with local guiding

areas to promote their peer-education schemes.

Our youth forum, Innovate, brought together 120 young members to debate Girlguiding's strategic priorities. The future and format of this forum are being considered as part of the ongoing governance review.

We have worked hard this year to increase the influence of our Advocate panel (a group of 16 members aged 14 to 25 who discuss the issues girls care about) so girls' voices are heard and acted upon by external decision-makers. Girlguiding Explores is our new series of roundtable events at which young women can meet journalists and expert stakeholders to talk about a range of topics that matter to them. During 2013 we ran two successful events: Talk Leadership, which examined the barriers to women reaching leadership positions, and Talk Feminism.





## Aim 3: Voice

**By 2014 we will be recognised as the voice of girls and young women with a vibrant brand proposition that unites members UK-wide, communicates a powerful, cohesive message to external audiences and clearly distinguishes our offer from that of other youth providers.**

We have taken a bolder approach this year to continue challenging perceptions of our charity and giving girls a louder voice on issues affecting their lives. In a year that has seen a dramatic change in the public's understanding of our work, we have worked hard to complete our rebrand and train our network of regional PR volunteers. Managing communications around our new Promise has also been vital.

And our efforts have paid off - nfpSynergy's Charity Awareness Monitor showed that while 50 per cent of the public was aware of our brand in the first quarter of the year, that figure had risen to 67 per cent by the second quarter. For the second year running, nfpSynergy named us the UK's most empowering charity, and we saw a 63 per cent increase in unique visitors to

our website ([www.girlguiding.org.uk](http://www.girlguiding.org.uk)) in 2013 compared to the previous year.

The year also saw a 63 per cent increase in relevant national press cuttings. We were shortlisted for a Charity Times Award and a Public Relations Consultants Association (PRCA) Award for our support of the No More Page 3 campaign. We also supported *The Daily Telegraph's* Better Sex Education campaign, leading to excellent media profiles of our peer-education programme and our *Care versus Control* report on coercive and controlling relationships. All this publicity means that more people hear about us - so we get more support, and more girls join us.

Every year we ask the girls of the UK about the issues that matter to them. In 2013 we launched our fifth Girls' Attitudes Survey (GAS) report, *Equality for Girls*. The launch event was attended by over 120 stakeholders and the report's startling statistics were reported across national print, broadcast and online media.



## Aim 4: Action

**By 2014 we will consistently deliver a good-quality, age-appropriate, relevant programme, offering action, challenge and adventure.**

The Girlguiding workplan for 2013 was an ambitious one. Not only did we commit to reviewing and improving our programme, we also consulted our members about the wording of our Promise and prepared for The Big Brownie Birthday, celebrating 100 years of the Brownie section in 2014.

Around 44,000 people joined our consultation on the future of the Promise through online surveys and focus groups. The voice of girls was central to the ultimate outcome - to change the wording for the 12th time in our history. The new wording has been warmly welcomed by many girls and volunteers across the UK since its introduction in September, and 72 per cent of the general public think the change was right for us. There is, however, an ongoing debate about the change among a small minority of members. To support our members to understand and explore the change, spiritual development activities were featured in our volunteer magazine and we wrote a toolkit for our Trainers on the Promise and Law.

In 2014, over 200,000 Brownies (and many other members of all ages) will celebrate 100 years of the Brownie section. We prepared well in 2013 by launching the Big Brownie Birthday Challenge and a calendar of national events, as well as template programmes to make it easy for Brownies across the UK to feel part of a wider celebration. We also worked on an updated *Brownie Adventures* book, to be launched in spring 2014.

The delivery of great programmes relies on great training. To ensure training is reliably good across the UK, we:

- held a conference for over 200 Trainers

- piloted a more flexible qualification for volunteers to become Trainers
- organised a tutor training weekend for volunteers who support Trainers
- introduced online learning modules for volunteers working with Rainbows and The Senior Section
- rolled out a series of first aid refresher training sessions, which the first aider in each unit must take every three years
- launched revised Walking and Climbing and Abseiling schemes to enable more girls to experience adventure.

In 2013 we reviewed our Educational Framework and supported our network of Commissioners (senior volunteers) with a new *Commissioner Handbook*, induction and refresher weekends, and support in handling complaints.

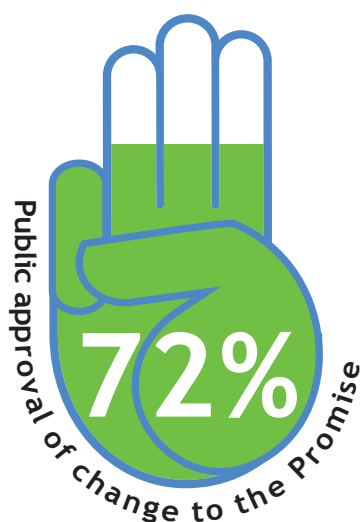
As a charity supporting volunteers to work with hundreds of thousands of girls, safeguarding has to underpin all we do. In 2013 we launched a safeguarding e-learning module and sent a new *Safe Space* leaflet to all volunteers. We also wrote a document to support volunteers talking about safeguarding in their local meetings.

And for the girls? Over 25,000 Rainbows enjoyed a new activity pack called

*Roundabout Seasons*. Brownies were enthralled by the first 3D game on the Brownie website. Guides enthused about a new range of badges to go with our refreshed Go For It! resources, and screamed through two sell-out BIG GIGs (concerts with big-name performers, held specially for them). Members of The Senior Section, meanwhile, were celebrating the arrival of their new resources and the badges they'd told us they wanted to recognise their achievements.

In addition we reviewed the syllabuses of 45 badges and prepared eight teams of young women for Guiding Overseas Linked with Development (GOLD) trips. Each team worked with a local community in a foreign country on development projects ranging from sanitation to self-esteem.

We have supported our members to attend UN events, WAGGGS seminars and the World Moot - a huge international camp in Canada for members of Guiding and Scouting. And we invited 150 of our most remarkable and dedicated young women to celebrate the achievement of their Queen's Guide Awards - the highest award they could work for - at three events at the House of Lords.



### Aim 5: Organisation

**By 2014 we will have reviewed structures and processes to establish a more responsive and flexible style of organisational leadership.**

Girlguiding's governance review progressed well in 2013. Following the appointment of Compass Partnership as consultants, the existing trustees agreed a plan in January 2013 and established a Governance Steering Group. That group took recommendations on the way forward to the Executive Committee (the existing trustee body).

By the end of the year, the structure and terms of reference of a new Board of Trustees were approved by the Council, and recruitment had begun for a smaller

and more strategically focused Board of Trustees to replace the Executive Committee.

New trustees with a strong mix of skills, and including our first from outside Girlguiding, were appointed through an open recruitment process. The former subcommittees were disbanded and terms of reference were agreed for new governance-focused subcommittees including Audit and Risk, Remuneration, Nominations and Governance, and Planning, Policy and Performance. Each subcommittee will be chaired by a member of the Board of Trustees. The new board is meeting for the first time in April 2014, closely followed by the first meetings of the new subcommittees.

Girlguiding is a charity governed by Royal Charter, so it was vital for us

to work with the Privy Council when making changes to it. Work has also started on the next steps - considering the future role of the Council and the Chief Guide and how best to ensure that youth participation is an integral part of the structure. The Council's findings have been referred to the Governance Steering Group for further consideration.

As we are a membership organisation, it's crucial that we represent all our members. In 2013 we randomly selected thousands of them to form our Membership Research Panel. They responded to quarterly surveys with their views on the charity, its current projects and direction. As we start writing our strategic plan for 2015-2020, we will broaden our consultation to include an all-membership online survey and focus groups for girls.



### Aim 6: Support

**By 2014 we will continue to be in a sustained, stable financial position with optimised, diverse income streams and resources that are employed effectively to support the charity's Statement of Purpose.**

In 2012 we decided to lease out part of our London headquarters building to generate additional income to support our future activities, and in 2013 our trustees appointed a Steering Group to oversee the project. By the end of the year building work had begun and Girlguiding staff had moved to temporary office accommodation. We signed a 25-year lease agreement for the rear portion of the building. We plan to be back in our refurbished, fit-for-purpose premises in autumn 2014.

To improve efficiency, Girlguiding decided to outsource its IT support at the end of 2012 and this change happened at the beginning of 2013. We also reviewed our legal provision in 2013, appointing new legal advisers. A central Project Management Team was appointed to manage cross-organisational projects such as the digital strategy, which includes websites, digital communications and membership systems. Another review focused on the future of our historic archives and at the end of 2013 we were in negotiation about their relocation to a state-of-the-art archive facility.

Our trading company is a major source of income for the charity and it has continued its efforts to generate maximum profit while providing affordable and good-quality items for members, including almost 2.8 million badges last year. In 2013, new ranges were launched in preparation for The Big Brownie Birthday and to reflect the renewed Girlguiding brand. We supported local guiding by offering volunteers discounted products and guidance on running shops, and running a conference for shop volunteers. 2013

also saw the introduction of Girlguiding gift vouchers.

The fundraising team at Girlguiding is in its infancy but still raised £450,000 this year - £135,000 over target. Of this, £143,455 came from corporate partnerships. This year we were delighted to enter a partnership with Pears Foundation to fund research into the impact our charity has on people and communities. The results will be available in 2014.

In a charity as large and spread out as Girlguiding, it is not only central fundraising that is important. Our fundraising team also works hard to support volunteer fundraisers to meet local needs. This year we ran a conference for local fundraisers and worked with JustGiving to pilot a new way for units to claim Gift Aid on the subscriptions that members pay. We also ran a property management conference to support volunteers who shoulder this responsibility as part of their guiding role.

To deliver our strategy as efficiently as possible, we need to look after our staff. In 2013 we reviewed the staff induction and learning and development programme and undertook a staff survey, comparing our results with those of other charities. We also started benchmarking salaries to ensure that we can attract and retain high-quality staff.

Girlguiding has four Activity Centres and this year we completed a member consultation on current and future options for their use. Our Board of Trustees will discuss the results in 2014. We have also analysed how each centre is used and tried to bring in more business during 'quiet periods' by targeting the education sector. A new and very successful initiative for 2013 was the introduction of Wellies and Wristbands - a festival-style event for more than 2,600 Guides and members of The Senior Section at Waddow Hall and Foxlease.



## Conclusion

This report highlights the major advances for us as a UK charity in 2013. Underpinning every success, is the contribution that our dedicated volunteers across the UK make every day. Without them there would be no Girlguiding.

2013 was something of a whirlwind, with reviews of the Promise and our governance as well as improvements to our systems, processes, training and programmes. This work will continue in 2014, the last year of our current strategic plan. Our priority remains to strive to be where more girls choose to be.

As we start to write our 2015-2020 Strategic Plan, we will be asking our members and stakeholders what Girlguiding should look like in 2020. We will be working on the first stages of our digital strategy and looking at the results of our impact research. We will push on with our governance review, adapting to new decision-making structures and considering how to keep girls in the lead. And we will be moving offices, back to our home of many decades but with a new look and a new outlook.

2014 will be full of candles and excitement as we celebrate The Big Brownie Birthday. We will continue to review and improve our programme and to support our volunteers with the best training possible. Finding space for the many girls who want to join guiding will be a challenge - so we will support our volunteer networks as we reach out to the extra adults who will enable us to welcome more girls.

We will continue in our resolve to put girls centre-stage in voicing their views within guiding and in the public arena. We will maintain our efforts to show people what guiding is really about - and the difference it makes - so that more supporters, partners and friends want to join us on our journey towards 2020.

## Objectives and activities for the public benefit

The Board of Trustees confirms that it has taken due regard of the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

## Environmental statement

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

## Risk statement

The major risks facing Girlguiding are continually reviewed and carefully scrutinised by members of the Board of Trustees. A separate risk log has been developed for key organisation-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.





## Review of financial position

The financial statements annexed to this report are those of the central charity and reflect the activities it undertakes on behalf of the Association as a whole. Countries and Regions, Counties, Divisions, Districts and units 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 incoming resources for the year amounted to £391,316, compared with outgoing resources of £52,954 in 2012. Total gains on investments amounted to £672,436 compared with gains of £804,052 in 2012.

An important feature of the SOFA is the analysis of outgoing resources between direct charitable expenditure on the Association's activities and governance. Direct charitable expenditure represents 99% (2012 - 99%) of the total resources expended.

## The balance sheet

### Tangible fixed assets

The Association holds various tangible fixed assets to support its activities. These are the Commonwealth Headquarters (CHQ) building, the Members' Trading Service premises and the Training and Activity Centres. £892,330 was spent on fixed assets in the year - £26,924 on buildings, £111,424 on technology projects and equipment, £85,686 on vehicles and equipment, and £668,296 on the work-in-progress CHQ building project.

## Investment policy

A large proportion of the Association's reserves are held in investments. These are held to provide investment income to fund day-to-day running costs and to fund strategically important revenue and capital projects in the future. A professional fund management company is employed to manage the funds and its performance is reviewed regularly by the Finance and General Purposes Committee. Performance is benchmarked against appropriate performance indices.

Unrestricted capital fund investments were valued at £7,615,792 at 31 December 2013. This represents an increase of £699,455 (10.1%) from their £6,916,337 value at 31 December 2012.

## Reserves policy

The Association's free reserves are made up as follows:

	2013	2012
	£'000	£'000
General fund	10,452	10,146
Less: unrestricted fixed assets for The Association's use	(5,015)	(6,099)
<b>Free reserves</b>	<b>5,437</b>	<b>4,047</b>

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'. 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. Free reserves represent about £197 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 2013

The annual financial statements for 2013 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 27 April 2014 to be submitted to the Association's Annual General Meeting for adoption.

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

## Annual report

This report was approved by the Board of Trustees at its meeting on 27 April 2014 and the Chief Guide was authorised to sign the report and financial statements on its behalf.

*Gill Slocombe.*

Gill Slocombe  
Chair of Trustees and Chief Guide  
27 April 2014



## Statement of the trustees' responsibilities

The voting members of the Board of 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 judgements 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.







We have audited the financial statements of The Guide Association for the year ended 31 December 2013 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 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](http://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 2013 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; and
- 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) requires us to report to you if, in our opinion:

- the information given in the trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- 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

## BDO LLP

Statutory Auditor  
London, United Kingdom  
27 April 2014

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 2013

	Notes	Unrestricted funds	Restricted funds	Endowed funds	2013 Total funds	2012 Total funds
		£	£	£	£	£
<b>Incoming resources</b>						
<b>Incoming resources from charitable activities</b>						
Subscriptions		5,357,847	-	-	5,357,847	4,872,836
Members' trading income	2	10,380,785	-	-	10,380,785	11,057,852
Investment income	3	298,556	60,996	13,255	372,807	413,667
Donations and legacies	4	164,865	151,895	-	316,760	304,731
Events income	5	818,488	-	-	818,488	806,961
Grants and other income	6	231,016	29,440	-	260,456	267,061
<b>Total incoming resources</b>		<b>17,251,557</b>	<b>242,331</b>	<b>13,255</b>	<b>17,507,143</b>	<b>17,723,108</b>
<b>Resources expended</b>						
<b>Charitable expenditure:</b>						
<b>Activities in furtherance of the</b>						
Association's objects	7	16,711,255	254,507	26,926	16,992,688	17,684,806
Governance costs	8	123,139	-	-	123,139	91,256
<b>Total resources expended</b>		<b>16,834,394</b>	<b>254,507</b>	<b>26,926</b>	<b>17,115,827</b>	<b>17,776,062</b>
<b>Net incoming/(outgoing) resources for the year</b>		<b>417,163</b>	<b>(12,176)</b>	<b>(13,671)</b>	<b>391,316</b>	<b>(52,954)</b>
<b>Net gains on investments</b>	11	<b>525,661</b>	<b>113,855</b>	<b>32,920</b>	<b>672,436</b>	<b>804,052</b>
<b>Net movement in funds</b>		<b>942,824</b>	<b>101,679</b>	<b>19,249</b>	<b>1,063,752</b>	<b>751,098</b>
<b>Balances brought forward at</b>						
1 January 2013		22,038,743	2,864,885	314,490	25,218,118	24,467,020
<b>Balances carried forward at</b>						
31 December 2013		<b>22,981,567</b>	<b>2,966,564</b>	<b>333,739</b>	<b>26,281,870</b>	<b>25,218,118</b>

All gains and losses recognised in the year are included in the statement of financial activities.  
All amounts arise from continuing activities.

# Charity statement of financial activities for the year ended 31 December 2013

Notes	Unrestricted funds	Restricted funds	Endowed funds	2013 Total funds	2012 Total funds
	£	£	£	£	£
<b>Incoming resources</b>					
<b>Incoming resources from charitable activities</b>					
Subscriptions	5,357,847	-	-	5,357,847	4,872,836
Members' trading income	2,670,061	-	-	2,670,061	2,660,827
Investment income	298,556	60,996	13,255	372,807	413,667
Donations and legacies	164,865	151,895	-	316,760	304,731
Events income	818,488	-	-	818,488	806,961
Grants and other income	325,381	29,440	-	354,821	354,071
Donation from subsidiary	2,328,509	-	-	2,328,509	2,414,305
<b>Total incoming resources</b>	<b>11,963,707</b>	<b>242,331</b>	<b>13,255</b>	<b>12,219,293</b>	<b>11,827,398</b>
<b>Resources expended</b>					
<b>Charitable expenditure:</b>					
<b>Activities in furtherance of the</b>					
Association's objects	11,435,309	254,507	26,926	11,716,742	11,806,396
Governance costs	111,235	-	-	111,235	73,956
<b>Total resources expended</b>	<b>11,546,544</b>	<b>254,507</b>	<b>26,926</b>	<b>11,827,977</b>	<b>11,880,352</b>
<b>Net incoming/(outgoing) resources for the year</b>	<b>417,163</b>	<b>(12,176)</b>	<b>(13,671)</b>	<b>391,316</b>	<b>(52,954)</b>
<b>Net gains on investments</b>	<b>525,661</b>	<b>113,855</b>	<b>32,920</b>	<b>672,436</b>	<b>804,052</b>
<b>Net movement in funds</b>	<b>942,824</b>	<b>101,679</b>	<b>19,249</b>	<b>1,063,752</b>	<b>751,098</b>
<b>Balances brought forward at</b>					
1 January 2013	22,038,743	2,864,885	314,490	25,218,118	24,467,020
<b>Balances carried forward at</b>					
31 December 2013	<b>22,981,567</b>	<b>2,966,564</b>	<b>333,739</b>	<b>26,281,870</b>	<b>25,218,118</b>

All gains and losses recognised in the year are included in the statement of financial activities.  
All amounts arise from continuing activities.

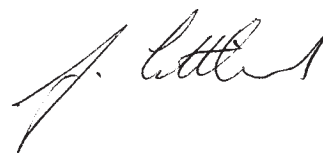
# Consolidated balance sheet as at 31 December 2013

	Notes	2013		2012	
		£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	10		6,887,365		7,215,143
Investments	11		9,376,186		8,507,259
			<u>16,263,551</u>		<u>15,722,402</u>
<b>Current assets</b>					
Stocks	13	864,951		983,886	
Debtors	14	1,204,231		759,465	
Short-term bank deposits		5,000,000		5,188,812	
Cash at bank and in hand		4,987,306		4,062,367	
		<u>12,056,488</u>		<u>10,994,530</u>	
<b>Current liabilities</b>					
Creditors due within one year	16	<u>(1,643,051)</u>		<u>(1,135,323)</u>	
<b>Net current assets</b>			10,413,437		9,859,207
<b>Long-term liabilities</b>					
Creditors due after one year	17		-		(13,490)
Provisions for liabilities and charges	18		(395,118)		(350,001)
<b>Net assets</b>			<u>26,281,870</u>		<u>25,218,118</u>
<b>Unrestricted funds</b>					
<i>General funds</i>	19	10,452,183		10,145,698	
<i>Designated funds</i>					
Capital fund		11,098,364		10,572,703	
Growing Guiding fund		829,165		711,939	
Insurance fund		310,000		310,000	
TAC buildings fund		291,855		298,403	
			<u>22,981,567</u>		<u>22,038,743</u>
<b>Restricted funds</b>	20		2,966,564		2,864,885
<b>Endowed funds</b>	20		333,739		314,490
<b>Total funds</b>			<u>26,281,870</u>		<u>25,218,118</u>

Approved and authorised for issue by the Board of Trustees on 27 April 2014.



GILL SLOCOMBE - Chair of Trustees and Chief Guide



GRAHAM LITTLEWOOD - Honorary Treasurer

# Charity balance sheet as at 31 December 2013

	Notes	2013		2012	
		£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	10		6,887,365		7,215,143
Investments	11		9,526,186		8,657,259
			<u>16,413,551</u>		<u>15,872,402</u>
<b>Current assets</b>					
Stocks	13	63,955		54,971	
Debtors	14	1,178,761		2,577,337	
Short-term bank deposits		5,000,000		5,188,812	
Cash at bank and in hand		4,264,157		1,505,580	
		<u>10,506,873</u>		<u>9,326,700</u>	
<b>Current liabilities</b>					
Creditors due within one year	16	(1,493,436)		(867,493)	
<b>Net current assets</b>			<b>9,013,437</b>		<b>8,459,207</b>
<b>Long-term debtors</b>					
Long-term loan due from subsidiary	15		1,250,000		1,250,000
<b>Long-term liabilities</b>					
Creditors due after one year	17		-		(13,490)
Provisions for liabilities and charges	18		(395,118)		(350,001)
<b>Net assets</b>			<u><u>26,281,870</u></u>		<u><u>25,218,118</u></u>
<b>Unrestricted funds</b>					
<i>General funds</i>	19	10,452,183		10,145,698	
<i>Designated funds</i>					
Capital fund		11,098,364		10,572,703	
Growing Guiding fund		829,165		711,939	
Insurance fund		310,000		310,000	
TAC buildings fund		<u>291,855</u>		<u>298,403</u>	
			<b>22,981,567</b>		<b>22,038,743</b>
<b>Restricted funds</b>	20		<b>2,966,564</b>		<b>2,864,885</b>
<b>Endowed funds</b>	20		<b>333,739</b>		<b>314,490</b>
<b>Total funds</b>			<u><u>26,281,870</u></u>		<u><u>25,218,118</u></u>

Approved and authorised for issue by the Board of Trustees on 27 April 2014.

*Gill Slocombe*

GILL SLOCOMBE - Chair of Trustees and Chief Guide

*Graham Littlewood*

GRAHAM LITTLEWOOD - Honorary Treasurer

# Consolidated cash flow statement for the year ended 31 December 2013

	2013		2012	
	£	£	£	£
<b>Net cash inflow/(outflow) from operating activities</b>		1,449,141		2,269,139
<b>Returns on investments and servicing of finance</b>				
Investment income and interest received		372,807		413,667
<b>Capital expenditure and financial investment</b>				
Payments to acquire tangible fixed assets	(892,330)		(433,502)	
Purchase of fixed asset investments	(2,928,613)		(839,321)	
Sale of fixed asset investments	2,896,552		5,775,520	
(Increase)/decrease in cash held for investment	(164,430)		16,759	
Loan repayments received	3,000		3,000	
		<u>(1,085,821)</u>		<u>4,522,456</u>
		736,127		7,205,262
<b>Management of liquid resources</b>				
Transfers from short-term bank deposits		188,812		(5,036,065)
<b>Increase in cash</b>		<u>924,939</u>		<u>2,169,197</u>

## NOTES TO THE CASH FLOW STATEMENT

	2013		2012	
	£	£	£	£
<b>1. Reconciliation of net incoming resources to net cash inflow from operating activities</b>				
Net incoming/(outgoing) resources for the year		391,316		(52,954)
Investment income		(372,807)		(413,667)
Depreciation		1,217,068		1,082,896
Loss on disposal of tangible fixed assets		3,040		1,093,055
Decrease in stocks		118,935		339,093
Decrease debtors		(447,766)		168,936
Decrease in creditors and provisions		539,355		51,780
<b>Net cash inflow/(outflow) from operating activities</b>		<u>1,449,141</u>		<u>2,269,139</u>

## 2. Analysis of the balances of cash as shown in the balance sheet

	2013	Change in year	2012	Change in year	2011
	£	£	£	£	£
Cash at bank and in hand	4,987,306	924,939	4,062,367	2,169,197	1,893,170

## 1 ACCOUNTING POLICIES

These are the financial statements 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 responsible as separate charities for their own finances.

These financial statements have been prepared in accordance with the recommendations of the Statement of Recommended Practice (SORP) (2005) 'Accounting and Reporting by Charities' and in accordance with applicable accounting standards.

The principal accounting policies applied in the preparation of the financial statements are as follows:

### (a) Basis of accounting

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

### (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 TAC 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 the use of the funds which are legally binding. The accounting records separate those restricted funds from the unrestricted funds of the Association, and also distinguish between those where the fund is expendable (restricted funds) and those where the capital may not be touched (endowed funds). A schedule of the movements on the various funds during the year is set out in Note 20.

### (e) Incoming resources

Trading income, investment income and grants are accounted for when due. Legacies are credited to incoming resources when the Association becomes entitled to the income and there is certainty of receipt and the amount is quantifiable. Subscriptions are accounted for on a receivable basis, due at the end of February, and run for a calendar year. Income received for events and activities is held in deferred income until the year in which the event or activity takes place. Other incoming resources are accounted for when received.

### (f) Basis of allocation or apportionment of expenditure

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

- activities in furtherance of the Association's objects
- governance costs
- cost of generating funds.

Note 7 to the financial statements provides an analysis of activities in furtherance of the Association's objects according to function. Support costs reflect Commonwealth Headquarters' overall establishment and communication costs allocated on an activity-based apportionment.

Governance costs include trustee meeting costs, advisory fees and audit expenditure. Cost of generating funds includes expenditure incurred on behalf of the Association in relation to investment manager fees, sponsorship and fundraising costs.

### (g) Investment assets

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

### (h) Investment pool

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 uninvested cash or debtors which exist at the year end.

### (i) 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. The principal rates of depreciation are:

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

### (j) Stocks

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

### (k) 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.

### (l) Pensions

The Association operates a defined contribution pension scheme on behalf of its employees. The scheme is operated by Scottish Widows.

### (m) Operating leases

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

### (n) 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.



# Notes to the financial statements - 31 December 2013

## 2 MEMBERS' TRADING INCOME

	Unrestricted funds	Restricted funds	Endowed funds	Total 2013	Total 2012
	£	£	£	£	£
<b>CONSOLIDATED</b>					
Members' Trading Service	7,310,050	-	-	7,310,050	7,989,612
Training and Activity Centres	2,546,401	-	-	2,546,401	2,494,060
Magazines	86,799	-	-	86,799	118,741
Annuals	25,866	-	-	25,866	37,715
Licence fees and royalties	411,669	-	-	411,669	417,724
	<b>10,380,785</b>	<b>-</b>	<b>-</b>	<b>10,380,785</b>	<b>11,057,852</b>
<b>CHARITY</b>					
Training and Activity Centres				2,546,401	2,494,060
Magazines				86,799	118,741
Annuals				25,866	37,715
Licence fees and royalties				10,995	10,311
				<b>2,670,061</b>	<b>2,660,827</b>

## 3 INVESTMENT INCOME

UK bonds and cash	70,452	24,501	5,444	100,397	104,362
UK equities	124,500	27,309	6,068	157,877	227,742
Property	33,053	5,261	1,169	39,483	56,759
Absolute Return funds	3,009	769	171	3,949	2,360
Overseas equities	3,586	1,477	328	5,391	19,642
Overseas bonds	7,512	-	-	7,512	-
Interest on cash deposits	56,444	1,679	75	58,198	2,802
	<b>298,556</b>	<b>60,996</b>	<b>13,255</b>	<b>372,807</b>	<b>413,667</b>

## 4 DONATIONS AND LEGACIES

Individual donations	49,231	136,266	-	185,497	148,374
Legacies and in memoriam donations	75,918	3,129	-	79,047	121,842
Trusts and foundations	39,716	12,500	-	52,216	34,515
	<b>164,865</b>	<b>151,895</b>	<b>-</b>	<b>316,760</b>	<b>304,731</b>

## 5 EVENTS INCOME

BIG GIG	796,352	-	-	796,352	787,842
Other charity events	22,136	-	-	22,136	19,119
	<b>818,488</b>	<b>-</b>	<b>-</b>	<b>818,488</b>	<b>806,961</b>



# Notes to the financial statements - 31 December 2013

## 6 GRANTS AND OTHER INCOME

	Unrestricted funds	Restricted funds	Endowed funds	Total 2013	Total 2012
	£	£	£	£	£
<b>CONSOLIDATED</b>					
Grants	47,515	21,000	-	68,515	25,024
Other income	183,501	8,440	-	191,941	242,037
	<b>231,016</b>	<b>29,440</b>	<b>-</b>	<b>260,456</b>	<b>267,061</b>
<b>CHARITY</b>					
Grants				68,515	25,024
Other income				286,306	329,047
				<b>354,821</b>	<b>354,071</b>

Grants received in the year include £47,515 received from Youth United Foundation (2012: £25,024).

## 7 ACTIVITIES IN FURTHERANCE OF THE CHARITY'S OBJECTS

	Staff costs	Other direct costs	Support costs	Total 2013	Total 2012
	£	£	£	£	£
<b>CONSOLIDATED</b>					
<b>Members' trading</b>					
Mail order and shops	856,064	3,874,927	642,910	5,373,901	5,933,834
Training and Activity Centres	1,208,880	1,379,359	29,403	2,617,642	2,787,597
Magazines	-	337,430	-	337,430	324,687
Annuals	-	30,604	-	30,604	32,105
<b>Services for members</b>					
Opportunity	604,116	537,093	507,922	1,649,131	1,422,025
Influence	181,837	225,462	130,313	537,612	487,272
Voice	453,028	229,392	410,961	1,093,381	881,281
Action	848,635	818,343	601,839	2,268,817	2,376,722
Organisation	543,676	216,919	407,483	1,168,078	1,290,835
Support	393,474	91,864	1,430,754	1,916,092	2,148,447
	<b>5,089,710</b>	<b>7,741,393</b>	<b>4,161,585</b>	<b>16,992,688</b>	<b>17,684,806</b>
<b>CHARITY</b>					
<b>Members' trading</b>					
Training and Activity Centres	1,208,880	1,441,263	29,403	2,679,546	2,836,016
Magazines	-	337,430	-	337,430	324,687
Annuals	-	30,604	-	30,604	32,105
<b>Services for members</b>					
Opportunity	604,116	540,423	507,922	1,652,461	1,424,057
Influence	181,837	230,797	130,313	542,947	488,301
Voice	453,028	232,386	410,961	1,096,375	881,438
Action	848,635	836,467	601,839	2,286,941	2,379,340
Organisation	543,676	219,347	407,483	1,170,506	1,291,608
Support	393,474	95,704	1,430,754	1,919,932	2,148,843
	<b>4,233,646</b>	<b>3,964,421</b>	<b>3,518,675</b>	<b>11,716,742</b>	<b>11,806,396</b>

The 2012 comparative expenditure figures have been reclassified to be consistent with the 2013 areas of activity for the Association. This had no impact on the reserves.

# Notes to the financial statements - 31 December 2013

## 8 GOVERNANCE COSTS

	Unrestricted funds	Restricted funds	Endowed funds	Total 2013	Total 2012
	£	£	£	£	£
<b>CONSOLIDATED</b>					
Meeting costs	35,336	-	-	35,336	35,153
Consultants	20,000	-	-	20,000	20,000
Governance review	39,049	-	-	39,049	-
Audit fees	28,754	-	-	28,754	27,000
Finance administration	-	-	-	-	9,103
<b>Total</b>	<b>123,139</b>	<b>-</b>	<b>-</b>	<b>123,139</b>	<b>91,256</b>
<b>CHARITY</b>					
Meeting costs				35,336	35,153
Consultants				20,000	20,000
Governance review				39,049	-
Audit fees				16,850	17,000
Finance administration				-	1,803
<b>Total</b>				<b>111,235</b>	<b>73,956</b>

Costs of £27,000 (2012: £27,000) were payable to our auditors in respect of audit fees.

## 9 STAFF NUMBERS AND REMUNERATION

	2013 Total staff costs	2012 Total staff costs
	£	£
Gross salaries and wages	4,500,918	4,388,383
Employer's pension contribution	190,827	186,609
Employer's National Insurance	397,965	380,990
<b>Total</b>	<b>5,089,710</b>	<b>4,955,982</b>

The average number of employees in the year, calculated on a full-time equivalent basis, was:

	2013 No.	2012 No.
Members' trading	74	74
Services for members:		
Opportunity	17	25
Influence	6	11
Voice	13	8
Action	25	24
Organisation	15	9
Support	9	15
<b>Total</b>	<b>159</b>	<b>166</b>

The number of employees whose emoluments exceeded £60,000 in the year were:

	2013	2012
£60,001 - £70,000	1	1
£80,001 - £90,000	1	-

Pension contributions of £7,865 to a defined contribution scheme were made for the above higher-paid staff.

Members of the Board of Trustees are not remunerated. Expenses reimbursed for travel and out-of-pocket expenses amounted to £20,559 to 28 members (2012: £22,077 to 29 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 £10,779 in the year (2012: £8,317).

# Notes to the financial statements - 31 December 2013

## 10 TANGIBLE FIXED ASSETS

	Freehold land & buildings	Long leasehold property	Assets under construction	Equipment, fittings & vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2013	7,022,283	129,318	115,602	6,063,357	13,330,560
Additions	26,924	-	668,296	197,110	892,330
Disposals	-	-	-	(26,887)	(26,887)
At 31 December 2013	7,049,207	129,318	783,898	6,233,580	14,196,003
<b>Accumulated depreciation</b>					
At 1 January 2013	2,649,437	57,542	-	3,408,438	6,115,417
Provision for the year	197,414	4,320	-	1,015,334	1,217,068
Disposals	-	-	-	(23,847)	(23,847)
At 31 December 2013	2,846,851	61,862	-	4,399,925	7,308,638
<b>Net book amount</b>					
At 31 December 2013	4,202,356	67,456	783,898	1,833,655	6,887,365
At 31 December 2012	4,372,846	71,776	115,602	2,654,919	7,215,143

All assets are used for direct charitable purposes.

The trustees are aware that there is a material difference between the disclosed value of land and buildings in these accounts and the market value of the land and buildings belonging to the Association, but do not believe that there is value, commensurate with the associated cost, in ascertaining that market value at this time.



# Notes to the financial statements - 31 December 2013

## 11 INVESTMENTS

	Unrestricted funds	Restricted funds	Endowed funds	Total 2013	Total 2012
	£	£	£	£	£
<b>CONSOLIDATED</b>					
Market value at 1 January 2013	6,914,271	1,267,229	279,556	8,461,056	12,593,203
Acquisitions at cost	2,677,571	183,797	67,245	2,928,613	839,321
Disposal proceeds	(2,657,237)	(192,584)	(46,731)	(2,896,552)	(5,775,520)
Net gain on revaluation of investments	525,661	113,855	32,920	672,436	514,459
Realised gain on redemption	-	-	-	-	289,593
Market value at 31 December 2013	7,460,266	1,372,297	332,990	9,165,553	8,461,056
Cash held for investment	155,526	52,394	2,713	210,633	46,203
Portfolio value at 31 December 2013	<u>7,615,792</u>	<u>1,424,691</u>	<u>335,703</u>	<u>9,376,186</u>	<u>8,507,259</u>
Historical cost at 31 December 2013	<u>7,460,266</u>	<u>1,202,787</u>	<u>254,516</u>	<u>8,917,569</u>	<u>8,069,619</u>

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 Cazenove Equity Income Trust for Charities and the Cazenove Strategic Debt Fund.

	Unrestricted funds	Restricted funds	Endowed funds	Total 2013	Total 2012
	£	£	£	£	£
UK bonds and cash	2,143,601	385,025	83,426	2,612,052	3,332,224
UK equities	2,673,157	795,775	193,096	3,662,028	3,920,426
Absolute Return funds	444,683	86,480	20,985	552,148	345,424
Property	516,734	84,930	20,609	622,273	909,185
Overseas bonds	328,500	72,481	17,587	418,568	-
Overseas equities	1,509,117	-	-	1,509,117	-
<b>Total</b>	<u>7,615,792</u>	<u>1,424,691</u>	<u>335,703</u>	<u>9,376,186</u>	<u>8,507,259</u>

## CHARITY

Investments held by the charity also include an additional £150,000 (2012: £150,000) investment in the subsidiary company (Note 23).



12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets	Investments	Net current assets	Total
	£	£	£	£
<b>Endowed funds</b>				
Country and Region funds	-	205,877	8,748	214,625
CHQ funds	-	129,826	(10,712)	119,114
<b>Total endowed funds</b>	-	335,703	(1,964)	333,739
<b>Restricted funds</b>				
Country and Region funds	-	980,845	41,680	1,022,525
CHQ funds	-	267,593	170,823	438,416
TAC funds	1,088,268	174,802	239,970	1,503,040
Other funds	-	1,451	1,132	2,583
<b>Total restricted funds</b>	1,088,268	1,424,691	453,605	2,966,564
<b>Unrestricted funds</b>				
General fund	5,015,199	1,000,000	4,436,984	10,452,183
Growing Guiding fund	-	-	829,165	829,165
Insurance fund	-	-	310,000	310,000
Designated TAC buildings fund	-	-	291,855	291,855
Capital fund	783,898	6,615,792	3,698,674	11,098,364
<b>Total unrestricted funds</b>	5,799,097	7,615,792	9,566,678	22,981,567
<b>Total funds</b>	6,887,365	9,376,186	10,018,319	26,281,870

13 STOCKS

	Unrestricted funds	Restricted funds	Endowed funds	Total 2013	Total 2012
	£	£	£	£	£
<b>CONSOLIDATED</b>					
Stocks for resale	844,379	-	-	844,379	966,552
Consumable stocks	20,572	-	-	20,572	17,334
	864,951	-	-	864,951	983,886
<b>CHARITY</b>					
Stocks for resale				43,383	37,637
Consumable stocks				20,572	17,334
				63,955	54,971

# Notes to the financial statements - 31 December 2013

## 14 DEBTORS DUE WITHIN ONE YEAR

	Unrestricted funds	Restricted funds	Endowed funds	Total 2013	Total 2012
	£	£	£	£	£
<b>CONSOLIDATED</b>					
Trade debtors	483,896	-	-	483,896	426,838
Other debtors	55,708	23,683	-	79,391	64,338
Prepayments and accrued income	634,944	-	-	634,944	214,584
VAT	-	-	-	-	44,705
Loans to Countries and Regions	6,000	-	-	6,000	9,000
	<b>1,180,548</b>	<b>23,683</b>	<b>-</b>	<b>1,204,231</b>	<b>759,465</b>

## CHARITY

Trade debtors				87,254	116,469
Amounts due from subsidiary *				417,331	2,130,774
Other debtors				79,391	64,338
Prepayments and accrued income				588,785	212,051
VAT				-	44,705
Loans to Countries and Regions				6,000	9,000
				<b>1,178,761</b>	<b>2,577,337</b>

Loans to Countries and Regions amount to £6,000 (2012: £9,000) due from Guides Cymru, £3,000 of this loan falls due for repayment after more than one year (2012: £6,000).  
\* Amount due from the wholly owned subsidiary being the balance of the 2013 donation.

## 15 DEBTORS DUE AFTER ONE YEAR

	Total 2013	Total 2012
	£	£
<b>CHARITY</b>		
Amounts due from subsidiary *	1,250,000	1,250,000
	<b>1,250,000</b>	<b>1,250,000</b>

\* 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 on the loans at a rate of 3% over bank base rate for the long-term loan.

## 16 CREDITORS DUE WITHIN ONE YEAR

	Unrestricted funds	Restricted funds	Endowed funds	Total 2013	Total 2012
	£	£	£	£	£
<b>CONSOLIDATED</b>					
Trade creditors	946,504	-	-	946,504	643,347
Deferred income	340,984	-	-	340,984	180,446
Accruals and other creditors	319,593	24,572	12,154	356,319	306,525
Income tax and National Insurance	(756)	-	-	(756)	5,005
	<b>1,606,325</b>	<b>24,572</b>	<b>12,154</b>	<b>1,643,051</b>	<b>1,135,323</b>

## CHARITY

Trade creditors				844,498	562,813
Deferred income				340,984	180,446
Accruals and other creditors				308,710	119,229
Income tax and National Insurance				(756)	5,005
				<b>1,493,436</b>	<b>867,493</b>

# Notes to the financial statements - 31 December 2013

Deferred income of £180,446 at 31 December 2012 was released during the year in relation to bookings for events and activities that took place during 2013. At 31 December 2013 the Association held £340,984 deposits and payments in relation to events and activities that will take place in 2014.

## 17 CREDITORS DUE AFTER ONE YEAR

	Unrestricted funds	Restricted funds	Endowed funds	Total 2013	Total 2012
	£	£	£	£	£
<b>CONSOLIDATED</b>					
Accruals and other creditors	-	-	-	-	13,490
	-	-	-	-	13,490
<b>CHARITY</b>					
Accruals and other creditors				-	13,490
				-	13,490

An interest-free loan, repayable monthly until May 2014, of £13,490 is payable to The Carbon Trust to help fund the Waddow Hall biomass boiler.

## 18 PROVISIONS FOR LIABILITIES AND CHARGES

	Balance 1 January 2013	Paid during the year	Provision in the year	Balance 31 December 2013
	£	£	£	£
<b>CONSOLIDATED AND CHARITY</b>				
Self-insured claims provision	350,001	(67,782)	112,899	395,118

## 19 UNRESTRICTED FUNDS

	Balance 1 January 2013	Transfers of expenditure	Designation out of general fund	Net incoming resources/ investment gains	Balance 31 December 2013
	£	£	£	£	£
General fund	10,145,698	39,322	(150,000)	417,163	10,452,183
Capital fund	10,572,703	-	-	525,661	11,098,364
Growing Guiding fund	711,939	(32,774)	150,000	-	829,165
Insurance fund	310,000	-	-	-	310,000
Designated TAC buildings fund	298,403	(6,548)	-	-	291,855
	22,038,743	-	-	942,824	22,981,567

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 to finance future projects and to ensure income to support the activities of the Association for the longer term. The fund is invested in a separate investment portfolio, with the objectives of achieving an income yield of at least 3% and preserving the value of the funds over the term. The charity has embarked on a redevelopment programme at the central headquarters building in London and this is expected to require a material part of the accumulated capital fund. The development is scheduled for completion by the end of 2014.

### Growing Guiding fund

Up to £150,000 will be designated every year from general fund donations received during the year. During 2013, £32,774 was distributed in support of this fund.

### Designated insurance fund

The Association has taken advice from its insurance brokers as to the likely annual cost that they will need to fund and has designated funds to meet the cost of potential future claims.

### Designated TAC buildings fund

This fund was set up to provide for building improvements at Blackland Farm, Foxlease and Waddow Hall.

## 20 MOVEMENT IN ENDOWED AND RESTRICTED FUNDS

	Balance 1 January 2013	Incoming resources	Outgoing resources	Net investment gains	Balance 31 December 2013
	£	£	£	£	£
<b>Endowed funds</b>					
Country and Region funds	197,124	8,749	(8,191)	16,943	214,625
CHQ funds	117,366	4,506	(18,735)	15,977	119,114
	<u>314,490</u>	<u>13,255</u>	<u>(26,926)</u>	<u>32,920</u>	<u>333,739</u>
<b>Restricted funds</b>					
Country and Region funds	939,151	41,679	(39,023)	80,719	1,022,526
CHQ funds	432,925	97,033	(113,567)	22,024	438,415
TAC funds	1,487,254	103,552	(98,759)	10,993	1,503,040
Other funds	5,555	67	(3,158)	119	2,583
	<u>2,864,885</u>	<u>242,331</u>	<u>(254,507)</u>	<u>113,855</u>	<u>2,966,564</u>

Included in the restricted TAC funds is the restricted TAC Building Appeal fund that totals £906,046. 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. CHQ restricted funds include amounts received and restricted to specific appeals during the year. Endowed funds represent bequests made for the furtherance of guiding activities including disability funds, outdoor and travel bursaries.

## 21 FINANCIAL COMMITMENTS

As at 31 December 2013 the Association had £1,000,000 of capital expenditure to which it was financially committed (£14,170 in 2012).

As at 31 December 2013 the Association's subsidiary, the Guide Association Trading Service Limited, had entered into £2.64 million (2012 £3.54 million) of advance stock purchase orders with suppliers within the ordinary course of business.

## 22 OPERATING LEASE COMMITMENTS

The annual commitment in respect of equipment leases was as follows:

	2013	2012
	£	£
<b>Leases:</b>		
Expiring within 5 years	<u>168,793</u>	<u>72,070</u>

## 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. As the Trading Service 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 £7,408,005 (2012: £8,045,036) and a net profit of £2,328,509 (2012: £2,414,305) was donated under Gift Aid to the Association.

## 24 THE GUIDE ASSOCIATION TRUST CORPORATION

The Trust Corporation is a company limited by guarantee and incorporated under the Companies Act. It acts as sole 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.