



WE DISCOVER, WE GROW

Girlguiding

Our annual report

Girlguiding's annual
report and financial
statements

For the year ended 31 December 2020

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

Thank you to every volunteer who helped us continue to give girls and young women a space to be themselves during the Covid-19 pandemic. We were proud to overcome the challenges of 2020 and carry on offering virtual and in-person opportunities and experiences, when possible, for Rainbows, Brownies, Guides and Rangers throughout the year.



Thank you for
being part of it.

'It's been so lovely for my daughter to continue to do Brownies. It's so important when their world has completely changed. It's helped with their mental health.'

Parent of girl aged 7-10



2	Introduction
4	2020: Our achievements
11	Making Girlguiding sustainable for the future
13	Structural information
14	Statement of the trustees' responsibilities
14	Notes
18	Review of financial position
20	Independent auditor's report
22	Consolidated statement of financial activities
23	Charity statement of financial activities
24	Consolidated balance sheet
25	Charity balance sheet
26	Consolidated statement of cash flow
27	Charity statement of cash flow
28	Notes to the financial statements

The trustees of Girlguiding are pleased to present their report for 2020



It has been an extraordinary year. Covid-19 became our collective reality, a global pandemic that continues to impact everyone - including Girlguiding.

We started 2020 by launching our new Girlguiding Strategy - today, tomorrow, together. An effective strategy supports an organisation to deliver through everyday challenges, as well as in times of crisis. Our focus on providing exceptional experiences for girls, rewarding and flexible volunteering, and being an inclusive and impactful organisation has served us well through this difficult time.

As with many other organisations, the pandemic has had a significant financial impact on Girlguiding. Our regular income - such as that from Trading and our activity centres - fell by over £5 million in 2020 and we anticipate further challenges in 2021. In response we put in place stringent cost-saving measures, including furloughing staff - regrettably making 20% of staff roles redundant; reducing budgets; and focusing tightly on essential activity related to delivering against our vision and mission, and compliance. We had to use our reserves this year and anticipate having to draw on our reserves again in 2021 as we build back. We have experienced an overall membership decline of around 30% since the start of 2020, which is largely linked to a significant decrease in young members joining during the pandemic year. Positively, two out of every three members have stayed with Girlguiding during an extremely challenging time, an achievement made possible by the support of our dedicated volunteers.

When the pandemic hit, we suspended our face-to-face unit meetings. But within ten days, we launched Girlguiding's digital offer, including Adventures at home - providing everyone with access to handpicked activities from our award-winning programme to keep girls motivated, inspired and entertained while at home. Adventures at home continues to be invaluable for our girls and volunteers and allowed us to engage with over 500,000 people throughout 2020.

Our remarkable volunteers - around 40% of whom are key workers - carried on providing rewarding, adventurous experiences for girls wherever possible. From weekly virtual sleepovers, to socially-distanced weekly meetings and the completion of much-loved badges, they worked hard in 2020 to keep these valuable connections. Our recent survey of girls and young women aged 4 to 18 in Girlguiding from across the UK found that girls say being part of guiding throughout the pandemic has helped them to feel more connected to others and less lonely (65%); and has helped support their mental health and wellbeing (47%).

With our support, volunteers adapted to virtual weekly meetings - with over 90,000 taking place in 2020 and nearly half of our members holding online meetings for their Rainbows, Brownies, Guides or Rangers. Where events couldn't take place in person, we found innovative ways at all levels of guiding to create fun virtual events instead, including our first ever virtual festival that had more than 40,000 people joining in throughout the day.

'From weekly virtual sleepovers, to socially-distanced weekly meetings and the completion of much-loved badges, our volunteers worked hard in 2020 to keep these valuable connections.'

We adapted our safeguarding procedures for our new virtual world, keeping safety at the heart of everything we do. We put new guidance in place so that girls and volunteers could continue to enjoy their weekly meetings safely in person - indoors or outdoors - where restrictions allowed.

We are particularly grateful to everyone in the Girlguiding community who came together during this difficult time to raise vital funds. We fundraised creatively in many ways this year, from selling a badge designed by a young member to thank key workers, with half of proceeds going to NHS Charities Together; to partnering with BBC Children in Need to support Girlguiding areas that were struggling, as well as to support children across the UK.

We are thankful for the continued support of our funders, including players of People's Postcode Lottery and Pears Foundation. We are grateful to our corporate partners for their support and were pleased to welcome new partners including GO Outdoors, the Royal Navy and Zoom this year - the latter enabling us to bring virtual guiding to the homes of many more girls.

Alongside responding to the Covid-19 crisis, we are proud to have continued projects that will transform and sustain Girlguiding for the future. These include important work on a new strategic plan for diversity and inclusion - published in May 2021; creating a new learning and development platform for volunteers; and completing the roll-out of our new A Safe Space safeguarding training - ensuring all volunteers have the knowledge they need to keep girls safe.

As we look to the future, we are encouraged by the strength and resilience of the guiding community. With young people's lives impacted hugely by the pandemic, we believe our offer for girls and young women is needed more than ever.

Thank you to all our volunteers, staff, supporters and donors. Your unwavering support, commitment and funding has allowed us to be present for girls and young women during this unprecedented year - and to continue to be there for the Rainbows, Brownies, Guides and Rangers of tomorrow.



Catherine Irwin MBE
Chair of the Board of Trustees

When the Covid-19 pandemic began, we had to adapt our plans for the year and refocus on what was needed and possible within the restrictions we all faced.

We stayed focused on the three priorities of **Girlguiding's Strategy**: creating exceptional experiences for girls, developing a rewarding volunteer experience and being inclusive and impactful.

Over the next few pages we'll look at each of these priorities and what we were able to achieve in 2020.



'It helps me in things like confidence, and gives me amazing opportunities, and things like life skills that school does not.'

Girl aged 15

Creating exceptional experiences for girls



Establishing our virtual offer

When the Covid-19 pandemic started we acted fast to keep Girlguiding available to our young members. Within just ten days, we launched Adventures at home, an online programme girls could use on their own or in virtual meetings to stay connected, have fun, learn new skills and look after their wellbeing.

We released 130 new activities and adapted over 900 more to work in the new virtual environment, and to meet social distancing requirements when in-person meetings were allowed. Nearly 300,000 activities were downloaded and almost half a million people engaged with the programme throughout 2020.

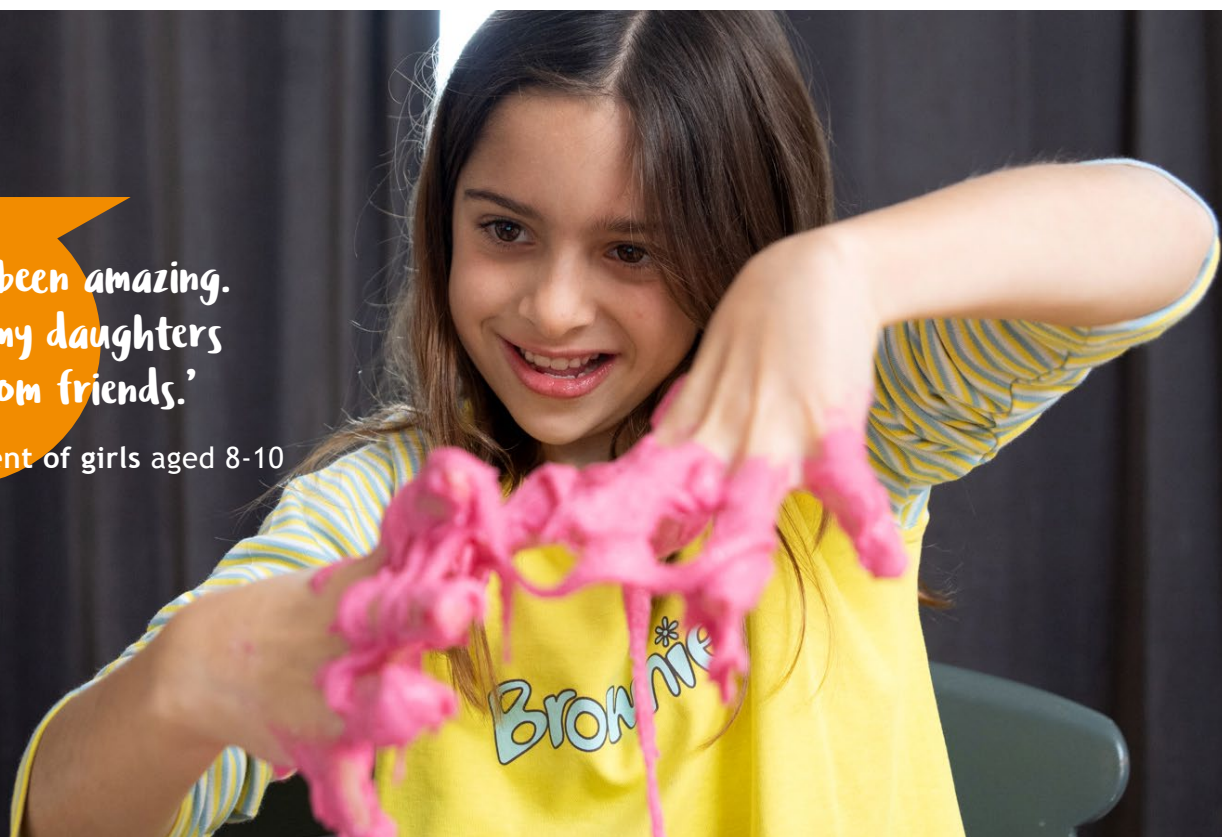
Our new partnership with Zoom enabled 90,000 unit meetings to take place virtually this year. The company generously provided 8,000 free pro licences for members to run their weekly meetings online.

We ran several successful virtual events, including our Adventures at home festival, where around 40,000 people tuned in. We took our annual Wellies and Wristbands music festival online and ended the year with a virtual pantomime which had around 24,000 unique views.

We are grateful to the Girlguiding countries and regions, counties, divisions and districts for adapting quickly and finding innovative ways to use our virtual offer to support young members.

'Leaders have been amazing. I love seeing my daughters with their Zoom friends.'

Parent of girls aged 8-10



Developing a rewarding volunteer experience



Equipping volunteers with training and resources for Covid-19

The Covid-19 pandemic brought with it confusion and rapidly changing guidelines for the youth sector. This included navigating the varying rules and restrictions across multiple nations. For our volunteers - who have also had to manage varying local restrictions including with venues used for

regular meetings - accurate information about the impact of restrictions on Girlguiding activity was critical.

We worked hard to put in place stringent risk assessments, update safeguarding protocols, train volunteers and regularly update information to ensure girls stayed safe throughout the year. When in-person guiding was allowed, we provided guidance on measures like social distancing, to help volunteers keep everyone safe.

We made all our training for volunteers available online, and around 5,000 volunteers took part in a series of webinars on how to deliver virtual guiding.

'As a Brownies young leader, I get to see the girls every week and hear about what they've done. It boosts my mood to see them so happy.'

Young woman aged 15-18



Putting safety first

The safety of our young members and volunteers is at the heart of everything we do. In 2020, we adapted to our virtual environment and continued rolling out our new safeguarding training programme, A Safe Space, giving all volunteers the up-to-date knowledge they need.

Making sure girls and adults stayed safe while enjoying and delivering everything our new virtual programme had to offer was a key priority for us this year. To do so, we created a new digital safeguarding policy, so volunteers knew how to keep everyone safe online.

We developed a new version of our 1st Response first aid training, including a virtual training option, in partnership with the Scouts. With mental health and wellbeing so vital in 2020, we launched a new mental health e-learning resource for volunteers in partnership with the Maudsley Charity, and created a Managing self-harm resource.

We launched policies and procedures for Digital safeguarding; Health, safety and wellbeing; Anti-bullying and harassment; and Lone volunteering. It has been a busy year responding to Government guidance to provide information to volunteers to operate as safely as possible. For 2021, we have a renewed focus on broader health and safety improvements.

Reducing volunteers' administrative burden

We know our volunteers want to spend more time helping our young members have fun and thrive, and less time on administration. In 2020 we updated our membership recording database, GO, so that all parents and carers can view and

update records, reducing the administrative burden on our volunteers. Forms and processes were created to support virtual guiding, including a new risk assessment template for virtual meetings.

Recruiting more volunteers

We are always looking for new volunteers to ensure as many girls as possible can take part in Girlguiding. We also want to ease pressure on our current volunteers and combat waiting lists. Recruitment activity in January resulted in nearly 700 volunteer registrations and from October 2020 to January 2021, we ran a targeted, UK-wide recruitment campaign which resulted in more than 1,400 new volunteers signing up.

Overall, even with recruitment activity paused from March until September because of Covid-19, just over 4,400 volunteers joined the organisation in 2020.

'I can't thank Rainbows enough for giving girls something to look forward to in these incredibly difficult times.'

Parent of girl aged 4-7



Being inclusive and impactful



Improving diversity and inclusion

In 2020 we continued our work to ensure Girlguiding is a welcoming and inclusive space for all members. We stood in solidarity with the Black Lives Matter movement - reaffirming our commitment as a movement to anti-racism and allyship. This included collating and releasing resources and content for members to support conversations about race and privilege, by listening to those that have been marginalised in the past and emphasising our commitment to change where it's needed. We started important work on a new strategic plan for diversity and inclusion, which included an audit with over 200 staff and members.

We prioritised reaching out to people belonging to marginalised groups - those who we know from our existing insight and research haven't been

fully included, heard or represented in the past. We published our new strategic plan and full audit findings in May 2021.

We improved support for our disabled members by updating our online guidance and creating personal adjustment plans. This was done with the aim of identifying, recording, removing or reducing any barriers faced by disabled young members and volunteers. We launched a supported volunteer role for disabled volunteers with significant support needs. A person in this role will be supported by a volunteer supporter who will make necessary adjustments so they can carry out their role enjoyably and safely. And we created guidance to support autistic members in partnership with the National Autistic Society.

Collaborating and influencing

Making change happen on issues that matter to girls is one of our key aims. As part of the Back Youth Alliance, a coalition of leading youth charities, and by working with the Department for Digital, Culture, Media and Sport (DCMS) we focused on the importance of supporting young people during the pandemic. This included discussing the estimated financial impact of the Covid-19 crisis on the youth sector and setting out proposals for how the government's Youth Investment Fund could support girls and young women.

We published and promoted our 12th annual Girls' Attitudes Survey to key decision-makers, encouraging them to listen and include girls' views and experiences in their policies. The survey - which detailed the views of 2,000 girls and young women on the pressures they face and the issues they care about - had widespread media coverage.

'I look forward to my meeting every Monday.'

Girl aged 11-14

Working with our funders

We are grateful to our funders for collaboratively supporting our efforts to put resource where it was most needed, keep projects going, and to support girls and young women together.

We are thankful for the support received from players of People's Postcode Lottery which has enabled us to deliver our Adventures at home offer as well as projects to support transformation within Girlguiding. Further support was secured from Pears Foundation to deliver the first stage of a project to improve how we recruit and welcome new volunteers, which will be critical to our recovery. Support from The Community Match

Fund Challenge, funded by DCMS and Pears Foundation, provided vital grants to local Girlguiding units that needed financial support.

Our valued partners provided a range of support from expert advice to equipment for our outdoor adventures. We are thankful for continued support from our long-standing partners such as Google, Rolls-Royce, Legal & General and the British Army.

This year we secured new partnerships with Zoom, GO Outdoors, the Royal Navy and the Jack Petchey Foundation.

Fundraising creatively

In 2020 we started looking into new ways in which people can support us. We focused on pursuing creative fundraising opportunities and partnerships to benefit both the guiding community and the communities our members live in.

Our fundraising partnership with BBC Children in Need raised vital money for both organisations to support children across the UK. Together we raised over £400,000 which was split equally, with a proportion of funds raised being distributed as grants for local Girlguiding units in need. We ran a competition for young members to design a badge to thank key workers, and sold the winning design in our online shop. Half of the profits - around £40,000 - went to NHS Charities Together.

'I just wanted to say thank you so much to everyone who has worked on getting these grant applications processed and out to us all. This will really help our girls so much. Well done everyone involved.'

Volunteer



Growing our units, members and volunteers

The Space to Grow Together project, delivered jointly with the Scouts, is funded by a generous £2.4 million grant from the Pears #iwill Fund, for the benefit of both organisations. The Pears #iwill Fund is a match fund created by Pears Foundation, the National Lottery Community Fund and DCMS. Through this project alone we were able to open nearly 90 units and recruit just under 1,000 young members and over 400 volunteers this year -

including in some of the most deprived areas of the UK. In September, in response to the Covid-19 pandemic and in consultation with volunteers and funders, we shifted the focus of this work to supporting existing Girlguiding units to stay open, running 'health checks' with more than 1,600 units and offering a package of support including grants and training.

Financial impact of Covid-19

The Covid-19 crisis has had a significant impact on our financial position. Our income overall fell by over £5m in 2020, and we anticipate further challenges in 2021. Our activity centres remained closed for much of 2020 and with our normal guiding activity paused or limited throughout the year, our trading performance was also adversely

impacted. We've had to make difficult cost-saving decisions and take steps to mitigate against the impact of this. These have included furloughing staff and pausing several 'non-critical' projects. Regrettably, following a consultation, we also made 20% of staff roles redundant.

'I feel so lucky to be a part of the guides and feel like if at times I feel sad or down I will always have someone to talk to.'

Girl aged 12



Making Girlguiding sustainable for the future

We want to continue providing experiences that will benefit girls today as well as future generations. We want our volunteers to know their time is valued and appreciated - and for them to enjoy and find fulfilment in being part of Girlguiding.

We want to reach more girls, to recruit more volunteers and for our membership to be inclusive, diverse and properly reflect the society we live in.

To achieve this, we need to continue building a sustainable organisation, focused on the future, alongside supporting members through the Covid-19 crisis and a return to guiding for all members. We will continue our work on the priority areas of Girlguiding's Strategy: creating an unrivalled girl led experience, rewarding and flexible

volunteering and ensuring we are inclusive and impactful.

By the end of 2021, we want girls to be enjoying a new, blended offer of in-person and virtual guiding - accessible in a variety of ways so there is something for everyone. It's our ambition that the majority of units will remain open, volunteers will keep guiding, most girls will stay with us - and new members, both girls and volunteers, will join us.

Crisis response and rebuilding

We'll continue working closely with staff and volunteers across the UK to provide agile responses to the ever-changing external landscape, locally and across the UK. We'll keep in close contact with the National Youth Agency, YouthLink Scotland and the Youth United Forum to keep informed of developments. 2021 will not be without its challenges but we have plans in place to continue managing the implications of the pandemic - both financial and member decline. As society looks to recover and rebuild, so will Girlguiding.

Alongside a focus on returning to a blended offer of guiding for our members, and on member retention and recruitment, we'll continue to:

- Explore improvements to digital products and services
- Seek more diversified and sustainable income streams
- Look for more collaborations across Girlguiding and with other organisations
- Pursue strong corporate and brand partnerships

Financial situation

We anticipate a continued loss of regular income, such as that from Trading and our activity centres. And are likely to need to use more of our reserves and assets. We continue to carefully monitor our financial position.

'Keeping up with Girlguiding has made things feel more normal.'

Girl aged 11-14

Adapting and improving - our transformation programme

Alongside responding to the Covid-19 crisis - thanks to funding from players of People's Postcode Lottery - we have started a programme of transformation to ensure Girlguiding's long-term impact and sustainability. We want to transform the membership experience for girls and volunteers through innovative projects that change our culture and working practices, focus on IT and digitalisation and improve our operational processes.

Projects include:

- **Improving organisational design:**
We're co-designing and implementing a revised partnership model across the whole of Girlguiding transforming how guiding is delivered, how volunteers are supported and how we work together to be a more sustainable organisation.
- **Better support for volunteers:**
A new digital learning platform is in development and will be rolled out to volunteers in 2021.

'Having Rainbows has enabled my daughter to have something consistent and to look forward to each week. In times of uncertainty, this has been brilliant for her.'

Parent of girl aged 4-7

The world in 2021 remains uncertain. But we are confident that our strategy is the right one to rebuild Girlguiding, to aid recovery, to connect communities and to continue to positively impact the lives of our members - volunteers, girls and young women. By the end of 2021, our goal is for girls to be experiencing the best of guiding and for Girlguiding to be a more sustainable and agile organisation.

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. A board of trustees manages and regulates the Association's affairs. 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 byelaws to the Royal Charter.

The board of trustees has the following sub-committees: audit and risk, finance, nominations and governance, and remuneration. Terms of reference for each group clarify their roles and responsibilities, their decision-making and consultation 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 the board of trustees reviews annually. In 2020 the board established a crisis committee with terms of reference to manage the impact and implications of Covid-19 for the organisation, and with authority for taking urgent decisions within agreed delegations.

Organisation structure

Girlguiding within the UK is organised into 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 Cymru has a voluntary position of chief commissioner, appointed by the chief guide. Each chief commissioner is normally chair of a board of trustees who is appointed according to the country or region constitution and is responsible for the administration of guiding in that country or region. In addition to the UK, Girlguiding has a number of branch associations in UK overseas territories, and British Girlguiding Overseas also oversees units based in many other parts of the world.

The board of trustees of the charity

(who served during the financial year and/or in the period up to the approval of the report and accounts)

Chair of the Board of Trustees
Catherine Irwin MBE

Chief Guide
Amanda Medler

Deputy Chief Guide
Julie Bell

Chair of the Finance Committee
Elizabeth Dymond CBE

Jaki Booth (until 31.01.2021)
Maya Dibley (until 30.01.2020)
Val Elliott (until 30.01.2020)
Alex Farrow (until 31.07.2020)
Su Hassall (until 31.01.2021)
Della Salway
Helen Shreeve

All below from 01.02.2020
Selina Armit
Kirtbir Chahal
Alison Hampton
Hannah Moran
Supriya Sobti

All below from 01.02.2021
Mary Abgesanwa
Jill McLaughlin
Deborah O'Neill
Sue Parker-Tantush

Appointment and induction of trustees

The members of the board of trustees are appointed pursuant to the Royal Charter and byelaws. The chief guide and deputy chief guide are appointed in accordance with regulations proposed by the board and approved by the council. The chair and other trustees are appointed by the board and serve for a maximum of two terms of three years. A schedule of reviews is conducted for new and continuing trustees, and reappointment is subject to completion of a satisfactory review. In all appointments the nominations and governance committee is involved in the process to ensure a breadth of professional background and experience suitable to direct the affairs of the charity. Trustees were appointed in 2020 and 2021 with consideration given to succession planning and a required balance of skills, knowledge and diversity, consistent with Girlguiding's Strategy.

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. There is a rolling programme of training and development for trustees and the board. All trustees are required to take part in regular group trustee training sessions. Trustees are also invited, where required, 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
Angela Salt OBE

Interim Strategy Director
Berenice Levenez (until 30.06.2020)

Strategy and Transformation Director
Berenice Levenez (from 01.07.2020)

Marketing, Communications and Fundraising Director
Amanda Azeez

Operations Director
Jonathan Whitehead

Interim Commercial, Property and IT Director
Chris Ansell (until 03.07.2020)

Finance Director (Interim)
Richard Elliott (03.02.2020-30.09.2020)

Resources, People and Technology Director
Joanne Smithson (from 01.07.2020)

Finance and Commercial Director
Richard Antcliffe (from 01.09.2020)

Professional advisors and consultants

The professional advisers and consultants have been as follows:

Bankers
National Westminster Bank Plc, 169 Victoria Street, London SWE1 5BT

Fund managers
CCLA, Senator House, 85 Queen Victoria Street, London EC4V 4ET

Newton Investment Management Limited, BNY Mellon Centre, 160 Queen Victoria Street, London EC4V 4LA

Auditors
Moore Kingston Smith, Devonshire House, 60 Goswell Road, London EC1M 7AD

Legal consultants
Bates Wells, 10 Queen Street Place, London EC4R 1BE

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 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 Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the 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 UK governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Notes

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 Scotland (OSCR SC038436).

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.

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 uses 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 2020

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. Following the adoption

of Girlguiding's Strategy in 2019, the trustees consider how planned activities contribute to the aims and objectives against the following strategic priorities:

- Unrivalled girl-led experience
- Rewarding and flexible volunteering
- Impactful and inclusive organisation

2020 was envisaged as a transition year marking the start of a new planning and development cycle to implement the strategy approved in September 2019. The agreed objective of 2020 was to create the conditions for a successful execution of the strategy.

The Covid-19 crisis had a significant impact on our social and economic environment and in turn on girls (members and non-members), Girlguiding volunteers and staff, partners and funders at a national and local level. To ensure we continued to deliver public benefit, Girlguiding responded to the crisis by providing an immediate and urgent response, adapting and building short-term resilience, planning and supporting the return to face-to-face where possible and providing a blended offer of guiding which included online.

Notes

Environmental statement

Girlguiding seeks to create a culture in which environmental considerations are integrated into all policy decisions and business activities across the Association. Girlguiding is taking steps to reduce any negative impact of our activities on the environment. This includes initiatives to increase recycling; use sustainable packaging and alternatives to single-use plastic; and increase our energy efficiency. Through our programme and advocacy we offer girls opportunities to better understand environmental issues and make positive decisions to live more sustainably.

Risk statement

The major risks facing the Association are continually reviewed and monitored in line with Girlguiding's risk management framework and a suite of corporate, departmental and project risk registers. The corporate risk register and associated risk reports are scrutinised quarterly by the audit and risk committee which oversees the organisational management of risk on behalf of the board of trustees. An internal risk management board and the annual independent auditor's report provides additional assurance to the audit and risk committee and executive team that the correct organisational risks have been identified and that risk is being managed proactively and effectively across the Association.

The trustees consider that the principal risks the organisation faces are:

- The effects of the Covid-19 crisis on our operations, finances and future membership: we continue to monitor the ever-changing and uncertain situation and work to mitigate the impact by supporting our membership, for example through access to financial support; resources and technology to enable virtual guiding activities and meetings; and providing resources to support member wellbeing.
- Girls leaving guiding: membership declines because the circumstances of the pandemic, and challenges as we build back, mean we aren't able to offer our usual experience for girls. Mitigation is sought through implementation of the new strategy. The full girl offer ensures that Girlguiding continues to offer bespoke activities and experiences all designed around girls' lives and interests. The inclusive and impactful strategic priority enables the organisation to welcome more girls and young women into guiding.

- Volunteer recruitment and retention: volunteering waiting lists grow and a high administrative burden leads to volunteer membership decline. Mitigation is sought through organisational design and the strategic projects which will help Girlguiding to implement solutions to reduce the level and complexity of administrative tasks and create more flexible volunteering roles as well as creating opportunities to both retain and recruit new volunteers and young members through a proactive return to guiding. Mitigation is also sought through exploring alternative income streams.
- Ongoing wellbeing of our members: ensuring that all members are protected from harm and that the experience of girls and volunteers is safe. Mitigations are sought by reviewing the health and safety structure and responsibilities across all levels of the organisation to ensure the ongoing safe delivery of guiding and the roll out of safeguarding training to enable all volunteers to maintain a safe environment for members.
- Complexity of the governance structure between HQ and regional organisations: mitigation is sought through the implementation of an organisational design and agreed ways of working that forms part of the strategy.

Serious incidents

Serious incidents are notified through a framework for reporting. Incidents are logged, scrutinised and assessed by senior staff and the audit and risk committee for meeting the threshold for reporting to the Charity Commission. We have policies on safeguarding and whistleblowing (the latter covering a broad area including fraud and misconduct; anti-bullying and harassment; health, safety and welfare; and digital safeguarding).

Behind the reporting of incidents lies a series of policies, frameworks and processes for notifying and managing incidents, depending on their nature. This includes having in place dedicated teams for managing safeguarding, compliance and complaints; mandatory training on key areas to include safeguarding; a case management system for all safeguarding incidents supported by the safeguarding team (and a safeguarding panel of experts to bring further scrutiny and advice to complex cases); a process for receiving disclosures, allegations and concerns; and a code of conduct for volunteers and staff.

Organisational structure and decision-making

The board of trustees has overall responsibility for the decisions of the Association and has delegated its authority in specific areas to the chief executive and her senior managers, and to the following sub-committees of the board, under an approved scheme of delegated authority and committee terms of reference:

- Audit and risk
- Finance
- Nominations and governance
- Remuneration
- Crisis committee

A crisis committee was set up by the board in 2020, on a time-limited basis, to manage the impact and implications of Covid-19 on Girlguiding. There is also an operational board, comprising senior volunteers who address key operational issues, lead and direct the delivery of guiding within countries and regions and feed into the work of the sub-committees and board.

Notes

Charity Governance Code

The board of trustees is committed to good governance and to its own and the charity's continuous improvement in delivering its purpose most effectively for the public benefit. It is clear about the charity's aims and seeks to ensure that these are being delivered effectively and sustainably, keeping under review the Code's recommended practice and seven principles of organisational purpose: leadership, integrity, decision-making, risk and control, board effectiveness, equality, diversity and inclusion, and openness and accountability.

The board strives for best practice in accordance with the Charity Governance Code, which was refreshed in 2020. Many of the measures it takes in achieving this are addressed in this report (for example board effectiveness including performance review is addressed in the section on appointment, induction and review of trustees; decision-making, risk and control in the risk section). In 2018, trustees completed a self-assessment against the sections within the Code to inform the board's annual workplan, and the board commits to ongoing review against the principles. As part of a revised board performance review process implemented in 2020, a board review is to be conducted annually, with a triennial external review to include a fresh self-assessment against the Code - the next such review is due in 2021.

Board diversity

The board of trustees recognises its responsibility to champion diversity and inclusion throughout Girlguiding as part of our goal to be an inclusive and impactful organisation. The board's diversity and inclusivity statement, which is published on our website, sets out how it seeks to fulfil this responsibility by:

- Modelling a culture of diversity and inclusivity at board level
- Championing diverse and inclusive practices throughout the organisation
- Ensuring that organisational strategy and culture reflect the organisation-wide commitment to diversity
- Setting targets and performance metrics as appropriate

In 2020 trustees reviewed the diversity and inclusivity statement, to ensure its effectiveness against objectives, and agreed actions to progress the board's commitment to achieving diversity to enable effective leadership and decision-making.

During 2020 trustees participated in a series of externally facilitated workshops as part of the consultative approach to developing Girlguiding's Diversity and Inclusion Strategic Plan, and also as part of the board development programme to explore their understanding of inclusion and diversity. All trustees take part in mandatory inclusion and diversity training as part of their induction.

The Girlguiding Diversity and Inclusion Strategic Plan will be launched in 2021. The board statement and objectives will be reviewed in line with the approved plan and with the 2020 update to the Charity Governance Code's Equality, Diversity and Inclusion Principle.

In line with its commitment to build a more diverse board, the trustee recruitment process was modified to attract and recruit a more diverse pool of candidates including young people, people of colour, LGBT+ people and people of minority faiths or no faith. Five new trustees were appointed in February 2020, bringing a range of skills, experience and diversity to the board. A further four new trustees were recruited in 2020 who commenced their first term of appointment in early 2021.

Volunteers

The Association is grateful for the dedication and support of our volunteers across the countries and regions in which Girlguiding operates, who give their time and energy to help our young members achieve their potential, make a difference and be their best.

Setting pay at Girlguiding

As a good employer, every three years, Girlguiding undertakes a comprehensive and holistic review of its salary and benefits package, evaluating all jobs - including that of the chief executive - and benchmarking with the median stance of charity sector salary and benefits data. That review, with oversight from our trustee remuneration committee, took place in 2019/20. Implementation was planned for early 2020, but the Covid-19 crisis meant that this was delayed until into Q1 2021. We aim to maximise the potential of our package to attract and retain high calibre staff over the next three years, doing so with due regard to budget, transparency and equity.

As a UK employer with over 250 employees, Girlguiding is statutorily required to publish data about its gender pay gap for 2020. Girlguiding reports a mean gender pay gap of -2.1% - a difference of 0.39 pence. This means that we have a very small negative pay gap at the mean in favour of female employees. Of our employees, 83.2% are women and this atypical workforce balance influences our data.

Notes

Fundraising statement

At Girlguiding we want to help more girls to learn new skills, make friends, have adventures and grow in confidence. We simply would not be able to do this without the commitment of our valued supporters. When you give to Girlguiding you are making a big difference to the lives of girls and young women.

We are committed to responsible fundraising practices. We follow the Fundraising Code of Practice, we are registered with the Fundraising Regulator and we have signed up to the fundraising promise, which means our fundraising activity will always be legal, open, honest and respectful.

At Girlguiding we endeavour to make all reasonable efforts to ensure the ongoing compliance of third parties with the Fundraising Code of Practice and the law. The work we undertake with commercial participants is governed by a contract which sets out the obligations of the parties involved. Similarly, all work conducted with agencies that helps us process responses to campaigns, print campaigns and mail out campaigns on our behalf is governed by a contract. We do not currently conduct any work with professional fundraisers or carry out door-to-door, street or telephone fundraising.

We take our responsibility towards our donors very seriously. We aim to provide a positive experience and deliver meaningful and personalised communication to our donors. We strongly believe that no one should ever feel pressured into giving, and we take steps to ensure that the vulnerable are protected. We will not contact anyone unless they have requested or consented to receiving fundraising communications. Donors can opt out of receiving fundraising or any other communications at any time. We will never sell, swap or share their data.

It is our aim for all those donating to Girlguiding to have an extremely positive experience. However, we recognise that there may be times when supporters are not happy with their experience. In 2020 we received 14 complaints which were all resolved in a timely manner. We are committed to investigating complaints and resolving them swiftly. If anyone is unsatisfied with their experience, we would like to hear about it. Feedback enables us to improve our fundraising service.

Girlguiding would like to thank the following partners for their generous support in 2020:

- Amey
- Barclays
- British Army
- The Constance Travis Charitable Trust
- Department for Digital, Culture, Media & Sport
- DePuy Synthes
- easyJet
- GO Outdoors
- Google
- Jack Petchey Foundation
- Legal & General
- ODEON
- Pears Foundation
- PGL Travel
- Players of People's Postcode Lottery
- Rolls-Royce
- Royal Air Force
- The Royal Astronomical Society and the RAS200 project
- Royal Navy
- The Royal Society of Chemistry
- Sony Interactive Entertainment
- Sport England
- Unity Insurance
- UPS
- Waste Reduction Action Programme (WRAP)
- Zoom

We would also like to thank the following supporters:

- The supporters who generously left a gift to Girlguiding in their will
- The families and friends who gave gifts in memory of a loved one
- The runners, the trekkers, the cyclists and the bakers who gave their time and energy to raise money for Girlguiding
- Regular givers, who donate throughout the year
- Our generous and loyal supporters who have kindly given donations and wish to remain anonymous

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 organisations and are responsible for their own finances.

The statement of financial activities

Incoming and outgoing resources for the year are detailed in the statement of financial activities, 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 funds, which must be spent in accordance with the donors' wishes.

Overview of 2020

As referenced earlier in this report, Covid-19 contributed to significant volatility for our income and expenditure, both of which were markedly down in 2020.

Net movement in funds for the year amounted to a deficit of £3.9 million (2019: £3.4 million surplus). This includes losses on investments of £3.7 million (2019: gains of £1.3 million). People's Postcode Lottery income of £2.5 million (2019: £3.0 million) was generated in 2020 and will be spent in 2021.

Total funds carried forward at 31 December 2020 amounted to £51.1 million (2019: £55.0 million), of which the vast majority are tied-up in fixed assets and property, and are being used either operationally to enable charitable activity, or are deriving an income that helps to keep the subscription levy as low as is possible.

Income and expenditure

Income

Total income amounted to £19.5 million (2019: £26.1 million): a reduction of 25%.

The biggest contributors to the significant fall in income were the £4.7 million reduction in the income from our trading activities, and the £2.8 million fall in income from our activity centres. These reductions were partly offset by a £1.1 million increase in our income from donations, legacies and grants.

Expenditure

Total expenditure was £19.7 million (2019: £24.0 million): a reduction of 18%.

Cost of raising funds were £4.5 million (2019: £6.0 million) with the reduction caused primarily by a lower level of throughput in our trading activities.

Charitable expenditure reduced significantly to £15.2 million (2019: £18.0 million). The scale of the reduction in costs was a combination of project activity that had to be curtailed due to Covid-19, and a reduced level of costs at our activity centres caused by the severely constrained ability to operate in 2020.

Balance sheet

Investment movements

A net loss on investments of £3.7 million was generated in 2020 (2019: gain of £1.3 million). This was mainly due to the loss on revaluation of investment property.

Investment policy

Girlguiding holds two different types of investments: investment property, and financial investments.

The Guide Association seeks to select investment managers who demonstrate a proactive ESG approach with particular emphasis on governance, supporting gender diversity and promoting development of women in leadership roles. The Guide Association will regularly review the overarching ethical approaches of fund managers of pooled funds to ensure they support or at least do not undermine the above proactive ESG approach.

Girlguiding's investment objective is to preserve capital, in real terms, whilst providing liquidity for most eventualities and a source of capital for future growth opportunities. While equities are volatile year on year, over a five-year period they typically outperform inflation. Performance is benchmarked against (a) movements in the FTSE 100 index and (b) the fund's own weighted combined benchmark.

Whilst Girlguiding seeks to produce an acceptable level of financial return, this is always contained within an accepted pre-identified risk appetite. The key risk to long term reserves is inflation, so assets are invested to mitigate its effects over the longer term. Capital volatility in the short term is a feature of such investments, to be offset by greater average returns over the medium-term, and is therefore accepted.

The conversion of part of the headquarters building to an investment property in 2015 provides rental income which will help to fund day-to-day running costs and to fund strategically important revenue and capital projects in the future. The investment property has been revalued to £28.4 million.

Review of financial position (continued)

The Association also holds financial investments as an important part of our reserves. Professional fund managers are used to manage the funds and their performance is reviewed regularly by the finance committee. Performance is benchmarked against appropriate performance indices. Total unrestricted financial investments were valued at £4.2 million at 31 December 2020 (2019: £7.6 million), following a disposal of £3.7 million towards the end of the year to increase our liquidity.

Tangible fixed assets

The Association holds various tangible fixed assets to support its activities. These are the headquarters building, the Trading service premises and the activity centres. A total of £0.1 million was spent on fixed assets in the year.

Reserves

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'. They exclude assets not freely available to spend on the charity's purposes - its tangible and intangible fixed assets and the investment property, an asset let on a lease for long term financial return. The finance committee 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 was recently reviewed, updated and approved by the board of trustees and requires target free reserves to be maintained at between £6 million and £12 million, which is indicative of c.3 and c.6 months' total expenditure, of which around half (ie between £3 million and £6 million) should be held in cash and deposits. The level of free reserves at the balance sheet date was £7.2 million: within the policy requirement (2019: £7.3 million and within the policy requirement).

Girlguiding continues to face significant financial challenge and uncertainty due to the ongoing pandemic. If we finish 2021 with free reserves lower than the agreed range, we will budget and plan to rebuild those reserves over a reasonable period.

Designated funds

The specific uses of the designated funds and how they will meet our needs are detailed separately in note 20 of the financial statements. To provide more clarity within our unrestricted funds, the board of trustees chose during 2020 to designate the value of tangible fixed assets, intangible fixed assets, and investment property respectively. This internal transfer resulted in the value of the charity's designated funds increasing by more than £35 million.

Financial statements for 2020

The annual financial statements for 2020 are annexed to this report and include a report by the Association's auditors, Moore Kingston Smith 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 8 June 2021. They are to be submitted to the Association's annual general meeting for adoption.

Approval of the annual report and the financial statements

This report was approved by the board of trustees at its meeting on 8 June 2021 and the chair of trustees was authorised to sign the report. The chair of the trustees and the chair of the finance committee were authorised to sign the annual financial statements on its behalf.



Chair of Trustees
8 June 2021

Independent auditor's report to the trustees and members of The Guide Association

Opinion

We have audited the financial statements of The Guide Association for the year ended 31 December 2020 which comprise the Group and Charity Statement of Financial Activities, the Group and Parent Charity Balance Sheets, the Group and Charity Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure, 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 (as amended) and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

We have nothing to report in respect of the following matters where the Charities Act 2011 or the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the parent charity has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 section 154 of that Act.

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations.

This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to

the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and to the charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's members and trustees those matters which we are required to state to them in an auditor's report addressed to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's members as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Andrew Stickland
(Senior Statutory Auditor)

Date: 8 June 2021

Devonshire House, 60 Goswell Road,
London EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Consolidated statement of financial activities

For the year ended 31 December 2020

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
Income from:							
Donations, legacies and grants	2	3,999	1,287	5,286	3,432	751	4,183
Charitable activities:							
Subscriptions		7,021	-	7,021	7,157	-	7,157
Training & activity centres		487	-	487	3,357	-	3,357
Events	3	195	-	195	433	-	433
Publications		6	-	6	17	-	17
Trading activities	4	3,699	-	3,699	8,431	-	8,431
Investments	5	1,829	19	1,848	1,858	23	1,881
Other	6	944	-	944	549	79	628
Total income		18,180	1,306	19,486	25,234	853	26,087
Expenditure on:							
Raising funds	7	4,483	-	4,483	5,991	-	5,991
Charitable activities	8	14,388	808	15,196	16,569	1,454	18,023
Total expenditure		18,871	808	19,679	22,560	1,454	24,014
Net (expenditure)/income		(691)	498	(193)	2,674	(601)	2,073
Net (losses)/gains on investments	13	(3,762)	44	(3,718)	1,237	104	1,341
Net movement in funds		(4,453)	542	(3,911)	3,911	(497)	3,414
Reconciliation of funds:							
Total funds brought forward at 1 January 2020		53,266	1,711	54,977	49,355	2,208	51,563
Total funds carried forward at 31 December 2020		48,813	2,253	51,066	53,266	1,711	54,977

All gains and losses recognised in the year are included in the statement of financial activities.

All amounts arise from continuing activities.

The notes to the financial statements form part of these accounts.

Charity statement of financial activities

For the year ended 31 December 2020

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
Income from:							
Donations, legacies and grants	2	3,992	1,287	5,279	3,432	751	4,183
Charitable activities:							
Subscriptions		7,021	-	7,021	7,157	-	7,157
Training & activity centres		487	-	487	3,357	-	3,357
Events	3	195	-	195	433	-	433
Publications		6	-	6	17	-	17
Investments	5	1,829	19	1,848	1,858	23	1,881
Other	6	423	-	423	298	79	377
Donation from subsidiary		1,029	-	1,029	3,516	-	3,516
Total income		14,982	1,306	16,288	20,067	853	20,920
Expenditure on:							
Raising funds	7	1,201	-	1,201	536	-	536
Charitable activities	8	14,472	808	15,280	16,857	1,454	18,311
Total expenditure		15,673	808	16,481	17,393	1,454	18,847
Net (expenditure)/income		(691)	498	(193)	2,674	(601)	(2,073)
Net (losses)/gains on investments	13	(3,762)	44	(3,718)	1,237	104	1,341
Net movement in funds		(4,453)	542	(3,911)	3,911	(497)	3,414
Reconciliation of funds:							
Total funds brought forward at 1 January 2020		53,266	1,711	54,977	49,355	2,208	51,563
Total funds carried forward at 31 December 2020		48,813	2,253	51,066	53,266	1,711	54,977

All gains and losses recognised in the year are included in the statement of financial activities.

All amounts arise from continuing activities.

The notes to the financial statements form part of these accounts.

Consolidated balance sheet

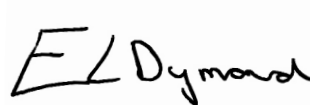
As at 31 December 2020

	Notes	£'000	2020 £'000	£'000	2019 £'000
Fixed assets					
Intangible fixed assets	11		929		740
Tangible fixed assets	12		7,124		8,019
Investments - property	13a		28,400		32,500
Investments - listed	13b		5,002		8,322
			41,455		49,581
Current assets					
Stocks	14	2,308		1,387	
Debtors	15	588		1,484	
Short-term bank deposits	16	10,766		5,884	
Cash at bank and in hand		223		332	
		13,885		9,087	
Current liabilities					
Creditors due within one year	17	(3,028)		(3,456)	
			10,857		5,631
Long-term liabilities					
Creditors due after one year	18		(958)		-
Provisions for liabilities and charges	19		(288)		(235)
			51,066		54,977
Net assets					
Unrestricted funds					
Designated funds	20		41,582	4,783	
General funds			7,231	48,483	
			48,813	53,266	
Restricted funds	21		2,253		1,711
Total funds	22		51,066		54,977

Approved and authorised by the board of trustees on 8 June 2021 and signed on their behalf by:



Catherine Irwin
Chair of the Board of Trustees



Elizabeth Dymond
Chair of Finance Committee

The notes to the financial statements form part of these accounts.

Charity balance sheet

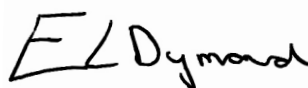
As at 31 December 2020

	Notes	£'000	2020 £'000	£'000	2019 £'000
Fixed assets					
Intangible fixed assets	11		929		740
Tangible fixed assets	12		7,124		8,019
Investments - property	13a		28,400		32,500
Investments - listed	13b		5,002		8,322
Investments - subsidiary	13c		150		150
			41,605		49,731
Current assets					
Stocks	14	58		48	
Debtors	15	1,833		3,783	
Short-term bank deposits	16	10,126		4,335	
Cash at bank and in hand		198		314	
		12,215		8,480	
Current liabilities					
Creditors due within one year	17	(2,466)		(2,999)	
			9,749		5,481
Net current assets/(liabilities)					
Long-term liabilities					
Provisions for liabilities and charges	19		(288)		(235)
			51,066		54,977
Net assets					
Unrestricted funds					
Designated funds	20	41,582		4,783	
General funds		7,231		48,483	
			48,813		53,266
Restricted funds					
	21		2,253		1,711
			51,066		54,977
Total funds					

Approved and authorised by the board of trustees on 8 June 2021, and signed on their behalf by:



Catherine Irwin
Chair of the Board of Trustees



Elizabeth Dymond
Chair of Finance Committee

The notes to the financial statements form part of these accounts.

Consolidated statement of cash flow

For the year ended 31 December 2020

	2020 £'000	2019 £'000
Cash flows from operating activities:		
Net cash provided by/(used in) operating activities (1.)	(1,586)	505
Cash flows from investing activities:		
Investment income and interest received	1,848	1,881
Payments to acquire intangible fixed assets	(101)	(40)
Payments to acquire tangible fixed assets	(90)	(406)
Sale/(purchase) of fixed asset investments	3,702	(701)
	5,359	734
Cash flows from financing activities:		
CBILS loan receipt	1,000	-
	1,000	
Change in cash and cash equivalents in the year (2.)	4,773	1,239

Notes to the statement of cash flow

1. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £'000	2019 £'000
Net movement in funds for the year (as per the SoFA)	(3,911)	3,414
Adjustments for:		
Losses/(gains) on investments	3,718	(1,341)
Investment income	(1,848)	(1,881)
Amortisation charges	365	314
Depreciation charges	532	529
(Increase)/decrease in stocks	(921)	(309)
(Increase)/decrease in debtors	896	364
Increase/(decrease) in creditors and provisions	(417)	(585)
	2,325	(2,909)
Net cash provided by/(used in) operating activities	(1,586)	505

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

	2020 £'000	Change in year £'000	2019 £'000	Change in year £'000	2018 £'000
Cash at bank and in hand	223	(109)	332	(4,645)	4,977
Current investments (less than three months)	10,766	4,882	5,884	5,884	-
Total cash and cash equivalents	10,989	4,773	6,216	1,239	4,977

Charity statement of cash flow

For the year ended 31 December 2020

	£'000	2020 £'000	£'000	2019 £'000
Cash flows from operating activities:				
Net cash provided by/(used in) operating activities (1.)		316		1,090
Cash flows from investing activities:				
Investment income and interest received	1,848		1,881	
Payments to acquire intangible fixed assets	(101)		(40)	
Payments to acquire tangible fixed assets	(90)		(406)	
Sale/(purchase) of fixed asset investments	3,702		(701)	
		5,359		735
Change in cash and cash equivalents in the year (2.)		5,675		1,825

Notes to the statement of cash flow

1. Reconciliation of net movement in funds to net cash flow from operating activities

	£'000	2020 £'000	£'000	£'000
Net movement in funds for the year (as per the SoFA)		(3,911)		3,414
Adjustments for:				
Losses/(gains) on investments	3,718		(1,342)	
Investment income	(1,848)		(1,881)	
Amortisation charges	365		314	
Depreciation charges	532		529	
(Increase)/decrease in stocks	(10)		6	
Decrease in debtors	1,950		882	
Decrease in creditors and provisions	(480)		(832)	
		4,227		(2,324)
Net cash provided by/(used in) operating activities		316		1,090

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

	2020 £'000	Change in year £'000	2019 £'000	Change in year £'000	2018 £'000
Cash at bank and in hand	198	(116)	314	(2,510)	2,824
Current investments (less than three months)	10,126	5,791	4,335	4,335	-
Total cash and cash equivalents	10,324	5,675	4,649	1,825	2,824

Notes to the financial statements

For the year ended 31 December 2020

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': 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.

The financial statements are prepared in sterling which is the functional currency of the charity. Monetary amounts are rounded to the nearest whole £1,000, except where otherwise stated.

Going Concern

The trustees assess whether the use of going concern is appropriate ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

(i) Unit meetings are taking place through a blended approach of online and face-to-face in line with Government guidance

(ii) The Association's Activity Centres have reopened and are offering their activities in line with Government guidance

(iii) The Association's Trading company is operating in a Covid secure way; the sales volumes are expected to increase as members return to face-to-face guiding

(iv) Our neighbour and tenant, The Resident Victoria, has remained closed since to onset of the crisis, affecting its ability to pay its rent

(v) We have furloughed staff supported by the Government's Coronavirus Job Retention Scheme

(vi) We obtained emergency finance for our Trading company from the Government's Business Interruption Loan Scheme

(vii) We deferred payment of VAT as allowed by the Government

In making this assessment the trustees have considered the ongoing impact of Covid-19 and have considered the charitable group's revised forecasts and projections for income and expenditure, as well as long-term cash flow. These continue to be regularly monitored by directors and trustees. The Association holds significant reserves and has liquid assets in the form of investments which are readily available to convert into cash.

Based on the above, the trustees have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. The charitable group therefore continues to adopt the going concern basis in preparing its financial statements.

(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 (SOFA). 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 various designated funds. The specific uses and needs to be met by the designated funds are detailed separately in note 20 to the financial statements.

(d) Fund accounting - restricted funds

The Association's restricted 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 any 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 21.

(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 recognised when the income is 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 not within the charity's control. 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
- Government grants, including furlough income are accounted for subject to satisfying any conditions not within the charity's control.
- Legacies are accounted for when probate has been granted and the executor has advised the legacy will be payable
- Lottery - Girlguiding is a direct beneficiary of People's Postcode Lottery. Income is recognised when the draw is held. The Association recognises the net amount due which is the total of ticket sales less prize money and management fees. Only the net receipt is included in the SOFA as the Association has no ability to alter the ticket price, determine the prizes or reduce the management fees. The gross amounts are disclosed in note 2
- Gifts in kind are included in the accounts at their approximate market value on the date of receipt.

Notes to the financial statements

For the year ended 31 December 2020

(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

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 to which the investment forms a part. The holdings of investments of certain restricted 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 and amortisation

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

Tangible fixed assets

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

Intangible fixed assets

- Membership Database - 18% to 30%
- Other software - 20% to 33%

(i) Stocks

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

(j) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities.

(k) Debtors

Debtors are measured at their recoverable amounts.

(l) 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.

(m) 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.

(n) 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.

(o) Employee benefits

The costs of any short term employee benefits are recognised as a liability and an expense. The costs of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the Association is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

(p) Operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the costs are incurred.

(q) 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 into storage during construction of the investment property and refurbishment of office accommodation at the Association's headquarters. A project has now been initiated to find a permanent home, with consideration being given to locations within the Girlguiding national estate. In November 2018 specialist archive and heritage consultancies were appointed to undertake the review and consultation with members. The feasibility study was presented in March 2019. The trustees approved the recommendation that a new archive be built, dependent on funding being identified. Due to the impacts of Covid-19, the natural funding sources for this type of project remain closed and therefore, the project is on hold.

(r) Critical accounting judgements and estimation uncertainty

In preparing the 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 (i) whether the going concern basis is appropriate, which is discussed in section (a) above; (ii) the provision of 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; and (iii) the fair value of financial and property investments, which is made on the basis of advice from our investment managers and our external chartered surveyors and would be consistent with redeemed value if the asset were to be sold. As more fully described in note 13a, the valuation of the investment property was subject to a material valuation uncertainty due to the lack of comparable transactions as a result of the Covid-19 pandemic. The trustees do not consider there are any further critical judgements or key sources of estimation uncertainty requiring disclosure other than those already described within note 1.

Notes to the financial statements

For the year ended 31 December 2020

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
2. Donations, legacies and grants						
Consolidated						
Individual donations	49	95	144	19	49	68
Legacies and in memorial donations	237	27	264	425	130	555
Lottery income	2,572	-	2,572	2,988	-	2,988
Grants	12	1,165	1,177	-	572	572
Government grants	1,129	-	1,129	-	-	-
	3,999	1,287	5,286	3,432	751	4,183
Charity						
Individual donations	49	95	144	19	49	68
Legacies and in memorial donations	237	27	264	425	130	555
Lottery income	2,572	-	2,572	2,988	-	2,988
Grants	12	1,165	1,177	-	572	572
Government grants	1,122	-	1,122	-	-	-
	3,992	1,287	5,279	3,432	751	4,183

In line with note 1(e), the income accounting policy, the Association received the net proceeds of lotteries held by People's Postcode Lottery. The Association has no ability to alter the price of tickets, determine the prizes or reduce the management fees. As such, People's Postcode Lottery is acting as the principal, and only net proceeds are recognised in the statement of financial activities. The net proceeds received are analysed as follows:

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
Consolidated and charity						
Lottery Income						
Ticket value	8,038	-	8,038	9,337	-	9,337
Prize fund	(3,215)	-	(3,215)	(3,735)	-	(3,735)
Management fee	(2,251)	-	(2,251)	(2,614)	-	(2,614)
Net Lottery income	2,572	-	2,572	2,988	-	2,988

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
3. Events income						
Consolidated and charity						
Big Gig	-	-	-	298	-	298
Community events	194	-	194	95	-	95
Other charity events	1	-	1	40	-	40
	195	-	195	433	-	433

Notes to the financial statements

For the year ended 31 December 2020

4. Trading income	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
Consolidated						
Trading Service	3,583	-	3,583	7,914	-	7,914
Licence fees and royalties	116	-	116	518	-	518
	3,699	-	3,699	8,431	-	8,431

5. Investment income	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
Consolidated and charity						
Distributions from listed investments	170	19	189	206	23	229
Interest on cash deposits	15	-	15	8	-	8
	185	19	204	214	23	237
Investment property:						
Rental Income	1,644	-	1,644	1,644	-	1,644
	1,829	19	1,848	1,858	23	1,881

Notes to the financial statements

For the year ended 31 December 2020

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
6. Other income						
Consolidated						
Corporate sponsorship	521	-	521	398	70	468
International trips sponsorship	-	-	-	151	-	151
Other	423	-	423	-	9	9
	944	-	944	549	79	628
Charity						
Corporate sponsorship	15	-	15	-	70	70
International trips sponsorship	-	-	-	151	-	151
Other	408	-	408	146	9	155
	423	-	423	298	79	377

	Staff costs £'000	Other direct costs £'000	Support costs £'000	Total 2020 £'000	Staff costs £'000	Other direct costs £'000	Support costs £'000	Total 2019 £'000
7. Cost of raising funds (all unrestricted funds)								
Consolidated								
Seeking donations, grants and legacies	370	19	-	389	449	78	-	527
Operating costs of trading company	1,022	1,840	420	3,282	1,105	3,580	770	5,456
Investment management costs	-	8	-	8	-	8	-	8
Other	-	804	-	804	-	-	-	-
	1,392	2,671	420	4,483	1,554	3,666	770	5,991
Charity								
Seeking donations, grants and legacies	370	19	-	389	449	79	-	528
Investment management costs	-	8	-	8	-	8	-	8
Other	-	804	-	804	-	-	-	-
	370	831	-	1,201	449	87	-	536

Notes to the financial statements

For the year ended 31 December 2020

	Staff costs £'000	Other direct costs £'000	Support costs £'000	Total 2020 £'000	Staff costs £'000	Other direct costs £'000	Support costs £'000	Total 2019 £'000
8. Charitable expenditure								
Consolidated								
Charitable activities	8,651	3,004	3,541	15,196	8,502	5,889	3,632	18,023
	8,651	3,004	3,541	15,196	8,502	5,889	3,632	18,023

In 2020, the expenditure on charitable activities was £15,196,000 of which £808,000 was from restricted funds. (2019: £18,023,000 of which £1,454,000 was from restricted funds.)

Charity								
Charitable activities	8,651	3,088	3,541	15,280	8,502	6,177	3,632	18,311
	8,651	3,088	3,541	15,280	8,502	6,177	3,632	18,311

In 2020, the expenditure on charitable activities was £15,280,000 of which £808,000 was from restricted funds. (2019: £18,311,000 of which £1,454,000 was from restricted funds.)

	Charitable expenditure £'000	Trading operation £'000	Total 2020 £'000	Charitable expenditure £'000	Trading operation £'000	Total 2019 £'000
9. Analysis of support costs						
Consolidated						
Governance	79	19	98	87	16	103
Finance & legal	1,413	47	1,460	1,397	68	1,465
Insurance	554	26	580	416	23	439
Property management	245	106	351	283	295	578
Catalogues	-	110	110	-	250	250
Information technology	985	112	1,097	1,076	118	1,195
Human resources	265	-	265	373	-	373
	3,541	420	3,961	3,632	770	4,402
Charity						
Governance	79	-	79	87	-	87
Finance & legal	1,413	-	1,413	1,397	-	1,397
Insurance	554	-	554	416	-	416
Property management	245	-	245	283	-	283
Information technology	985	-	985	1,076	-	1,076
Human resources	265	-	265	373	-	373
	3,541	-	3,541	3,632	-	3,632

	Total	Total
Auditor's remuneration		
Charity	22	16
Trading	14	13
Prior year under/(over) accrual	7	(4)
Accountancy, tax and other services	13	4
	56	29

Governance costs include £48,500 of auditor's remuneration (2019: £28,576) of which £45,732 relates to audit services (2019: £27,303). Further costs of £8,375 are included in finance costs for non-audited services.

Notes to the financial statements

For the year ended 31 December 2020

10. Staff Numbers and Remuneration	Total 2020 £'000	Total 2019 £'000
Gross salaries and wages	8,338	8,034
Redundancy costs	77	-
Employer's national insurance	860	797
Employer's pension contribution	578	515
	9,853	9,346

The average number of employees in the year, calculated on a headcount basis, was:	2020 No.	2019 No.
	280	307

Temporary staff engaged through employment agencies are not included in the above analysis.

The number of employees whose emoluments exceeded £60,000 in the year were:	2020 No.	2019 No.
£60,001 - £70,000	6	5
£70,001 - £80,000	4	2
£90,001 - £100,000	-	1
£110,001 - £120,000	1	1

The total remuneration for the year, including employer's national insurance but excluding pensions, for the chief executive, were £130,000 (2019: £130,000).

Remuneration for key management personnel including the chief executive of the Association (as shown on page 13 of the report) totalled £598,000 (2019: £470,000).

Members of the board of trustees are not remunerated. Expenses reimbursed in the year for travel and out-of-pocket expenses amounted to £3,041 to 5 members (2019: £8,689 to 13 members).

The Association owns a long-leasehold let, 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 £8,293 in the year (2019: £9,918).

Notes to the financial statements

For the year ended 31 December 2020

11. Intangible fixed assets	Software £'000	Assets under construction £'000	Total £'000
Consolidated and charity Cost			
At 1 January 2020	1,759	-	1,759
Additions	57	44	101
Transfer from tangible assets	453	-	453
At 31 December 2020	2,269	44	2,313
Accumulated amortisation			
At 1 January 2020	1,019	-	1,019
Provision for the year	365	-	365
At 31 December 2020	1,384	-	1,384
Net book value at 31 December 2020	885	44	929
Net book value at 31 December 2019	740	-	740

All assets are used for direct charitable purposes.

12. Tangible fixed assets	Freehold land & buildings £'000	Long leasehold property £'000	Assets under construction £'000	Equipment fittings & vehicles £'000	Total £'000
Consolidated and charity Cost					
At 1 January 2020	9,374	149	480	3,766	13,769
Additions	45	-	-	45	90
Transfer to intangible assets/between categories	14	-	(480)	13	(453)
At 31 December 2020	9,433	149	-	3,824	13,406
Accumulated depreciation					
At 1 January 2020	3,666	77	-	2,007	5,750
Provision for the year	227	3	-	302	532
At 31 December 2020	3,893	80	-	2,309	6,282
Net book value at 31 December 2020	5,540	69	-	1,515	7,124
Net book value at 31 December 2019	5,708	72	480	1,759	8,019

All assets are used for direct charitable purposes.

Notes to the financial statements

For the year ended 31 December 2020

13a. Investments - property	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
Consolidated and Charity						
Market value at 1 January	32,500	-	32,500	32,200	-	32,200
Net (loss)/gain on revaluation of investment property	(4,100)	-	(4,100)	300	-	300
Market value at 31 December	28,400	-	28,400	32,500	-	32,500

The freehold investment property comprising an hotel was valued at 31 December 2020 by an external valuer, a regulated firm of chartered surveyors. The valuations were prepared in accordance with the requirements of the RICS valuation - global standards 2017, the national standards and guidance set out in the UK national supplement 2018 and the financial reporting standard applicable to the UK and Republic of Ireland (FRS102). The valuation of the 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 valuation.

Due to the continued unprecedented set of circumstances caused by Covid-19 and the absence of sufficient trading performance data and market evidence, the surveyors have advised that their valuation is subject to 'material valuation uncertainty' as set out in VPS3 and VPGA 10 of the RICS Valuation - Global Standards. This clause serves as a precaution and does not invalidate the valuation, and does not mean that the valuation cannot be relied upon. Rather, it is intended to highlight that due to current extraordinary circumstances, less certainty can be attached to the valuation than would otherwise be the case.

Girlguiding has applied the revised standard in SORP (FRS102) that allows charities that rent property to group companies to report the property as fixed assets rather than an investment property. In the charity accounts, this applies to Broadheath which is rented to The Guide Association Trading Service. It ceased to be treated as an investment property in 2018 when it had a carrying value of £1,500,000 comprising a cost of £200,000 and a revaluation gain of £1,300,000. To align with the group accounts it was transferred to tangible fixed assets as a fully depreciated asset with a cost of £200,000 and net book value of £nil.

13b. Investments - listed	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
Consolidated and charity						
Listed investments:						
Market value at 1 January	7,567	721	8,288	5,929	616	6,545
Acquisitions at cost	-	-	-	701	-	701
Disposal proceeds	(3,702)	-	(3,702)	-	-	-
Net gain on revaluation of investments	56	44	100	937	105	1,042
Realised gain on redemption	282	-	282	-	-	-
Market value at 31 December	4,203	765	4,968	7,567	721	8,288
Cash held for investment	-	34	34	-	34	34
Portfolio value at 31 December	4,203	799	5,002	7,567	755	8,322
Historical cost at 31 December	3,707	673	4,380	7,127	673	7,800

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

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
UK bonds and cash	-	34	34	700	34	734
Pooled funds	4,203	765	4,968	6,867	721	7,588
Total	4,203	799	5,002	7,567	755	8,322

Notes to the financial statements

For the year ended 31 December 2020

13c. Investments - subsidiary	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
Charity only						
Investment in subsidiary	150	-	150	150	-	150
	150	-	150	150	-	150

14. Stocks	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
Consolidated						
Stocks for resale	2,295	-	2,295	1,374	-	1,374
Consumable stocks	13	-	13	13	-	13
Market value at 31 December	2,308	-	2,308	1,387	-	1,387
Charity						
Stocks for resale	45	-	45	35	-	35
Consumable stocks	13	-	13	13	-	13
	58	-	58	48	-	48

15. Debtors due within one year	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
Consolidated						
Trade debtors	397	-	397	571	-	571
Other debtors	3	-	3	17	-	17
Prepayments and accrued income	1,006	31	1,037	501	395	896
Bad debt provision	(849)	-	(849)	-	-	-
	557	31	588	1,089	395	1,484
Charity						
Trade debtors	302	-	302	114	-	114
Amounts due from subsidiary	1,336	-	1,336	2,783	-	2,783
Other debtors	3	-	3	17	-	17
Prepayments and accrued income	965	31	996	474	395	869
Bad debt provision	(804)	-	(804)	-	-	-
	1,802	31	1,833	3,388	395	3,783

Amounts due from the wholly owned subsidiary represent the balances on the donation for the year and the inter-company management charges.

16. Short-term bank deposits	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
Consolidated						
Call accounts	9,366	1,400	10,766	5,360	524	5,884
	9,366	1,400	10,766	5,360	524	5,884
Charity						
Call accounts	8,726	1,400	10,126	3,811	524	4,335
	8,726	1,400	10,126	3,811	524	4,335

Notes to the financial statements

For the year ended 31 December 2020

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
17. Creditors due within one year						
Consolidated						
Trade creditors	998	-	998	954	-	954
Deferred income (see note 17a)	305	-	305	630	-	630
Accruals and other creditors	1,432	-	1,432	1,568	34	1,602
Income tax and national insurance	218	-	218	233	-	233
VAT	75	-	75	37	-	37
	3,028	-	3,028	3,422	34	3,456
Charity						
Trade creditors	817	-	817	855	-	855
Deferred income (see note 17a)	305	-	305	630	-	630
Accruals and other creditors	1,051	-	1,015	1,209	34	1,243
Income tax and national insurance	218	-	218	234	-	234
VAT	75	-	75	37	-	37
	2,466	-	2,466	2,965	34	2,999

	Balance 1 January 2020 £'000	Income released in current year £'000	Income deferred in current year £'000	Balance 31 December 2020 £'000
17a. Analysis of movement in deferred income				
Consolidated and charity				
Deferred Income	630	(415)	90	305

Deferred income relates to hotel rent invoiced in advance at the end of the year and income received for Girlguiding events which take place in the following year.

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
18. Creditors due after more than one year						
Consolidated only						
Later than 1 year and not later than 5 years	792	-	792	-	-	-
Later than 5 years	166	-	166	-	-	-
	958	-	958	-	-	-

During the year the wholly owned subsidiary applied for a loan of £1 million under the government backed Coronavirus Business Interruption Loan Scheme. The loan was drawn down on 1 September 2020. The final repayment is due six years after the loan was drawn and the interest rate is 2.78% over the Bank of England base rate.

	Balance 1 January 2020 £'000	Paid during the year £'000	Provision in the year £'000	Balance 31 December 2020 £'000
19. Provisions for liabilities and charges (all unrestricted)				
Consolidated and charity				
Self-insured claims provision	235	(32)	85	288

Notes to the financial statements

For the year ended 31 December 2020

20. Movement in unrestricted Funds	Balance 1 January 2020 £'000	Income £'000	Expenditure £'000	Net investment (losses)/gains £'000	Transfers £'000	Balance 31 December 2020 £'000
Consolidated						
General fund	48,483	15,608	(17,217)	338	(39,981)	7,231
	48,483	15,608	(17,217)	338	(39,981)	7,231
Designated funds						
Investment property	-	-	-	(4,100)	32,500	28,400
Intangible fixed assets	-	-	-	-	929	929
Tangible fixed assets	-	-	-	-	7,124	7,124
Buildings & equipment fund	758	-	(6)	-	423	1,175
Transformation fund	4,025	2,572	(1,648)	-	(1,195)	3,754
Diversity, equality & inclusion fund	-	-	-	-	200	200
	4,783	2,572	(1,654)	(4,100)	39,981	41,582
	53,266	18,180	(18,871)	(3,762)	-	48,813

At the end of 2020, it was agreed by trustees that all fixed assets would be transferred into designated funds, which equate to the net book value of those fixed assets.

As a result the balance on the general fund is now equivalent to the free reserves which the trustees believe improves the user's understanding of the accounts.

The main uses of the designated funds are:

Investment property

This fund represents the current market value of the hotel owned by the Association.

Intangible and tangible fixed assets

These funds represent the current net book value of all intangible and tangible fixed assets owned by the Association.

In future all amortisation and depreciation will be charged against these funds.

Buildings and equipment fund

This fund was created to ensure there are adequate funds available for renewal and replacement of the Association's fixed assets.

Transformation fund

This fund supports Girlguiding's Strategy development. The fund is being spent as the projects within the strategy are developed. At 31 December 2019, the plan was for the fund to be fully utilised during 2020 as no further income was expected at that time. As a result of Covid-19, the time frame for spending the fund has been extended and it was agreed that £1,195,000 could be transferred to general funds during 2020. Similarly, to support work in 2021, it has been agreed that £514,000 from the income received during 2020 can be transferred to general funds in 2021.

Diversity, equality and inclusion fund

This fund was created during the year to support the Association's work on diversity, equality and inclusion.

Notes to the financial statements

For the year ended 31 December 2020

	Balance 1 January 2020 £'000	Income £'000	Expenditure £'000	Net investment gains £'000	Balance 31 December 2020 £'000
21. Movement in Restricted funds					
Restricted funds					
Support for countries & regions	295	9	(10)	19	313
Support for UK guiding	1,159	1,175	(779)	20	1,575
Support for training & activity centres	256	122	(19)	5	364
Other funds	1	-	-	-	1
	1,711	1,306	(808)	44	2,253

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. Training and activity centre funds are used to provide grants to leaders attending trainings held at Foxlease and Waddow Hall and for the upkeep of one of our activity centre properties.

22. Analysis of net assets between funds	Tangible fixed assets £'000	Intangible fixed assets £'000	Investments £'000	Assets £'000	Liabilities £'000	Total 2020 £'000
Consolidated and charity Restricted funds						
Support for countries & regions	-	-	305	8	-	313
Support for UK guiding	-	-	372	1,203	-	1,575
Support for training & activity centres	-	-	122	242	-	364
Other funds	-	-	-	1	-	1
	-	-	799	1,454	-	2,253
Unrestricted funds						
General fund	-	-	4,203	7,302	(4,274)	7,231
Designated funds						
Investment property	-	-	28,400	-	-	28,400
Fixed assets	7,124	929	-	-	-	8,053
Buildings & equipment fund	-	-	-	1,175	-	1,175
Transformation fund	-	-	-	3,754	-	3,754
Diversity, equality & inclusion fund	-	-	-	200	-	200
	7,124	929	28,400	5,129	-	41,582
Total unrestricted funds	7,124	929	32,603	12,431	(4,274)	48,813
Total funds	7,124	929	33,402	13,885	(4,274)	51,066

Notes to the financial statements

For the year ended 31 December 2020

22. Analysis of net assets between funds (continued)	Tangible fixed assets £'000	Intangible fixed assets £'000	Investments £'000	Assets £'000	Liabilities £'000	Total 2019 £'000
Consolidated and charity						
Restricted funds						
Country & region funds	-	-	306	10	-	316
Headquarters' funds	-	-	333	839	(34)	1,138
Training & activity centre (TAC) funds	-	-	116	140	-	256
Other funds	-	-	-	1	-	1
Total restricted funds	-	-	755	990	(34)	1,711
Unrestricted funds						
General fund	8,019	740	40,067	3,314	(3,657)	48,483
Buildings & equipment fund	-	-	-	758	-	758
Transformation fund	-	-	-	4,025	-	4,025
Total unrestricted funds	8,019	740	40,067	8,097	(3,657)	53,266
Total funds	8,019	740	40,822	9,087	(3,691)	54,977

23. Financial commitments

At 31 December 2020 the Association had £nil capital commitments (2019: £nil).

At 31 December 2020 the Association's subsidiary, The Guide Association Trading Service Limited, had entered into contracts of advance stock purchased with suppliers within the ordinary course of business worth £2,760,000 (2019: £3,170,000).

24. Operating lease commitments

	2020 £'000	2019 £'000
The minimum lease payments under non-cancellable operating leases for land and buildings were as follows:		
Not later than 1 year	48	63
Later than 1 year and not later than 5 years	-	48
	48	111

Notes to the financial statements

For the year ended 31 December 2020

25. Contingent assets

The Charity has been advised of a number of legacies from which it will benefit. The Charity's total estimated share is £100,000 (2019: £100,000). The value has not been included in the accounts as the conditions for recognition of the income have not been met.

26. 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 a wholly owned subsidiary, the Association is exempt, under Financial Reporting Standard 102, 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 £3,646,000 (2019: £8,203,000). Of these sales £63,000 (2019: £289,000) were sales to the Association. The Association charges £160,000 (2019: £160,000) in management fees. The Guide Association Trading Service Limited achieved a net profit of £1,029,000 (2019: £3,516,000) and this was donated under Gift Aid to the Association. At the end of the year the Guide Association Trading Service Limited had £3,006,000 (2019: £3,390,000) of assets and £2,856,000 (2019: £3,240,000) of liabilities.

27. The Guide Association Trust Corporation

Guide Association Trust Corporation is a company limited by guarantee and incorporated under the Companies Act. It acts as custodian 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 Guide Association Trust Corporation are available care of the the Guide Association, 17-19 Buckingham Palace Road, London, SW1W 0PT.

28. Related party transactions

There are no related party transactions requiring disclosure (2019: nil) other than those with the Association's subsidiary (as outlined in note 26).



WE DISCOVER, WE GROW

Girlguiding

Our vision

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

Our mission

Through fun, friendship, challenge and adventure we empower girls to use 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.



@girlguiding



girlguiding



girlguidinguk

girlguiding.org.uk