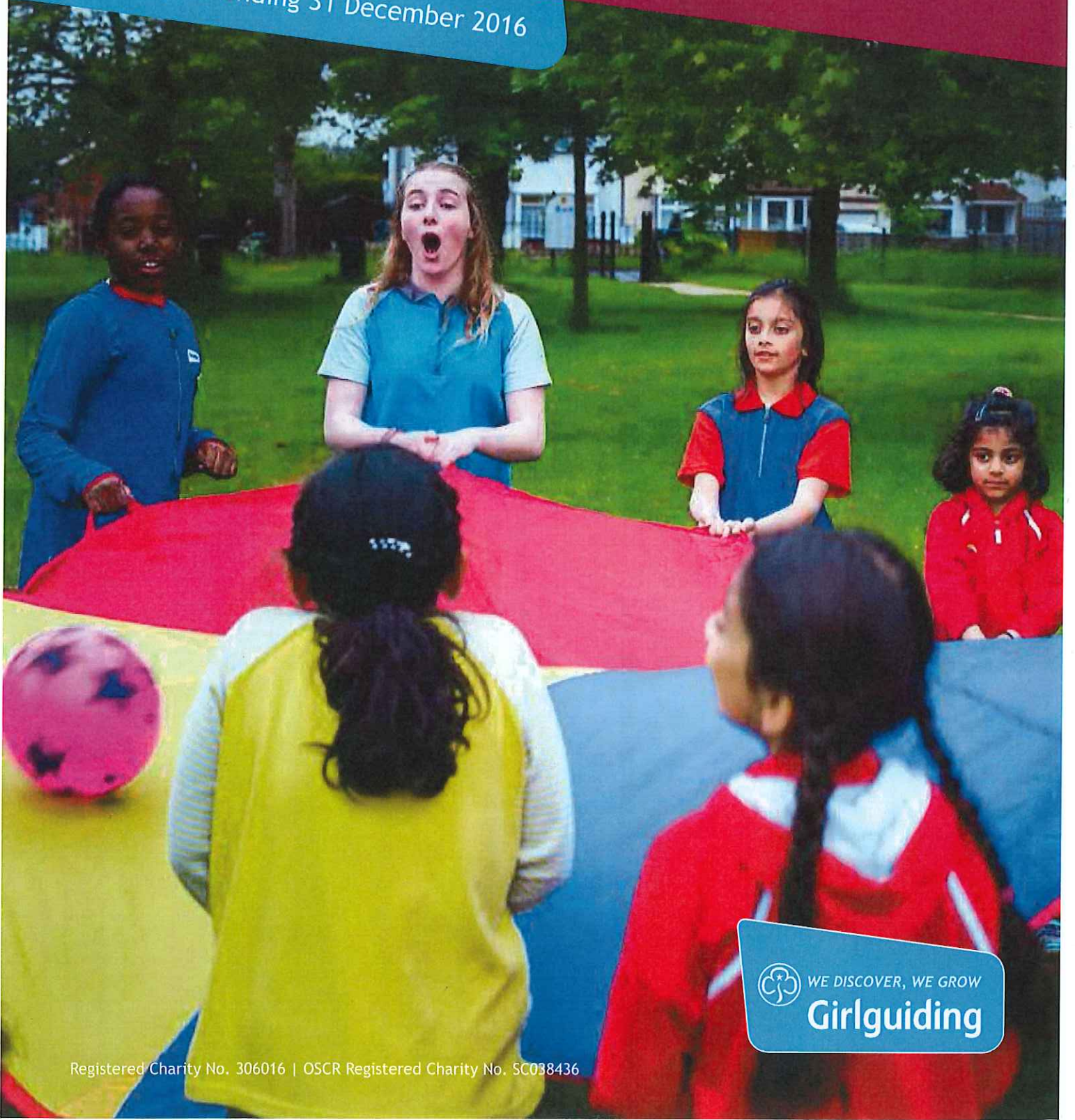


Being our best

Girlguiding's Annual Report and Financial Statements

For the year ending 31 December 2016



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

Our vision

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

Our mission

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

Our values

Caring, Challenging, Empowering, Fun, Inclusive, Inspiring

A massive thank you!

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

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INTRODUCTION

The trustees of Girlguiding are pleased to present their report for 2016.

As the UK's largest charity for girls and young women, Girlguiding gives girls a space to discover and grow, enabling them to find their voice and make a positive difference in the world. Through the dedicated work of our amazing volunteers we offer girls fun, friendship, challenge and adventure, supporting them to achieve their potential and change the world for the better.

2016 has been an exciting year for Girlguiding, and one that has seen us make great progress towards the targets we set in our strategy to 2020. Launched in 2015, the *Being our Best* strategic plan was developed in response to our biggest-ever consultation with our members and stakeholders. By 2020, Girlguiding aspires to empower even more girls to find their voice and be their best through high-quality, girl-led programmes delivered by inspirational leaders.

Under the four strategic themes of Excellence, Access, Voice and Capacity we have set ourselves a range of performance targets against which to measure our progress. The following pages of this report show the progress we have made against

these this year, and set out the next steps we will take on our strategic journey.

From the celebrations of The Senior Section centenary and our young members' successful campaign for compulsory sex and relationships education in schools in England, to the essential behind-the-scenes upgrades of our membership system, policies and procedures, and the development of our youth programme, volunteers and staff have worked tirelessly to give hundreds of thousands of girls and young women all across the UK unique opportunities for fun, friendship, challenge and adventure.

This report shows the progress Girlguiding is making towards our

goal of giving more girls and young women access to guiding and the fantastic opportunities it offers to be their best. The trustees would like to extend their thanks to all our volunteers and staff for their work throughout 2016 that has made this possible. And, of course, our thanks go to our young members: without girls there would be no Girlguiding, and it is their enthusiasm and commitment that make the charity such a strong and dynamic organisation.

Val Elliott
Interim Chair of Trustees





EXCELLENCE

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

Girlguiding is all about its members, and we have the ability to enable our half a million young members and adult volunteers to have the very best opportunities to have fun, make friends, challenge themselves and enjoy adventures. To achieve this we need to ensure that our offer to girls and young women is fresh, exciting and meets their needs; and also that our adult volunteers receive all the support they require to deliver great guiding to girls. The work we have done in 2016 has enabled us to exceed our targets across this area.

What we want to achieve by 2020	Our 2016 targets	Our 2016 results
90% of girls will say that Girlguiding is making a positive impact on their lives	80%	84%
80% of girls will say they have an inspiring role model within their unit volunteer team	50%	52%
90% of volunteers will feel well supported and valued	80%	86%

WHAT WE DID IN 2016

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

The Girlguiding programme - the overarching structure of activities and opportunities we offer to our young members - must grow and change in order to keep it relevant, engaging and challenging for girls and young women. 2015 saw us undertake an ambitious review of our entire programme offer. In 2016 we developed a brand new programme framework for Girlguiding, through which we will offer a broad and varied programme focused on adventure, social action and voice, creative expression, positive identity, mental and physical well-being and skills for the future. The framework will also support

consistency, progression and transition between sections. In late 2016 we began the significant task of creating hundreds of group and independent activities, working to the highest quality standards. The programme is on schedule to launch in summer 2018.

This work also includes the redevelopment of The Senior Section with the creation of two distinct offers: one for 14 to 18-year-olds, which will receive a rebrand and relaunch; and a revised offer for members aged 18 to 25 that reflects their needs and aspirations as young adults.

Girlguiding offers young women the opportunity to train as Peer Educators, empowering them to help their peers explore issues relevant to their lives while developing their own personal skills in communication, leading discussions and managing group dynamics. In 2016 we trained over 300 Peer Educators to deliver sessions to other young members, and started work on improving their Basic Training programme. The redeveloped training framework will ultimately help us to improve awareness of the programme among members and recruit more trainers. In 2016 a new Peer Education resource on mental resilience, *Think Resilient*, was launched in partnership with Young Minds, and work began on the development of the next new Peer Education resource.

We continued to offer our members a successful programme of national and international opportunities. Our exclusive pop concert, the BIG GIG, celebrated its fifteenth anniversary with a fantastic show for over 14,000 young members. Teams headed out across the world as far as Peru and Estonia on Guiding Overseas Linked with Development (GOLD) projects,

While a UK contingent attended Roverway, a two-yearly international camp for Guiding and Scouting members from all over the world, in France. Camp CEO, our week-long residential event which gives girls aged 14 to 17 a unique opportunity to be mentored by women in senior leadership roles, gave a huge confidence boost to its attendees: on leaving, 94% felt they knew a lot about leadership, compared with just 29% at the start of the event.

Girlguiding's partnerships with other organisations continued to bring an even wider range of opportunities to our members. Our three-year partnership with Tesco is all about getting our young members to eat healthily and learn more about where the food they eat comes from. Our PGL Travel partnership enables our young members to climb and abseil at any of 16 centres in the UK, sail on the coast of France, canoe through the south of France or try any number of other fun, challenging adventures.

The Senior Section, for young members aged 14 to 25, marked its centenary in style with an exciting programme of events. Members had a chance to take part in bespoke challenges and special events as varied as a survival weekend, a carnival, a democracy festival, and an expedition to Cyprus. The celebrations culminated in a glamorous ball organised by members of The Senior Section, with over 900 members contributing to the plans. Almost 1,000 attendees enjoyed Charleston dancers and vintage photo booths; as one member commented, 'Girlguiding knows how to party!'

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

None of the exciting activities enjoyed by our young members could happen without the dedication and effort of our adult volunteers. Leaders who attended training sessions in 2016 were able to develop their own skills and knowledge in order to deliver top quality guiding. We also initiated a project to create a new learning and development policy and framework to continue to support volunteer development. This work will carry on into 2017, led by a team of volunteers at national level.

We also launched a set of new volunteer role descriptions, to help volunteers see the variety of guiding roles on offer and match them to their skills and experiences to the appropriate role. Having a standardised description for each role also promotes consistency across Girlguiding for our adult members, and gives volunteers an easy way to let employers and others know about all the fantastic skills they develop and use in guiding.

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

Our goal for 2016 was for 80% of our volunteers to feel well supported and valued, and we are proud to have exceeded this by over six percentage points, reflecting the sustained effort that has gone into enabling our volunteers to deliver guiding. Our members everywhere are continually developing exciting, original ideas for guiding activities. We know that our volunteers are delivering excellence in guiding on a daily basis and we have been working on ways to share this best practice and success. Doing Our Best, an assessment scheme under which units can be assessed for an externally accredited Quality Mark, was piloted on a small scale in 2015-2016. Following its success, during 2016 we carried out evaluation and further development work and launched a larger-scale online pilot involving 450 units nationwide.

We have tapped into this in 2016 by crowdsourcing content for our new programme resources from our young members and volunteers, so that Leaders can access the very best activity ideas from all across guiding.

By the end of 2017 we will have done the following:

WHAT WE WILL ACHIEVE IN 2017

- Renewed the Girlguiding programme for all sections and provided free 'taster' materials to all units so all girls can enjoy an engaging and challenging guiding programme.
- Created a learning and development framework to ensure all volunteers get the right training and development opportunities to deliver great guiding.
- Delivered the second phase pilot of the Quality Mark with 450 units, to ensure our quality standards and quality assurance processes are fit for purpose.



ACCESS

We will increase the number of girls from all backgrounds who can access the benefits of guiding. Girlguiding is proud to offer girls a space where they can find themselves and fulfil their potential, develop their skills and make a positive difference to their communities. We help girls increase in confidence and find their voices, as well as offer fun and adventure that they may not find elsewhere. We want to make the benefits of guiding available to every girl and young woman who wants to join.

What we want to achieve by 2020	Our 2016 targets	Our 2016 results
70% of the public would recommend guiding to a girl they know	55%	48%
More than 13% of girls aged 5 to 13 in the UK will be members of Girlguiding	12%	12%
We will reduce the number of girls of membership age waiting to join for more than one term by 20% each year	-20%	0%

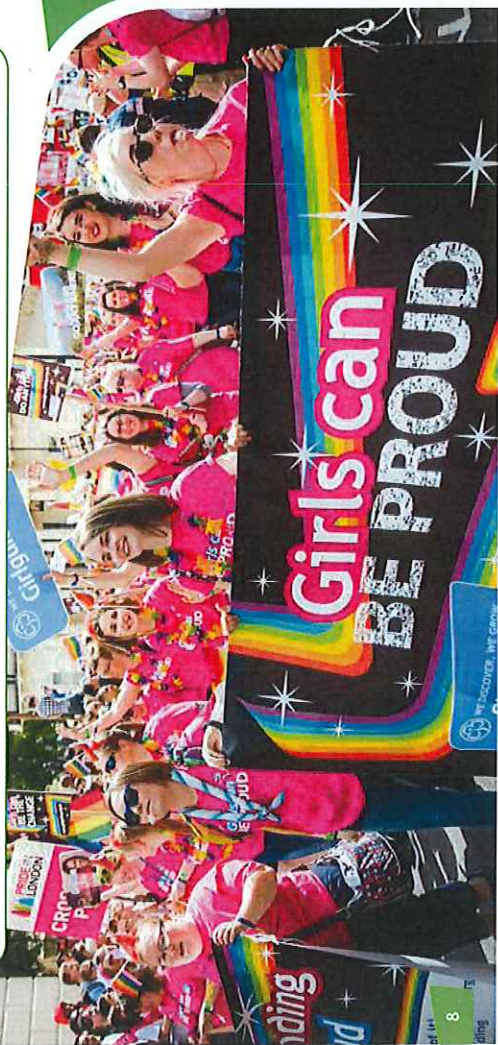
WHAT WE DID IN 2016

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

To help us grow our membership and improve member retention, the trustees agreed a new growth strategy at the end of 2016. This new strategy directly responds to and addresses the shortfall against our 2016 targets. To ensure this strategy is built on robust insight and a greater understanding of the issues, we commissioned an external data consultant to look at our membership numbers in depth. We also undertook some qualitative surveys of girls who have left the charity in the last year. This insight and our new growth strategy developed in 2016 will lay the

foundations we need to grow our membership so more girls can benefit from a Girlguiding experience, and we will be using this data to deliver our strategy in 2017.

To ensure the success of this strategy, we're prioritising supporting our volunteers to recruit and retain members. In 2016, thanks to funding from the Pears Foundation, we developed and piloted a new volunteer recruitment process which uses local paid staff to handle recruitment initiatives and administration. The pilot support in 2016.



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

In 2016, we delivered awareness-raising campaign #ForTheGirl to increase awareness of and understanding about Girlguiding among women aged 25 to 34. This campaign was channelled through a short film, which reached 18 million people and got 1.8 million views. Of those in the target audience who saw the campaign,

81% said that they think Girlguiding is a charity that helps build girls' confidence (up from 66%), 74% felt that Girlguiding is a charity that helps girls to reach their potential (up from 67%) and 88% of sentiment on Twitter was positive.

In 2016 44% of all coverage secured included the voice of a girl or young member, in line with our

commitment to giving girls a platform from which they can speak out. Highlights included a Girlguiding Advocate acting as guest editor for Radio 5 Live's morning show, and a young member being interviewed on BBC Breakfast about the long-term positive impact of guiding.

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

Girlguiding is committed to being accessible and inclusive to all girls and volunteers, so during 2016, through a new partnership with Scope, we invited an external agency to undertake an inclusion audit to help us understand where we are doing well and where we have room for improvement. This audit helped us to create an action plan, and in 2017 we will begin piloting new disability inclusion training for volunteers and explore how inclusion support could be improved nationally.

We have also been working with consultants from The National Autistic Society to develop communication passports and visual timetables to support young members with autism. The passports allow young people to share information about themselves

and their support needs with their Leaders, while the visual timetables include pictures and symbols that can be displayed by Leaders to show the structure of unit meetings.

Our updated Equality and Diversity Policy was approved by the trustees, reaffirming our commitment to inclusion for all girls and offering more detailed information about what this means. We built new partnerships with Scope, Stonewall and Gendered Intelligence; we updated our guidance on including transgender girls and volunteers; and we supported more volunteers and girls to attend Pride events than ever before, sending a strong message that Girlguiding truly welcomes every girl and woman.

We have also been working with consultants from The National Autistic Society to develop communication passports and visual timetables to support young members with autism. The passports allow young people to share information about themselves

WHAT WE WILL ACHIEVE IN 2017

By the end of 2017 we will have done the following:

- Increased Girlguiding's subscription-paying membership and laid the foundations for growth of at least 17,000 members per year from 2019.
- Researched and developed a new youth engagement strategy and youth brand to improve recruitment and retention of young members and future volunteers.
- Developed and delivered a targeted marketing campaign to recruit more volunteers.





VOICE

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

Girlguiding is committed to giving girls and young women opportunities to speak out and work for positive change in the world around them. Showing girls that their voices and views really do matter, and that they really do have the power to make a difference, can change not only our members' lives but the wider world too. With these benefits in mind, we have undertaken a range of projects in 2016 that improve the way we listen to our young members and help them to speak out.

What we want to achieve by 2020

Our 2016 targets	Our 2016 results
60% of our external stakeholders will see us as experts on girls' views	61%
100% of young members will be involved in social action	94%
95% of girls will report being consulted on the development of their unit programmes	75%

WHAT WE DID IN 2016

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

Social action has always been a core aspect of guiding, and this year we more than achieved our target of involving 93% of girls in social action projects. We are proud of the amazing successes our members achieve in their local communities and beyond. We want to build on this, so in 2016 we piloted a new project that will support more of our members to engage in local advocacy and take social action, as part of youth advocacy networks. Through the

Action for Change project, supported by the Esmée Fairbairn Foundation, young members will be empowered to take their social action to the next level and also to influence Girlguiding's national advocacy.

In 2016 we established Action for Change advocacy networks in London and South East England and Scotland. Sixty-two girls and young women signed up to take part in an incredible year-long journey to take social action on issues they

really care about. Some exciting projects are in development, including Lily's campaign for a specific 'chill-out' room in her school to support well-being, and Lore's work towards getting forgotten women in history recognised through the blue plaques initiative. We are looking forward to more inspirational projects as we grow the UK's first girl-led advocacy network in 2017 and beyond.



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

As always, in 2016 we surpassed our target of 50% of external stakeholders viewing us as experts on girls' views and have already exceeded our goal of 60% by 2020.

This year the survey focused on younger girls' body confidence and we launched an associated social media action campaign. #YouAreAmazing, to encourage our audiences to celebrate their female friends, family and role models for what they achieve - not what they look like. We designed a new-look survey report that drew

on girls' feedback about wanting to be able to visualise more of the data. We released tasters of the survey results early to trail the report on leadership, linked to Camp CEO, and on sport, linked to the Olympics and Paralympics. Coverage spanned news outlets from the Sun to Grazia, the Daily Mail and BBC Radio 4. Online, girls shared their feelings about body confidence through The Pool and contributed to Vice's in-depth look at girls' confidence as they enter the world of work.

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

During 2016, we supported our young members to make their voices heard loud and clear on some of their Girls Matter campaign calls, and they are having a real impact. Our highly influential campaign to tackle sexual harassment in schools featured across the national media including The Times, the Telegraph, Sky and the BBC.

The power and courage of girls and young women voicing their strong views was also recognised in parliament: we influenced the Women and Equalities Select Committee's decision to hold an inquiry into the issue and we look forward to seeing clear action in 2017 as a result of this.

Girls also continued to speak out, in the media and to decision makers, about the need for compulsory sex and relationships education for all young people - and we are proud to report that the government agreed in early 2017 to implement this. Congratulations to all our young members who helped to bring about this life-changing legal development.

WHAT WE WILL ACHIEVE IN 2017

By the end of 2017 we will have done the following:

- Continued to deliver first-class research into girls' views, including developing mechanisms for rapid-response polling to inject girls' voices into emerging debates, and advocated for change nationally on issues of importance to girls.
- Delivered year two of the Action for Change project.
- Involved more young members in decision making at all levels of guiding.





CAPACITY

We will improve our structures, processes and capacity.

Great guiding experiences are only possible with support from strong and effective systems and processes. 2016 has seen us working on a number of developments to help improve the services and support we can offer our volunteers.

What we want to achieve by 2020	Our 2016 targets	Our 2016 results
<ul style="list-style-type: none"> All key financial targets will be achieved 	<ul style="list-style-type: none"> A budgeted loss for the year of £0.7 million and an income of £10.5 million Reserves of £3.4 million 	<ul style="list-style-type: none"> A surplus of £0.7 million and an income of £10.8 million Reserves of £4.9 million
<ul style="list-style-type: none"> 95% of staff will be rated an average of good or better in their annual appraisals across all core competencies 	95%	98%
<ul style="list-style-type: none"> 85% of volunteers will rate our key systems and processes as satisfactory or above 	60%	79%
<ul style="list-style-type: none"> 80% of national staff and trustees will rate management and governance structures as effective* 	n/a	n/a

* This is currently reported bi-annually and there is no data available for 2016

WHAT WE DID IN 2016

Finance: We will ensure the financial sustainability of Girlguiding

In addition to the day-to-day systems and processes our members rely on, we have also been focusing on our longer-term strategic aims. Girlguiding's financial strategy was discussed by trustees during 2016, with further discussions planned for 2017. Taking into account the outcomes from our review of membership subscriptions, for the first time the subscriptions were set for two years rather than one, to assist volunteers in planning their budgets over that period. Girlguiding's work would not be possible without the amazing generosity of our supporters, and we are proud that so many want to work with us and support us financially. 2016 saw our most successful fundraising year to date, with our supporters helping us to grow our voluntary income to £1.3m.



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

Girlguiding's online membership systems (the Join Us system and the membership database, Go!) are designed to make member administration simple, safe and consistent. During 2016 a major upgrade of the systems began, starting by moving the current membership system to a new technology platform and making it easier to use. Once this stage is complete, we will have a platform to develop new functionality and processes to support Girlguiding in delivery of its strategic aims. The project is ongoing and on track to deliver by its target date of summer 2017.

Protecting our charity from the consequences of IT systems failures, security breaches and cyber attacks is essential, so during 2016, we prioritised improving the strength and resilience of Girlguiding's back-office IT systems, including upgrades to our wifi and email security. We successfully migrated to a new third-party IT services provider at the end of 2016, with plans for a full network and infrastructure audit in early 2017.

The successful launch of our new website in September was the culmination of many months' development work. The updated website has a more practical structure and improved search and navigation functions, and is accessible across mobile devices, allowing users to visit and use the site whenever and wherever they need it - vital in the active world of guiding. Its contemporary, engaging and inclusive design has already proven appealing to potential new members: unique views of the pages where users can register interest in joining



a greater understanding of our member audiences, meaning that we have been able to target email and newsletter updates more effectively. The success of this approach has been borne out by a greatly increased subscription rate for our fortnightly all-member email, up from 70,000 to over 100,000. In all, members' satisfaction with our key systems and processes stands at almost 80%, beating by a considerable margin our 2016 goal of 60%.

The completion of Girlguiding's review of our national Activity Centres has enabled the trustees to agree on a strategy to ensure that the centres remain up to date and relevant. They recognise the importance of retaining the Activity Centres, as resources for our members and to bring a guiding adventure experience to wider audiences. Therefore, an investment programme was created, comprising investment in buildings improvement, creation of new activities, marketing initiatives and a number of new staff roles to support the centres.

guiding have risen by 50% for girls and 290% for adults. Volunteers are already finding it easier to access essential resources, as demonstrated by a 14% reduction in support emails to the Membership Systems team. We have also seen an encouraging 10.5% increase in traffic to the Learning and Development section of the site, suggesting that our volunteers are keen to explore all the opportunities available to help them deliver great guiding.

Our membership communications review concluded early in 2016, and once analysis of the results had been completed, we were in the exciting position of being able to act on the responses we had received. The most visible change for our members has been to *guiding* magazine: redesigned as a timely magazine, its content has been reshaped to contain more information and ideas to support volunteers in running their units. The first new-look issue was published in the autumn, ready for the spring term of 2017. Other outcomes from the review have included



CAPACITY - CONTINUED

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

The amazing work done by Girlguiding's volunteers is achieved in partnership with our dedicated staff teams. In 2016 we implemented changes to the national staffing structure, to ensure that our staff resources are in the right places to further Girlguiding's strategy. We have significantly strengthened our safeguarding function this year

and established a department with its own Head of Safeguarding, to ensure that we are up to date with current legislation and continue to support our members to provide safe spaces in which guiding can take place. Volunteers are also better supported through a new Quality Department that focuses on enabling volunteers to deliver

high-quality guiding through the provision of information, advice and clear policies and guidance on our expectations of volunteers. We also merged some staff teams under a new structure that will improve our efficiency and better place us to achieve our strategic goals.

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

In 2016 we began a review of operational effectiveness and value for money across the Girlguiding family to help remove duplication of effort and ensure our organisational structures are as effective as possible. In addition, we have undertaken a

governance stocktake and will be implementing the conclusions of this in 2017.

We have also refreshed our Key Performance Indicator (KPI) framework to ensure it reflects the contribution of all the different tiers of guiding to

delivering our strategy, and developed a new suite of overarching KPIs and a set of performance indicators for national and local guiding. This new framework will be rolled out in 2017.

WHAT WE WILL ACHIEVE IN 2017

By the end of 2017 we will have done the following:

- Completed a review of Girlguiding's multi-tiered structure and refreshed the KPI framework to remove duplication of effort and clarify the roles and responsibilities of each level of guiding.
- Benchmarked our infrastructure support functions to ensure they are delivering best value for money, including renegotiating or re-tendering our IT system and our finance system.
- Upgraded the membership systems so they are easier to use and reduce the administrative burden on our volunteers.
- Developed a new compliance framework, and refreshed key policies and procedures to make sure we keep girls safe in guiding and deliver excellence across Girlguiding.
- Grown our income through launching a new supporter engagement strategy and upgrading our online shop.



CONCLUSION

For Girlguiding, 2016 has been a year in which we have progressed significantly towards the goals in our five-year strategic plan. Our Key Performance Indicators have enabled us to measure our results against those of 2015 as well as our 2016 targets, and we are delighted to have exceeded our own expectations in so many areas: in particular the positive impact we have on girls, their involvement in social action and the opportunities they have to develop their own guiding programmes. It is encouraging to see evidence of so many girls and young women taking their own decisions, telling us what matters to them and making important change in the wider world; and it is particularly gratifying that such a high proportion of volunteers feel well supported and valued.

While celebrating our successes, we need also to look forward with enthusiasm to the challenges ahead. We are proud of the fantastic opportunities our volunteers make available to so many girls, and we want to be able to offer these opportunities to every girl and woman who wants to join.

Growing our membership and enabling the thousands of girls on our waiting lists to find a place with us remain among our highest priorities, and we will focus our efforts in 2017 to deliver our growth strategy, in particular developing a new youth brand and engagement strategy alongside a targeted marketing campaign to attract new adult volunteers.

We are proud that those who know us are very appreciative of what we do and that we have hugely exceeded our target for the percentage of stakeholders who view us as experts on girls' views. We'll be doing more over the coming year, through our parent and youth engagement strategies, to raise our profile among the general public and ensure more people have positive perceptions of us.

As ever, it is the fun and adventure we offer to girls that remain at the heart of guiding. So as we work towards our strategic goals in 2017, we will be giving girls more opportunities than ever to explore and enjoy the world around them. From weekly meetings to memorable events such as camps, trips and festivals, girls will be learning and having fun together, developing their confidence and surprising themselves with what they can achieve.

Each individual member is on her own personal journey through guiding, facing new challenges and finding new friends as she goes. The trustees of Girlguiding are committed to giving each girl opportunities to enjoy adventures and discover herself and the world around her. Although a Girlguiding board member's experience may seem very different from that of a Rainbow getting ready for her first sleepover, or a young woman preparing for her first adult leadership role, in essence we are all on the same journey together: towards 'Being our Best' in every way that we can. The trustees are proud to support the half-million Girlguiding members looking forward to new adventures as we travel on together into another exciting year.

Val Elliott
Interim Chair of Trustees



EXCELLENCE



ACCESS



VOICE



CAPACITY



STRUCTURAL INFORMATION

GOVERNING DOCUMENT AND CONSTITUTION

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

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

ORGANISATION STRUCTURE

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

The Board of Trustees of the charity

Chief Guide
 Gill Slocombe CBE (until 21.05.16)
 Valerie le Vaillant OBE
 (from 26.05.16 until 09.03.17)

Deputy Chief Guide
 Angela Millin (until 21.05.16)
 Sally Illsley (from 23.06.16)

Treasurer
 Robert Cox

Jaki Booth
 Hilary Cooper (until 31.01.16)
 Maya Dibley
 Val Elliott
 Carole Graham MBE (from 01.02.16)
 Zoe Harris (until 31.07.17)
 Su Hassall
 Helen Humphreys
 Benny Lawrie (until 31.01.17)
 Sue Lomas OBE (until 31.01.16)
 Margaret Mackie (from 01.02.16)
 Rosalyn Old (until 31.07.17)
 Della Salway (from 01.02.16)
 Helen Timbrell (until 04.04.17)

Appointment and induction of trustees

The members of the Board of Trustees are selected and appointed by a Nominations and Governance Committee to ensure a breadth of professional background and experience suitable to direct the affairs of the charity. There are established procedures for the induction of each trustee to ensure that they are aware of the responsibilities of a trustee and the ways of working within the charity. All trustees are required to take part in group trustee training sessions at least once a year and trustees are also invited to attend specialist one-off training sessions on aspects of their role offered by sector training organisations.

The Guide Association's key management personnel

Chief Executive
 Julie Bentley

Deputy Chief Executive and Strategy Director
 Ruth Marvel (from 13.06.16)

Communications Director
 Becky Hewitt (until 27.07.17)

Operations Director

Joanne Hobbs (until 15.11.16)
 Joanne Whitehead (from 16.01.17)

Corporate Resources Director
 Gary Hocking (from 29.03.16)

Interim Strategic Resourcing Director
 Helen Platts (until 29.03.16)

Professional advisers and consultants

The professional advisers and consultants during 2016 have been as follows.

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

Fund managers
 Cazenove Capital Management,
 12 Moorgate, London EC2R 6DA

Auditors
 BDO LLP,
 55 Baker St, London W1U 7EU

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

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

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

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

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

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

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

RAINBOW

'It's really exciting and you get to do different activities. If I were to describe Rainbows, the word would be "fun".'

LEADER

'I've had so many amazing opportunities through Girlguiding. Every girl is so inspiring - girls are the reason that we do all this!'

GUIDE

'I have never had so much fun on the water - paddleboarding, windsurfing, kayaking and sailing all in one camp. The food was good too.'

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 which spearhead the strategic plan for 2015 to 2020 and beyond.

Our vision

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

Our mission

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

Our Promise

Central to Girlguiding is the Promise, the words that every girl and young woman joining the charity use to express their undertaking to be the best that they can be through guiding and to give back to their community

through their involvement in the movement. This is in itself a truly grassroots expression of the charity's public benefit at work.

I promise that I will do my best:

To be true to myself and develop my beliefs,

To serve the Queen and my community,
To help other people
and

To keep the (Browmie) Guide Law.

PUBLIC BENEFIT IN 2016

The pages of this report detail the framework that the trustees have adopted to maximise benefit to Girlguiding's members, their communities and the world beyond. We have referred to the Charity Commission's general guidance on public benefit in setting our strategic plan. In particular, the trustees consider how planned activities will contribute to the aims and objectives we have set.

The Excellence strategic strand aims to maximise the benefit to each individual member in guiding. At the end of 2016, 84% of girls said the charity is making a positive impact on their lives and 93% of young members would recommend guiding to a friend.

The Access strategic strand aims to maximise the number of girls who benefit from the Girlguiding programme. At the end of 2016 more than 12% of girls aged 5 to 13 in the UK were members of Girlguiding.

The Voice strategic strand aims to give our young members the opportunity to be the change in our organisation, in their communities and in the wider world. During 2016, 94% of young members were involved in social action.

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 schedule of delegated authorities:

- Audit and Risk
- Nominations and Governance
- Remuneration
- Operational Board.

VOLUNTEERS

The Association is grateful for the dedication and support of the 110,000 volunteers across all 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

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

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.

We are committed to responsible fundraising practices, are registered with the Fundraising Regulator and have signed up to the fundraising promise which means our fundraising activity will always be respectful, reasonable and accountable.

At Girlguiding we 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 partners is governed by a contract which sets out the obligations of the parties involved. We do not currently conduct any work with professional fundraisers. We strongly believe that no one should ever feel pressured into giving and we will not contact anyone unless they have requested or consented to receiving fundraising communications. Supporters can opt out of receiving fundraising or any other communications at any time and 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 2016 we received two fundraising complaints. We are committed to investigating complaints and resolving them swiftly. If you are not satisfied with your experience we want to hear about it. Your feedback enables us to improve our fundraising service.

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, Divisions, Districts and units are separate charities and are responsible for their own finances.

THE STATEMENT OF FINANCIAL ACTIVITIES (SoFA)

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

Net income for the year amounted to £3,310,921, compared with £18,470,087 in 2015. This includes gains on investments of £2,978,797 (£19,121,869 in 2015).

THE BALANCE SHEET

Tangible fixed assets

The Association holds various tangible fixed assets to support its activities. These are the Headquarters (HQ) building, the Members' Trading Service premises and the national Activity Centres. A total of £1,016,670 was spent on fixed assets in the year comprising £109,577 on fittings and equipment, £509,441 on work to replace our Membership System, £315,412 on our Digital Strategy and £82,240 at our Activity Centres.

Investment policy

The conversion of part of the Headquarters building to an investment property in 2015 provides rental income which will help to cover day-to-day running costs and to fund strategically important revenue and capital projects in the future. The Association also holds financial investments as an important part of our reserves. Professional fund management companies are employed to manage the funds and their performance is reviewed

Designated funds

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

Financial statements for 2016

The annual financial statements for 2016 are annexed to this report and include a report by the Association's auditors, BDO LLP. The financial statements comply with current statutory requirements and with the requirements of the Association's Royal Charter, and were approved by the Board of Trustees at its meeting on 10 June 2017 to be submitted to the Association's Annual General Meeting for adoption.

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

Annual report

This report was approved by the Board of Trustees at its meeting on 10 June 2017 and the Interim Chair of Trustees was authorised to sign the report and the annual financial statements on its behalf.



Val Elliott
Interim Chair of Trustees
10 June 2017

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

	2016	2015
General fund	£'000	£'000
	44,321	41,276
Less: unrestricted fixed assets for The Association's use (note 13)	(7,803)	(7,246)
Less: value of investment property (note 12)	(31,525)	(29,325)
Free reserves	4,993	4,705

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

We have audited the financial statements of The Guide Association for the year ended 31 December 2016 which comprise the consolidated and parent charity statement of financial activities, the consolidated and parent charity balance sheet, the consolidated and parent charity cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION


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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2016 and of the group's and parent charity's income and application of resources, including the 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 requirements of the Charities Act 2011 and Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).



BDO LLP
Statutory Auditor
London, UK

Date: 10 June 2017

BDO LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006. BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2016

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016			2015		
		Unrestricted funds	Restricted funds	Endowed funds	Total funds	Unrestricted funds	Restricted funds
		£	£	£	£	£	£
Income							
Donations, legacies and grants	2	387,193	880,050	-	1,267,243		1,166,911
Charitable activities							
Subscriptions		5,800,670	-	-	5,800,670		5,705,666
Activity Centres		2,867,343	-	-	2,867,343		2,733,805
Events	3	514,425	-	-	514,425		793,906
Publications		56,790	-	-	56,790		132,593
Trading activities	4	7,486,936	-	-	7,486,936		7,864,989
Investments	5	1,536,979	39,052	9,372	1,585,403		309,868
Other	6	394,136	11,780	-	405,916		309,346
Total income		19,044,472	930,882	9,372	19,984,726		19,017,084
Expenditure							
Raising funds	7	5,771,090	-	-	5,771,090		5,637,652
Charitable activities	8	13,080,710	791,846	8,956	13,881,512		14,031,214
Total expenditure		18,851,800	791,846	8,956	19,652,602		19,668,866
Net gains/(losses) on investments	12	2,845,630	106,941	26,226	2,978,797		19,121,869
Net income/(expenditure)		3,038,302	245,977	26,642	3,310,921		18,470,087
Transfers between funds		-	-	-	-		-
Net movement in funds		3,038,302	245,977	26,642	3,310,921		18,470,087
Reconciliation of funds							
Total funds brought forward at 1 January 2016		41,555,379	3,281,095	325,355	45,161,829		26,691,742
Total funds carried forward at 31 December 2016		44,593,681	3,527,072	351,997	48,472,750		45,161,829

All gains and losses recognised in the year are included in the statement of financial activities. All amounts arise from continuing activities. The notes on pages 30 to 47 form part of these accounts.

	Notes	2016			2015		
		Unrestricted funds	Restricted funds	Endowed funds	Total funds	Unrestricted funds	Restricted funds
		£	£	£	£	£	£
Income							
Donations, legacies and grants	2	387,193	880,050	-	1,267,243		1,166,911
Charitable activities							
Subscriptions		5,800,670	-	-	5,800,670		5,705,666
Activity Centres		2,867,343	-	-	2,867,343		2,733,805
Events	3	514,425	-	-	514,425		793,906
Publications		56,790	-	-	56,790		132,593
Trading activities	4	783	-	-	783		9,648
Investments	5	1,656,979	39,052	9,372	1,705,403		378,868
Other	6	296,757	11,780	-	308,537		321,023
Donation from subsidiary		2,297,849	-	-	2,297,849		2,584,848
Total income		13,878,789	930,882	9,372	14,819,043		13,827,268
Expenditure							
Raising funds	7	497,463	-	-	497,463		343,896
Charitable activities	8	13,188,654	791,846	8,956	13,989,456		14,135,154
Total expenditure		13,686,117	791,846	8,956	14,486,919		14,479,050
Net gains/(losses) on investments	12	2,845,630	106,941	26,226	2,978,797		19,121,869
Net income/(expenditure)		3,038,302	245,977	26,642	3,310,921		18,470,087
Transfers between funds		-	-	-	-		-
Net movement in funds		3,038,302	245,977	26,642	3,310,921		18,470,087
Reconciliation of funds							
Total funds brought forward at 1 January 2016		43,055,379	3,281,095	325,355	46,661,829		28,191,742
Total funds carried forward at 31 December 2016		46,093,681	3,527,072	351,997	49,972,750		46,661,829

All gains and losses recognised in the year are included in the statement of financial activities. All amounts arise from continuing activities. The notes on pages 30 to 47 form part of these accounts.

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2016

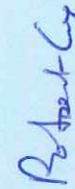
	Notes	2016	2015
		£	£
Fixed assets			
Tangible fixed assets	11	8,920,634	8,319,064
Investments	12	40,268,157	37,953,327
		49,188,791	46,272,391
Current assets			
Stocks	14	810,638	761,101
Debtors	15	1,229,270	1,487,366
Cash at bank and in hand		2,718,456	2,399,420
		4,758,364	4,647,887
Current liabilities			
Creditors due within one year	17	(3,665,375)	(3,409,090)
Net current assets/(liabilities)		1,092,989	1,238,797
Long-term liabilities			
Creditors due after one year	18	(1,425,000)	(1,900,000)
Provisions for liabilities and charges	19	(384,030)	(449,359)
		48,472,750	45,161,829
Net assets			
Unrestricted funds	20	44,321,469	41,276,619
<i>General funds</i>			
<i>Designated funds</i>		272,212	278,760
Activity Centre buildings fund		44,593,681	41,555,379
Restricted funds			
Endowed funds	21	3,527,072	3,281,095
Total funds	21	48,472,750	45,161,829

Approved and authorised for issue by the Board of Trustees on 10 June 2017, and signed on their behalf by:



VAL ELLIOTT - Interim Chair of Trustees

The notes on pages 30 to 47 form part of these accounts.



ROBERT COX - Honorary Treasurer

CHARITY BALANCE SHEET AS AT 31 DECEMBER 2016

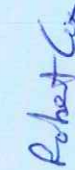
	Notes	2016	2015
		£	£
Fixed assets			
Tangible fixed assets	11	8,920,634	8,319,064
Investments	12	41,918,157	39,603,327
		50,838,791	47,922,391
Current assets			
Stocks	14	53,176	64,456
Debtors	15	1,697,904	1,211,867
Cash at bank and in hand		1,852,102	1,862,258
		3,603,182	3,138,581
Current liabilities			
Creditors due within one year	17	(3,410,193)	(3,299,784)
Net current assets/(liabilities)		192,989	(161,203)
Long-term debtors			
Long-term loan due from subsidiary	16	750,000	1,250,000
Long-term liabilities			
Creditors due after one year	18	(1,425,000)	(1,900,000)
Provisions for liabilities and charges	19	(384,030)	(449,359)
		49,972,750	46,661,829
Net assets			
Unrestricted funds	20	45,821,469	42,776,619
<i>General funds</i>			
<i>Designated funds</i>		272,212	278,760
Activity Centre buildings fund		46,093,681	43,055,379
Restricted funds			
Endowed funds	21	3,527,072	3,281,095
Total funds	21	49,972,750	46,661,829

Approved and authorised for issue by the Board of Trustees on 10 June 2017, and signed on their behalf by:



VAL ELLIOTT - Interim Chair of Trustees

The notes on pages 30 to 47 form part of these accounts.



ROBERT COX - Honorary Treasurer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

	2016		2015	
	£	£	£	£
Cash flows from operating activities				
Net cash provided by (used in) operating activities (1)	(913,664)	276,295		
Cash flows from investing activities				
Investment income and interest received	1,585,403	309,868		
Payments to acquire tangible fixed assets	(1,016,670)	(9,538,090)		
Purchase of fixed asset investments	(643,072)	(1,398,537)		
Sale of fixed asset investments	1,651,727	2,478,500		
	1,577,388	(8,148,259)		
Cash flows from financing activities				
Increase in cash held for investment	(344,688)	(163,078)		
Transfers from short-term bank deposits	-	5,000,000		
Loan repayments received	-	3,000		
	(344,688)	4,839,922		
Change in cash and cash equivalents in the year (2)	319,036	(3,032,042)		

NOTES TO THE CASH FLOW STATEMENT

	2016		2015	
	£	£	£	£
1. Reconciliation of net income/expenditure to net cash flow from operating activities				
Net income/expenditure for the year (as per the SoFA)	3,310,921	18,470,087		
Adjustments for:				
(Gains)/losses on investments	(2,978,797)	(19,121,869)		
Investment income	(1,585,403)	(309,868)		
Depreciation charges	415,100	751,358		
Loss on disposal of tangible fixed assets	-	182,618		
(Increase)/decrease in stocks	(49,537)	(8,041)		
(Increase)/decrease in debtors	258,096	(196,288)		
Increase/(decrease) in creditors and provisions	(284,044)	508,298		
	(4,224,585)	(18,193,792)		
Net cash provided by (used in) operating activities	(913,664)	276,295		

	2016		2015		2014	
	£	£	£	£	£	£
2. Analysis of the balances of cash as shown in the balance sheet						
Cash at bank and in hand	2,718,456	319,036	2,399,420	(3,032,042)	5,431,462	

CHARITY CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

	2016		2015	
	£	£	£	£
Cash flows from operating activities				
Net cash provided by (used in) operating activities (1)	(1,362,856)	1,604,041		
Cash flows from investing activities				
Investment income and interest received	1,705,403	309,868		
Payments to acquire tangible fixed assets	(1,016,670)	(9,538,090)		
Purchase of fixed asset investments	(643,072)	(1,398,537)		
Sale of fixed asset investments	1,651,727	2,478,500		
	1,697,388	(8,148,259)		
Cash flows from financing activities				
Increase in cash held for investment	(344,688)	(163,078)		
Transfers from short-term bank deposits	-	5,000,000		
Loan repayments received	-	3,000		
	(344,688)	4,839,922		
Change in cash and cash equivalents in the year (2)	(10,156)	(1,704,296)		

NOTES TO THE CASH FLOW STATEMENT

	2016		2015	
	£	£	£	£
1. Reconciliation of net income/expenditure to net cash flow from operating activities				
Net income/expenditure for the year (as per the SoFA)	3,310,921	18,470,087		
Adjustments for:				
(Gains)/losses on investments	(2,978,797)	(19,121,869)		
Investment income	(1,705,403)	(309,868)		
Depreciation charges	415,100	751,358		
Loss on disposal of tangible fixed assets	-	182,618		
(Increase)/decrease in stocks	11,280	(3,462)		
(Increase)/decrease in debtors	13,963	1,049,288		
Increase/(decrease) in creditors and provisions	(429,920)	585,889		
	(4,673,777)	(16,866,046)		
Net cash provided by (used in) operating activities	(1,362,856)	1,604,041		

	2016		2015		2014	
	£	£	£	£	£	£
2. Analysis of the balances of cash as shown in the balance sheet						
Cash at bank and in hand	1,852,102	(10,156)	1,862,258	(1,704,296)	3,566,554	

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.

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

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

(b) Basis of consolidation

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

(c) Fund accounting - unrestricted funds

The Association's unrestricted funds consist of funds which may be used for its purposes at its discretion. These comprise the General Fund and the designated Activity Centre buildings fund. 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 and endowed funds

The Association's trust and special funds consist of a number of different funds where the donor has imposed restrictions on their use which are legally binding. The accounting records separate those restricted funds from the unrestricted funds of the Association, and also distinguish between those funds from which the capital is expendable (restricted funds) and those where the capital must be maintained (permanently endowed funds). A schedule of the movements on the various funds during the year is set out in note 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 accounted for when receivable from units at the end of February/early March
- grants are accounted for once a formal offer of funding is received, subject to satisfying any performance-related conditions. In the event that a grant is subject to conditions that require a level of performance before the Association is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Association and it is probable that those conditions will be fulfilled in the reporting period
- legacies are accounted for when probate has been granted and the executor has advised the legacy will be payable.

(f) Basis of allocation or apportionment of expenditure

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

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

(g) Investments

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

(h) Depreciation

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

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

(i) Stocks

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

(j) Debtors

Debtors are measured at their recoverable amounts.

(k) Creditors

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

(l) Self-insured claims provision

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

(m) Pensions

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

(n) Operating leases

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

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2016

(p) Heritage assets

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

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

	Unrestricted funds		Restricted funds		Endowed funds		Total 2016		Total 2015	
	£	£	£	£	£	£	£	£	£	£
2. DONATIONS, LEGACIES AND GRANTS										
CONSOLIDATED AND CHARITY										
Individual donations	47,268	-	140,606	-	-	-	187,874	-	102,712	-
Legacies and in memorial donations	95,399	-	7,052	-	-	-	102,451	-	94,017	-
Trusts and foundations	244,570	-	298,445	-	-	-	543,015	-	319,875	-
Grants	(44)	-	433,947	-	-	-	433,903	-	650,307	-
	387,193	-	880,050	-	-	-	1,267,243	-	1,166,911	-

Table 1
Analysis of 2015 donations, legacies and grants by fund

	Unrestricted funds		Restricted funds		Endowed funds		Total 2015	
	£	£	£	£	£	£	£	£
CONSOLIDATED AND CHARITY								
Individual donations	11,199	-	91,513	-	-	-	102,712	-
Legacies and in memorial donations	61,447	-	32,570	-	-	-	94,017	-
Trusts and foundations	196,042	-	123,833	-	-	-	319,875	-
Grants	17,415	-	632,892	-	-	-	650,307	-
	286,103	-	880,808	-	-	-	1,166,911	-

Girlguiding would like to thank the following for their generous support of the charity in 2016.

- The trusts and foundations which supported our work with girls and young women across the UK, including players of the People's Postcode Lottery, the Pears Foundation, the Esmée Fairbairn Foundation, the Bernard Sunley Charitable Foundation, the Dudley and Geoffrey Cox Charitable Trust and Rosa.
- HM Government for funding our youth programme via the Tampon Tax Fund.
- Our corporate partners who helped us to empower more girls to reach their full potential including Tesco, PGL Travel Ltd, Pets at Home Group Plc, Cotswold Outdoor, SGN and Rolls-Royce.
- The supporters who generously left a gift to Girlguiding in their will.
- The families and friends who gave gifts in memory of lifelong supporters.
- The runners, the trekkers, the cyclists and the bakers who gave their time and energy to raise money for Girlguiding.
- Our generous and loyal supporters who have kindly given donations.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2016

3. EVENTS INCOME	Unrestricted funds		Restricted funds		Endowed funds		Total 2016		Total 2015	
	£	£	£	£	£	£	£	£	£	£
CONSOLIDATED AND CHARITY										
BIG GIG	341,255	-	-	-	-	-	341,255	-	654,707	-
Community events	52,993	-	-	-	-	-	52,993	-	135,659	-
Other charity events	120,177	-	-	-	-	-	120,177	-	3,540	-
	514,425	-	-	-	-	-	514,425	-	793,906	-

Table 2
Analysis of 2015 events income by fund

	Unrestricted funds		Restricted funds		Endowed funds		Total 2015	
	£	£	£	£	£	£	£	£
CONSOLIDATED AND CHARITY								
BIG GIG	654,707	-	-	-	-	-	654,707	-
Community events	135,659	-	-	-	-	-	135,659	-
Other charity events	3,540	-	-	-	-	-	3,540	-
	793,906	-	-	-	-	-	793,906	-

4. MEMBERS' TRADING INCOME

	Unrestricted funds		Restricted funds		Endowed funds		Total 2016		Total 2015	
	£	£	£	£	£	£	£	£	£	£
CONSOLIDATED										
Members' Trading Service	7,056,859	-	-	-	-	-	7,056,859	-	7,439,791	-
Licence fees and royalties	430,077	-	-	-	-	-	430,077	-	425,198	-
	7,486,936	-	-	-	-	-	7,486,936	-	7,864,989	-
CHARITY										
Licence fees and royalties	783	-	-	-	-	-	783	-	9,648	-
	783	-	-	-	-	-	783	-	9,648	-

Table 3
Analysis of 2015 members' trading income by fund

	Unrestricted funds		Restricted funds		Endowed funds		Total 2015	
	£	£	£	£	£	£	£	£
CONSOLIDATED								
Members' Trading Service	7,439,791	-	-	-	-	-	7,439,791	-
Licence fees and royalties	425,198	-	-	-	-	-	425,198	-
	7,864,989	-	-	-	-	-	7,864,989	-
CHARITY								
Licence fees and royalties	9,648	-	-	-	-	-	9,648	-
	9,648	-	-	-	-	-	9,648	-

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2016

5. INVESTMENT INCOME	Unrestricted funds		Restricted funds		Endowed funds		Total 2016		Total 2015	
	£	£	£	£	£	£	£	£	£	£
CONSOLIDATED LISTED INVESTMENTS										
UK bonds and cash	26,418	5,283	1,180	32,881	1,180	32,881	57,989			
UK equities	100,605	20,678	5,090	126,373	5,090	126,373	157,424			
Property	41,590	6,201	1,527	49,318	1,527	49,318	39,171			
Absolute Return funds	7,026	1,010	249	8,285	249	8,285	7,177			
Overseas equities	26,512	3,365	828	30,705	828	30,705	27,053			
Overseas bonds	6,727	2,013	495	9,235	495	9,235	4,744			
Interest on cash deposits	-	503	3	506	3	506	16,310			
	208,878	39,053	9,372	257,303	9,372	257,303	309,868			
INVESTMENT PROPERTY										
Rental income	1,328,100	-	-	1,328,100	-	1,328,100	-			
	1,536,978	39,053	9,372	1,585,403	9,372	1,585,403	309,868			

Table 4 Analysis of 2015 investment income by fund	Unrestricted funds		Restricted funds		Endowed funds		Total 2015		
	£	£	£	£	£	£	£	£	
CONSOLIDATED LISTED INVESTMENTS									
UK bonds and cash	42,633	12,467	2,889	57,989	2,889	57,989			
UK equities	113,028	35,862	8,534	157,424	8,534	157,424			
Property	32,621	5,291	1,259	39,171	1,259	39,171			
Absolute Return funds	6,097	872	208	7,177	208	7,177			
Overseas equities	27,053	-	-	27,053	-	27,053			
Overseas bonds	4,037	571	136	4,744	136	4,744			
Interest on cash deposits	14,225	2,047	38	16,310	38	16,310			
	239,694	57,110	13,064	309,868	13,064	309,868			
INVESTMENT PROPERTY									
Rental income	-	-	-	-	-	-	-		
	239,694	57,110	13,064	309,868					

Table 5 Analysis of 2015 investment income by fund	Unrestricted funds		Restricted funds		Endowed funds		Total 2015	
	£	£	£	£	£	£	£	£
CHARITY LISTED INVESTMENTS								
UK bonds and cash	26,418	5,283	1,180	32,881	1,180	32,881	57,989	
UK equities	100,605	20,678	5,090	126,373	5,090	126,373	157,424	
Property	41,590	6,201	1,527	49,318	1,527	49,318	39,171	
Absolute Return funds	7,026	1,010	249	8,285	249	8,285	7,177	
Overseas equities	26,512	3,365	828	30,705	828	30,705	27,053	
Overseas bonds	6,727	2,013	495	9,235	495	9,235	4,744	
Interest on cash deposits	-	503	3	506	3	506	16,310	
	208,878	39,053	9,372	257,303	9,372	257,303	309,868	
INVESTMENT PROPERTY								
Rental income	1,448,100	-	-	1,448,100	-	1,448,100	69,000	
	1,656,978	39,053	9,372	1,705,403	9,372	1,705,403	378,868	

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2016

Table 5 Analysis of 2015 investment income by fund	Unrestricted funds		Restricted funds		Endowed funds		Total 2015	
	£	£	£	£	£	£	£	£
CHARITY LISTED INVESTMENTS								
UK bonds and cash	42,633	12,467	2,889	57,989	2,889	57,989		
UK equities	113,028	35,862	8,534	157,424	8,534	157,424		
Property	32,621	5,291	1,259	39,171	1,259	39,171		
Absolute Return funds	6,097	872	208	7,177	208	7,177		
Overseas equities	27,053	-	-	27,053	-	27,053		
Overseas bonds	4,037	571	136	4,744	136	4,744		
Interest on cash deposits	14,225	2,047	38	16,310	38	16,310		
	239,694	57,110	13,064	309,868	13,064	309,868		
INVESTMENT PROPERTY								
Rental income	69,000	-	-	69,000	-	69,000		
	308,694	57,110	13,064	378,868				

6. OTHER INCOME	Unrestricted funds		Restricted funds		Endowed funds		Total 2015	
	£	£	£	£	£	£	£	£
CONSOLIDATED								
Corporate sponsorship	312,163	-	-	312,163	-	312,163	229,163	
International trips sponsorship	71,760	-	-	71,760	-	71,760	70,013	
Other	10,213	11,780	-	21,993	-	21,993	10,170	
	394,136	11,780	-	405,916	-	405,916	309,346	
CHARITY								
Corporate sponsorship	207,163	-	-	207,163	-	207,163	229,163	
International trips sponsorship	71,760	-	-	71,760	-	71,760	70,013	
Other	17,834	11,780	-	29,614	-	29,614	21,847	
	296,757	11,780	-	308,537	-	308,537	321,023	

Table 6 Analysis of 2015 other income by fund	Unrestricted funds		Restricted funds		Endowed funds		Total 2015	
	£	£	£	£	£	£	£	£
CONSOLIDATED								
Corporate sponsorship	229,163	-	-	229,163	-	229,163		
International trips sponsorship	70,013	-	-	70,013	-	70,013		
Other	-	10,170	-	10,170	-	10,170		
	299,176	10,170	-	309,346	-	309,346		
CHARITY								
Corporate sponsorship	229,163	-	-	229,163	-	229,163		
International trips sponsorship	70,013	-	-	70,013	-	70,013		
Other	11,677	10,170	-	21,847	-	21,847		
	310,853	10,170	-	321,023	-	321,023		

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2016

7. COST OF GENERATING FUNDS

	Staff costs		Other direct costs		Support costs		Total 2016		Total 2015	
	£	£	£	£	£	£	£	£	£	£
CONSOLIDATED										
Seeking donations, grants and legacies	326,315	151,148	-	477,463	-	-	477,463	-	-	323,896
Operating costs of trading company	1,012,665	3,543,641	717,321	5,273,627	717,321	-	5,273,627	717,321	-	5,293,756
Investment management costs	-	20,000	-	20,000	-	-	20,000	-	-	20,000
Total	1,338,980	3,714,789	717,321	5,771,090	717,321	5,771,090	5,637,652			
CHARITY										
Seeking donations, grants and legacies	326,315	151,148	-	477,463	-	-	477,463	-	-	323,896
Investment management costs	-	20,000	-	20,000	-	-	20,000	-	-	20,000
Total	326,315	171,148	-	497,463	-	497,463	343,896			

8. CHARITABLE EXPENDITURE

	Staff costs		Other direct costs		Support costs		Total 2016		Total 2015 restated	
	£	£	£	£	£	£	£	£	£	£
CONSOLIDATED										
Excellence	1,928,662	2,130,483	982,184	5,041,329	982,184	-	5,041,329	-	-	5,010,496
Capacity	1,275,150	1,066,767	646,688	2,988,605	646,688	-	2,988,605	-	-	3,390,143
Access	1,881,119	1,465,381	646,688	3,993,188	646,688	-	3,993,188	-	-	3,807,638
Voice	830,018	381,738	646,634	1,858,390	646,634	-	1,858,390	-	-	1,822,937
Total	5,914,949	5,044,369	2,922,194	13,881,512	2,922,194	13,881,512	14,031,214			
CHARITY										
Excellence	1,928,662	2,177,011	982,184	5,087,857	982,184	-	5,087,857	-	-	5,054,550
Capacity	1,275,150	1,084,676	646,688	3,006,514	646,688	-	3,006,514	-	-	3,436,941
Access	1,881,119	1,507,655	646,688	4,035,462	646,688	-	4,035,462	-	-	3,818,859
Voice	830,018	382,971	646,634	1,859,623	646,634	-	1,859,623	-	-	1,824,804
Total	5,914,949	5,152,313	2,922,194	13,989,456	2,922,194	13,989,456	14,135,154			

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2016

9. ANALYSIS OF SUPPORT COSTS

	Charitable expenditure		Trading operation		Total	
	£	£	£	£	£	£
CONSOLIDATED						
Governance	96,388	11,400	11,400	-	107,788	83,838
Finance and legal	985,503	84,866	84,866	-	1,070,369	1,679,755
Insurance	335,496	24,813	24,813	-	360,309	398,266
Property management	243,336	291,825	291,825	-	535,161	324,756
Catalogues	-	213,171	213,171	-	213,171	216,900
Information technology	1,086,303	91,246	91,246	-	1,177,549	1,181,010
Human resources	175,168	-	-	-	175,168	159,772
Total	2,922,194	717,321	717,321	-	3,639,515	4,044,297
CHARITY						
Governance	96,388	-	-	-	96,388	73,388
Finance	985,503	-	-	-	985,503	1,565,079
Insurance	335,496	-	-	-	335,496	372,498
Property management	243,336	-	-	-	243,336	88,697
Information technology	1,086,303	-	-	-	1,086,303	1,162,116
Human resources	175,168	-	-	-	175,168	159,772
Total	2,922,194	-	-	-	2,922,194	3,421,550

Finance costs include £47,125 of auditor's remuneration (2015: £60,717), of which costs of £28,950 are in respect of audit services (2015: £32,100).

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2016

10. STAFF NUMBERS AND REMUNERATION

	2016 Total staff costs	2015 Total staff costs
	£	£
Gross salaries and wages	6,422,878	5,704,379
Employer's national insurance	550,812	510,081
Employer's pension contribution	280,239	267,546
	7,253,929	6,482,006
Average number of employees in the year, calculated on a headcount basis	No.	No.
	2016	2015
Excellence	96	78
Capacity	26	29
Access	108	106
Voice	32	30
	262	243
Number of employees whose emoluments exceeded £60,000 in the year	2016	2015
£60,001 - £70,000	4	5
£70,001 - £80,000	-	1
£100,001 - £110,000	1	1

The highest paid employee was Julie Bentley, Chief Executive Officer, whose emoluments were a salary of £99,784 and pension contribution of £9,975 (2015: £97,512 salary, £9,751 pension). Emoluments for other key management personnel of the Association (as shown on page 18) totalled £260,040 (2015: £239,308), which included pension contributions of £11,979 (2015: £12,082).

Members of the Board of Trustees are not remunerated. Expenses reimbursed in the year for travel and out-of-pocket expenses amounted to £18,222 to 15 members (2015: £14,187 to 16 members).

The Association owns a long-leasehold flat, which is available for the use of the Chief Guide during her term of office. The Association pays the service and utility costs of the flat, which totalled £7,824 in the year (2015: £5,840).

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2016

11. TANGIBLE FIXED ASSETS

CONSOLIDATED AND CHARITY	Freehold land and buildings	Long-leasehold property	Assets under construction	Equipment, fittings and vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2016	10,405,687	129,318	146,515	5,889,639	16,571,159
Additions	-	-	839,853	176,817	1,016,670
Disposals	-	-	-	(34,502)	(34,502)
Transfer between categories	-	-	(476,927)	476,927	-
At 31 December 2016	10,405,687	129,318	509,441	6,508,881	17,553,327
Accumulated depreciation					
At 1 January 2016	2,967,821	69,163	-	5,215,111	8,252,095
Provision for the year	213,176	1,675	-	200,249	415,100
Disposals	-	-	-	(34,502)	(34,502)
At 31 December 2016	3,180,997	70,838	-	5,380,858	8,632,693
Net book value at 31 December 2016	7,224,690	58,480	509,441	1,128,023	8,920,634
Net book value at 31 December 2015	7,437,866	60,155	146,515	674,528	8,319,064

All assets are used for direct charitable purposes.

12. INVESTMENTS

CONSOLIDATED	Unrestricted funds	Restricted funds	Endowed funds	Total 2016	Total 2015
	£	£	£	£	£
Listed investments					
Market value at 1 January 2016	6,713,889	1,224,639	298,688	8,237,216	9,357,656
Acquisitions at cost	310,114	143,212	40,848	494,174	1,398,537
Disposals	(1,294,135)	(286,530)	(71,062)	(1,651,727)	(2,478,500)
Net gain/(loss) on revaluation of investments	786,646	105,750	26,226	918,622	(40,477)
Realised proceeds on redemption	7,882	1,191	-	9,073	-
Market value at 31 December 2016	6,524,396	1,188,262	294,700	8,007,358	8,237,216
Cash held for investment	531,250	172,091	32,458	735,799	391,111
Portfolio value at 31 December 2016	7,055,646	1,360,353	327,158	8,743,157	8,628,327
Historical cost at 31 December 2016	5,944,474	998,348	247,599	7,190,421	8,418,840

Most of the listed investments of the Association are held in pooled managed funds. Investments in pooled managed funds that exceed 5% of the total market value are as follows: The Equity Income Trust for Charities - value £2,083,360 (2015: £2,669,876), Fidelity Global Dividend Fund - value £451,353 (2015: £0), M&G Global Dividend Fund - value £491,899 (2015: £361,703), Threadneedle Property Unit Trust - value £405,932 (2015: £413,064) and Trojan Investment Funds - value £507,063 (2015: £453,543).

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2016

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

	Unrestricted funds	Restricted funds	Endowed funds	Total 2016	Total 2015
UK bonds and cash	1,074,484	270,235	56,799	1,401,518	1,034,160
UK equities	2,585,175	512,680	127,149	3,225,004	3,402,848
Absolute Return funds	584,054	129,162	32,033	745,249	759,789
Property	750,590	124,089	30,776	905,455	897,714
Overseas bonds	264,331	77,213	19,149	360,693	439,924
Overseas equities	1,797,012	246,974	61,252	2,105,238	2,093,892
Total	7,055,646	1,360,353	327,158	8,743,157	8,628,327

	Unrestricted funds	Restricted funds	Endowed funds	Total 2016	Total 2015
Unlisted investment property	£	£	£	£	£
Market value at 1 January 2016	29,325,000	-	-	29,325,000	-
Acquisitions at cost	148,898	-	-	148,898	10,162,654
Disposal proceeds	-	-	-	-	-
Net gain on revaluation of investment property	2,051,102	-	-	2,051,102	19,162,346
Market value at 31 December 2016	31,525,000	-	-	31,525,000	29,325,000
Total value of investments	38,580,646	1,360,353	327,158	40,268,157	37,953,327

The freehold investment property comprising Nadler Hotel was valued as at 31 December 2016 by an external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuations were prepared in accordance with the requirements of the RICS Valuation - Professional Standards: January 2014 (updated December 2014), the international Valuation Standards and the financial reporting standard applicable in the UK and Republic of Ireland (FRS102). The valuation of this property was on the basis of Fair Value, equated to Market Value, on the assumption of an investment. It was principally derived using the Profits and Investment Methods of Valuation.

	Unrestricted funds	Restricted funds	Endowed funds	Total 2016	Total 2015
CHARITY	£	£	£	£	£
Listed investments	6,713,889	1,224,639	298,688	8,237,216	9,357,656
Market value at 1 January 2016	310,114	143,212	40,848	494,174	1,398,537
Acquisitions at cost	(1,294,135)	(286,530)	(71,062)	(1,651,727)	(2,478,500)
Disposal proceeds	786,646	105,750	26,226	918,622	(40,477)
Net gain/(loss) on revaluation of investments	7,882	1,191	-	9,073	-
Realised proceeds on redemption	6,524,396	1,188,262	294,700	8,007,358	8,237,216
Market value at 31 December 2016	531,250	172,091	32,458	735,799	391,111
Cash held for investment	7,055,646	1,360,353	327,158	8,743,157	8,628,327
Portfolio value at 31 December 2016	5,944,474	998,348	247,599	7,190,421	8,418,840
Historical cost at 31 December 2016					

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2016

	Unrestricted funds	Restricted funds	Endowed funds	Total 2016	Total 2015
UK bonds and cash	1,074,484	270,235	56,799	1,401,518	1,034,160
UK equities	2,585,175	512,680	127,149	3,225,004	3,402,848
Absolute Return funds	584,054	129,162	32,033	745,249	759,789
Property	750,590	124,089	30,776	905,455	897,714
Overseas bonds	264,331	77,213	19,149	360,693	439,924
Overseas equities	1,797,012	246,974	61,252	2,105,238	2,093,892
Total	7,055,646	1,360,353	327,158	8,743,157	8,628,327

	Unrestricted funds	Restricted funds	Endowed funds	Total 2016	Total 2015
Unlisted investment property	£	£	£	£	£
Market value at 1 January 2016	30,825,000	-	-	30,825,000	1,500,000
Acquisitions at cost	148,898	-	-	148,898	-
Disposal proceeds	-	-	-	-	-
Net gain on revaluation of investment property	2,051,102	-	-	2,051,102	-
Market value at 31 December 2016	33,025,000	-	-	33,025,000	1,500,000
Total value of investments	40,080,646	1,360,353	327,158	41,768,157	10,128,327

The charity investment property includes the Broadheath freehold property which is leased to the Trading Subsidiary. Investments held by the charity include an additional £150,000 (2015: £150,000) investment in the Association's subsidiary company (note 24).

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2016

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS	Tangible fixed assets		Investments		Assets		Liabilities		Total 2015 [see Table 7]	
	£	£	£	£	£	£	£	£	£	£
Endowed funds	-	-	-	-	-	-	-	-	-	-
Country and Region funds	-	220,688	6,317	-	227,005	-	-	211,823	-	-
HQ funds	-	106,470	18,522	-	124,992	-	-	113,532	-	-
Total endowed funds	-	327,158	24,839	-	351,997	-	-	325,355	-	-
Restricted funds	-	-	-	-	-	-	-	-	-	-
Country and Region funds	-	1,051,411	30,151	-	1,081,562	-	-	1,009,173	-	-
HQ funds	-	122,974	810,541	(26,224)	907,291	(7,500)	-	707,726	-	-
Activity Centre funds	1,117,372	184,413	241,060	(7,500)	1,535,345	(7,500)	-	1,561,493	-	-
Other funds	-	1,555	1,319	-	2,874	-	-	2,703	-	-
Total restricted funds	1,117,372	1,360,353	1,083,071	(33,724)	3,527,072	(33,724)	-	3,281,095	-	-
Unrestricted funds	-	-	-	-	-	-	-	-	-	-
General fund	7,803,262	38,580,646	3,378,242	(5,440,681)	44,321,469	(5,440,681)	-	41,276,619	-	-
Activity Centre buildings fund	-	-	272,212	-	272,212	-	-	278,760	-	-
Total unrestricted funds	7,803,262	38,580,646	3,650,454	(5,440,681)	44,593,681	(5,440,681)	-	41,555,379	-	-
Total funds	8,920,634	40,268,157	4,758,364	(5,474,405)	48,472,750	(5,474,405)	-	45,161,829	-	-

Table 7
Analysis of 2015 net assets by fund

Endowed funds	Tangible fixed assets		Investments		Assets		Liabilities		Total 2015	
	£	£	£	£	£	£	£	£	£	£
Country and Region funds	-	202,997	8,826	-	211,823	-	-	-	211,823	-
HQ funds	-	97,935	15,597	-	113,532	-	-	-	113,532	-
Total endowed funds	-	300,932	24,423	-	325,355	-	-	-	325,355	-
Restricted funds	-	-	-	-	-	-	-	-	-	-
Country and Region funds	-	967,123	42,050	-	1,009,173	-	-	-	1,009,173	-
HQ funds	-	133,568	583,670	(9,512)	707,726	(9,512)	-	-	707,726	-
Activity Centre funds	1,072,633	172,933	316,753	(826)	1,561,493	(826)	-	-	1,561,493	-
Other funds	-	1,431	1,272	-	2,703	-	-	-	2,703	-
Total restricted funds	1,072,633	1,275,055	943,745	(10,338)	3,281,095	(10,338)	-	-	3,281,095	-
Unrestricted funds	-	-	-	-	-	-	-	-	-	-
General fund	7,246,431	36,377,340	3,400,959	(5,748,111)	41,276,619	(5,748,111)	-	-	41,276,619	-
Activity Centre buildings fund	-	-	278,760	-	278,760	-	-	-	278,760	-
Total unrestricted funds	7,246,431	36,377,340	3,679,719	(5,748,111)	41,555,379	(5,748,111)	-	-	41,555,379	-
Total funds	8,319,064	37,953,327	4,647,887	(5,758,449)	45,161,829	(5,758,449)	-	-	45,161,829	-

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2016

14. STOCKS	Unrestricted funds	Restricted funds	Endowed funds	Total 2016	Total 2015
	£	£	£	£	£
CONSOLIDATED					
Stocks for resale	791,477	-	-	791,477	741,181
Consumable stocks	19,161	-	-	19,161	19,920
	810,638	-	-	810,638	761,101
CHARITY					
Stocks for resale	34,015	-	-	34,015	44,536
Consumable stocks	19,161	-	-	19,161	19,920
	53,176	-	-	53,176	64,456

15. DEBTORS DUE WITHIN ONE YEAR	Unrestricted funds	Restricted funds	Endowed funds	Total 2016	Total 2015
	£	£	£	£	£
CONSOLIDATED					
Trade debtors	460,174	-	-	460,174	498,878
Other debtors	40,483	271,821	-	312,304	85,020
Prepayments and accrued income	456,792	-	-	456,792	607,609
VAT	-	-	-	-	295,859
	957,449	271,821	-	1,229,270	1,487,366
CHARITY					
Trade debtors	167,101	-	-	167,101	181,151
Amounts due from subsidiary*	791,358	-	-	791,358	43,475
Other debtors	40,483	271,821	-	312,304	85,020
Prepayments and accrued income	427,141	-	-	427,141	606,362
VAT	-	-	-	-	295,859
	1,426,083	271,821	-	1,697,904	1,211,867

* Amount due from the wholly owned subsidiary being the balance of the 2016 donation.

16. DEBTORS DUE AFTER ONE YEAR	Unrestricted funds	Restricted funds	Endowed funds	Total 2016	Total 2015
	£	£	£	£	£
CHARITY					
Amounts due from subsidiary*	750,000	-	-	750,000	1,250,000
	750,000	-	-	750,000	1,250,000

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

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2016

17. CREDITORS DUE WITHIN ONE YEAR	Unrestricted funds		Restricted funds		Endowed funds		Total 2016		Total 2015	
	£	£	£	£	£	£	£	£	£	£
CONSOLIDATED										
Trade creditors	1,060,051	-	-	-	-	-	1,060,051	-	-	545,704
Deferred income (see note 17a)	1,002,559	-	-	-	-	-	1,002,559	-	-	398,993
Accruals and other creditors	1,313,552	33,724	-	-	-	-	1,347,276	-	-	2,224,906
Income tax and national insurance	172,490	-	-	-	-	-	172,490	-	-	239,487
VAT	82,999	-	-	-	-	-	82,999	-	-	-
	3,631,651	33,724	-	-	-	-	3,665,375	-	-	3,409,090
CHARITY										
Trade creditors	1,003,940	-	-	-	-	-	1,003,940	-	-	494,027
Deferred income (see note 17a)	1,002,559	-	-	-	-	-	1,002,559	-	-	398,993
Accruals and other creditors	1,137,454	33,724	-	-	-	-	1,171,178	-	-	2,167,038
Income tax and national insurance	172,490	-	-	-	-	-	172,490	-	-	239,487
Amounts due to subsidiary	2,027	-	-	-	-	-	2,027	-	-	239
VAT	57,999	-	-	-	-	-	57,999	-	-	-
	3,376,469	33,724	-	-	-	-	3,410,193	-	-	3,299,784

Trade creditors includes £9,896 of pension contributions payable to Scottish Widows (2015: 9,244).

17a. ANALYSIS OF MOVEMENT IN DEFERRED INCOME	Balance 1 January 2016		Income released in current year		Income deferred in current year		Balance 31 December 2016	
	£	£	£	£	£	£	£	£
CONSOLIDATED AND CHARITY								
Deferred income	398,993	(1,590,082)	2,193,648	-	-	-	1,002,559	-

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2016

18. CREDITORS DUE AFTER ONE YEAR	Unrestricted funds		Restricted funds		Endowed funds		Total 2016		Total 2015	
	£	£	£	£	£	£	£	£	£	£
CONSOLIDATED AND CHARITY										
Accruals and other creditors	1,425,000	-	-	-	-	-	1,425,000	-	-	1,900,000
	1,425,000	-	-	-	-	-	1,425,000	-	-	1,900,000

19. PROVISIONS FOR LIABILITIES AND CHARGES	Balance 1 January 2016		Paid during the year		Provision in the year		Balance 31 December 2016	
	£	£	£	£	£	£	£	£
CONSOLIDATED AND CHARITY								
Self-insured claims provision	449,359	-	-	-	(65,329)	-	384,030	-

20. UNRESTRICTED FUNDS	Balance 1 January 2016		Transfers of expenditure		Designation to/from General fund		Net income/ investment gains		Balance 31 December 2016	
	£	£	£	£	£	£	£	£	£	£
CONSOLIDATED										
General fund	41,276,619	6,548	-	-	-	-	3,038,302	-	44,321,469	-
Activity Centre buildings fund	278,760	(6,548)	-	-	-	-	-	-	272,212	-
	41,555,379	-	-	-	-	-	3,038,302	-	44,593,681	-

CHARITY

For the charity, the General fund includes the Broadhead investment property valued at £1,500,000.

Activity Centre buildings fund

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

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2016

21. MOVEMENT IN ENDOWED AND RESTRICTED FUNDS

	Balance 1 January 2016		Transfers 2016		Income 2016		Expenditure 2016		Net investment gains (losses)		Balance 31 December 2016	
	£	£	£	£	£	£	£	£	£	£	£	£
CONSOLIDATED AND CHARITY												
Endowed funds	211,823	-	-	-	6,317	(8,826)	17,691	227,005				
Support for Countries and Regions	113,532	-	-	-	3,055	(130)	8,535	124,992				
Support for UK guiding	325,355	-	-	-	9,372	(8,956)	26,226	351,997				
Restricted funds												
Support for Countries and Regions	1,009,174	-	-	-	30,151	(42,049)	84,287	1,081,563				
Support for UK guiding	707,725	-	-	-	739,617	(551,102)	11,050	907,290				
Support for Activity Centres	1,561,493	-	-	-	161,067	(198,694)	11,479	1,535,345				
Other funds	2,703	-	-	-	47	-	125	2,874				
	3,281,095	-	-	-	930,882	(791,846)	106,941	3,527,072				

Country and Region funds are used to generate income that is distributed to nine Countries and Regions in proportion to their membership. UK guiding funds are used to provide grants to the membership, for example to set up new units, to support members with a disability and to provide travel bursaries. Included in the restricted Activity Centre funds is the restricted Activity Centre Building Appeal fund that totals £824,187 at the end of 2016. This has been spent on building Group Adventure Houses at Foxlease, Waddow and Blackland Farm and will be amortised over the life of the new buildings.

22. FINANCIAL COMMITMENTS

As at 31 December 2016 the Association had £0 of capital expenditure to which it was financially committed (£30,435 in 2015).

As at 31 December 2016 the Association's subsidiary, the Guide Association Trading Service Limited, had entered into £2.82 million (2015: £2.88 million) of advance stock purchase orders with suppliers within the ordinary course of business.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2016

23. OPERATING LEASE COMMITMENTS

Minimum lease payments under non-cancellable operating leases for land and buildings	2016		2015	
	£	£	£	£
Not later than 1 year	124,268		188,702	
Later than 1 year and not later than 5 years	93,201		217,469	
Later than 5 years	-		-	
	217,469		406,171	

24. INVESTMENT IN SUBSIDIARY

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

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

During the year the Guide Association Trading Service Limited achieved sales of £7,164,803 (2015: £7,543,731). Of those sales, £107,944 were sales to the Association. The Association charged £127,621 in management fees. The Guide Association Trading Service achieved a net profit of £2,297,849 (2015: £2,584,848) and this was donated under Gift Aid to the Association. At the year end The Guide Association Trading Service had £1,946,540 of assets, and £1,796,540 of liabilities.

25. THE GUIDE ASSOCIATION TRUST CORPORATION

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

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

26. RELATED PARTY TRANSACTIONS

There are no related party transactions requiring disclosure.

Our vision

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



WE DISCOVER, WE GROW

Girlguiding

