



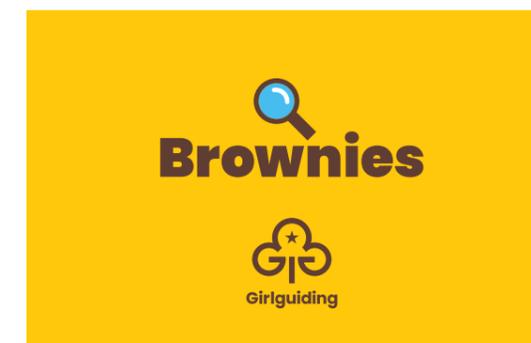
Girlguiding

Annual report and financial statements

For the year ended 31 December 2022



**Girlguiding is the
 UK's largest youth
 organisation
 dedicated completely
 to girls, with around
 370,000 members.
 Girls can do anything.
 We help them know
 that, whether they're
 4 or 18 or in between.**



All girls have a home at Girlguiding – whoever they are, and wherever they are. We show them a world of possibilities, big and small. We help them think big and be bold in a space where they can be themselves, get creative, explore, and have fun. We're a powerful collective voice – with girls, led by girls – changing the world for the better.

We're 300,000 Rainbows, Brownies, Guides and Rangers, who come together to laugh, learn, explore and have adventures, in communities across the UK and virtually. We're nearly 70,000 volunteers who make guiding happen by giving time, talent and enthusiasm.

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The trustees of Girlguiding are pleased to present their report for 2022

2022 was another year of uncertainty for the UK, starting with further pandemic restrictions and ending with a cost of living crisis. While it was a difficult time, it also highlighted the resilience of our incredible community of volunteers, members and staff. Working together, we were able to adapt to the challenges in front of us to support girls and young women.



Thank you to our volunteers

We're so grateful to all our volunteers, both those who stayed and those who joined us during this time. Without their dedication and energy there would be no Girlguiding. In 2022 we continued to focus on improving the volunteer experience, by simplifying processes, clarifying roles and making our training more accessible. We experienced our highest young member enquiries for 7 years, emphasising our need for more volunteers to join and support young members. We recognise we need to adapt our volunteering offer to make it suitable for today's volunteer and continue to work on making it more flexible.



Including all

We want everyone to feel welcome at Girlguiding and made progress with our equity, diversity and inclusion work in 2022. We added to our team of members who offer inclusion guidance to volunteers and gave both volunteers and staff practical training to make guiding even more accessible. We



our vision of being there for every girl. We've worked closely with volunteers, members and non-members to create an accessible and inclusive brand that will reach new audiences and help us grow. We know that guiding has so much to offer girls and communities, and our new messaging will help us to communicate that.

Part of wider society

Girlguiding is part of a global community and the conflict overseas this year deeply saddened us all. But I was proud to see members collecting donations, supporting refugee units and helping young people to understand difficult topics. At home, our annual Girls' Attitudes Survey showed girls continue to be concerned about their wellbeing and opportunities in the wake of the pandemic. Almost half believe inequality has become worse in the last year, meaning our support is

also created additional resources for those with disabilities this year. I'm proud of our projects reaching out to those underrepresented in guiding. This work will help us pilot new ways of guiding and make sure every girl has the chance to do amazing things, wherever they are and wherever they're from.

Being inclusive is something we're continually working on and remains one of our strategic priorities. Our brand refresh takes us closer to





needed now more than ever for girls and young women. Thank you to players of People's Postcode Lottery for supporting this vital research.

But we also saw plenty of joy and community spirit this year. I especially loved seeing members from all over the UK lighting Platinum Jubilee beacons to celebrate our late Patron, Her Majesty the Queen. It was an

honour to be involved and a wonderful example of guiding at its best. Our community collectively mourned her sad loss later in the year. We were represented by Amanda Medler, our chief guide at the time, who paid her respects on behalf of us all, as well as 600 volunteers who were proud to serve the Queen for the final time as official way-finders on the day of the funeral.

Thank you to our chief guide team

I'd like to say a huge thank you to Amanda Medler and her team for everything they achieved in their 5 years of service to Girlguiding. They have left an impressive legacy and it's been an honour to serve with them. I'd also like to welcome our new chief guide, Tracy Foster, I know you and your team will bring the same spirit and dedication to the role.

Plans for the future

Looking ahead, we still have a lot to do. The cost of living crisis and continued impact of the pandemic has been challenging for us all. These issues have a direct impact on members and we have listened to parents, girls and volunteers on their worries about Girlguiding costs and accessibility. We will take short term actions in 2023 to help with the crisis and are working on how to make guiding even more affordable in the long term.

A huge thank you to all our valued funders, partners and supporters for your help to Girlguiding at this time. No matter how big or small, your support and funds help us to make a real difference to the lives of girls and young women and the experiences we can offer



them. We provide a space for girls to feel safe and accepted, explore and confront the things that hold them back, and have fun doing things they might never have tried before. We've been a pioneering organisation that empowers girls for over 100 years and we want that to continue. Thank you for being part of it.

Catherine Irwin MBE

Chair of the board of trustees

2022: Our achievements

We stayed focused on the three priorities of Girlguiding's strategy:

creating exceptional experiences for girls



developing a rewarding volunteer experience



being inclusive and impactful



Over the next few pages we'll look at each of these priorities and what we were able to achieve in 2022, as well as our plans to become a more sustainable organisation for the future.



Creating exceptional experiences for girls

Girlguiding impact and experience survey found:

Girls in Girlguiding are more confident – nearly 9 in 10 say they like being the way they are compared with just 6 in 10 who have never been in Girlguiding. (National comparison from Girls' Attitudes Survey, 2021).

In May, we announced our partnership with the UEFA Women's EURO 2022.

Once in a lifetime opportunities

As restrictions lifted, we focused on giving girls the experiences and adventures they missed out on during the pandemic. From interviewing the stars of Matilda the Musical on the red carpet to toasting smores by the campfire, this year, girls did it all.

In May, we announced our partnership with the UEFA Women's EURO 2022. Over 5,000 girls attended the tournament with discounted tickets, while 72 Guides and Rangers had the once in a lifetime opportunity to be flag bearers at games. Our research shows that less than half of girls aged 7-17-years-old believe they've had equal opportunities to play football. This partnership allowed us to challenge gender stereotypes and inspire more girls and young women to enjoy football.

Locally, units gave girls incredible opportunities too. In the summer they celebrated the Queen's Platinum Jubilee, holding community parties and lighting 70 beacons across the UK. Girls also



Over 5,000 girls attended the tournament with discounted tickets, while 72 Guides and Rangers had the once in a lifetime opportunity to be flag bearers at games.



planted 70 trees for Her Majesty's green canopy. Connecting with nature continued in our Generation Green project, providing accessible, affordable outdoor activities to over 5,500 girls from deprived areas and reaching new young audiences.

Our activity centres saw the return of regular large events, with attendance numbers back to pre-pandemic levels. Magic and Mayhem, our big summer event for Rainbows and Brownies, had a record number of over 2,000 bookings. Over 5,000 Guides, Rangers and volunteers also enjoyed our exclusive festival, Wellies and Wristbands. These events are real highlights of the guiding experience for girls, giving them amazing adventures and the chance to try something new.



Our Generation Green project provided accessible, affordable activities to over 5,500 girls from deprived areas.

improved their employment prospects. We updated the offer in 2022, working with young people to improve the role description and skills framework. We also delivered almost 300 peer education sessions to nearly 3,500 young people. These sessions empower girls aged 7-18 to train each other on topics important to them.

Empowering girls and young women

We empower girls to find their voice and in 2022 we established our first national youth steering group, Amplify, made up of 30 young members aged 12-18. A key stakeholder in the direction of Girlguiding, Amplify meets regularly with staff and decision makers across the organisation to make recommendations for change. In 2022 they fed into our equity, diversity and inclusion plans, supported the new chief guide

recruitment and worked alongside trustees to develop strategies. Amplify helps our aim of being an organisation for girls, led by girls.

This year we supported over 4,000 girls to start a young leader role, helping our aim to involve more girls and young women in decision making. Our impact and experience survey found that 98% of our young leaders feel the experience has given them confidence and

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Reaching more girls

We were delighted to welcome almost 110,000 new young members in 2022. Girlguiding saw a promising rise in young member figures, with consistently high recruitment and retention across the year and the highest enquiry levels since 2015. Our paid digital marketing campaigns led to almost 21,000 parents registering interest for their daughters to join us. This shows that what we offer is needed and wanted more than ever.

Following a pilot scheme last year, all units now welcome 4-year-old Rainbows. Our celebratory photoshoot in October challenged the dated stereotype of young girls being 'sugar and spice and all things nice' and reached audiences of over 120 million. So far, we've had over 13,000 new Rainbows aged 4 join us, and we're thrilled to be reaching even more young people.

We're grateful to the Department of Culture, Media and Sport for £201k of funding this year, which also helped us to reach more girls. This funding was used to create over 100 spaces for Guides and Rangers through both new and reopened regional units.

We were delighted to welcome almost 110,000 new young members in 2022.



Photo series from our campaign #GirlsAreMadeOf



Developing a rewarding volunteer experience

Girlguiding impact and experience survey found:

97% of volunteers say that Girlguiding helps them be part of a team and 94% say it helps them make new friends.

Learning and development

We couldn't support girls and young women without our 70,000 amazing volunteers. Volunteering should be a fulfilling and rewarding experience, and learning and development is prioritised as part of that.

We worked with volunteers this year on a more convenient digital learning platform, which launched at the start of 2022. The platform gives volunteers the space to learn when it suits them, allowing them to enrol in webinars, complete e-learnings and track their training. Since its launch, over 50,000 members have logged into the platform and more than 80,000 courses have been completed. Modern and accessible learning opportunities such as this streamline our processes and give volunteers more time to run engaging activities with girls.

Volunteers also worked with us on a new leader development programme, making the qualification simpler and more reflective of the skills needed. This helps us to provide a learning opportunity that today's volunteer would expect and is part of our strategy to create a rewarding volunteering experience.

Volunteers need to feel empowered to create a



truly inclusive culture. In 2022 we collaborated with our inclusion advisers to create training to help volunteers recognise, deal with and report instances of discrimination, as well as practical suggestions to make units more inclusive. This resource is part of our ongoing commitment to making Girlguiding more inclusive.

Keeping girls safe is at the heart of everything we do and our impact and experience survey shows that 95% of the volunteers spoken to feel confident to respond to a safeguarding issue. In 2022 we added a new safeguarding e-learning programme, specifically to support our younger volunteers aged 14-17.

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Working as one team

We continue to look for ways for volunteers and staff to work in partnership, as this is when we can best support girls and young women. We consult with volunteers on projects, policies and procedures and their insight is invaluable.

We continued to engage regularly with volunteers via online calls, offering support and guidance, updates on projects and question time with senior staff. These events were also a chance for volunteers

to come together virtually to share experiences and best practice.

In October, we held an in-person county commissioner conference in Birmingham. For three days, this group of senior volunteers had the opportunity to book onto individual surgery slots, join roundtable discussions and attend workshops. Around 150 county commissioners attended from across the UK and left feeling more supported in their roles and inspired for the future.

Recruiting and retaining volunteers

We are so grateful to all our volunteers for their ongoing commitment and support. Their dedication is the reason Girlguiding can continue, and we know that we are needed now more than ever.

We need to sustain and increase our volunteer numbers in order to meet demand from girls and young women. We're working hard to lighten the administrative requirements on our volunteers, as well as removing any unnecessary barriers to joining. We know today's volunteers are looking for more flexible ways to get involved and we have been looking into new ways of guiding, piloting models that are less time consuming and more accessible. We're also clarifying and simplifying senior volunteer roles, in order to make

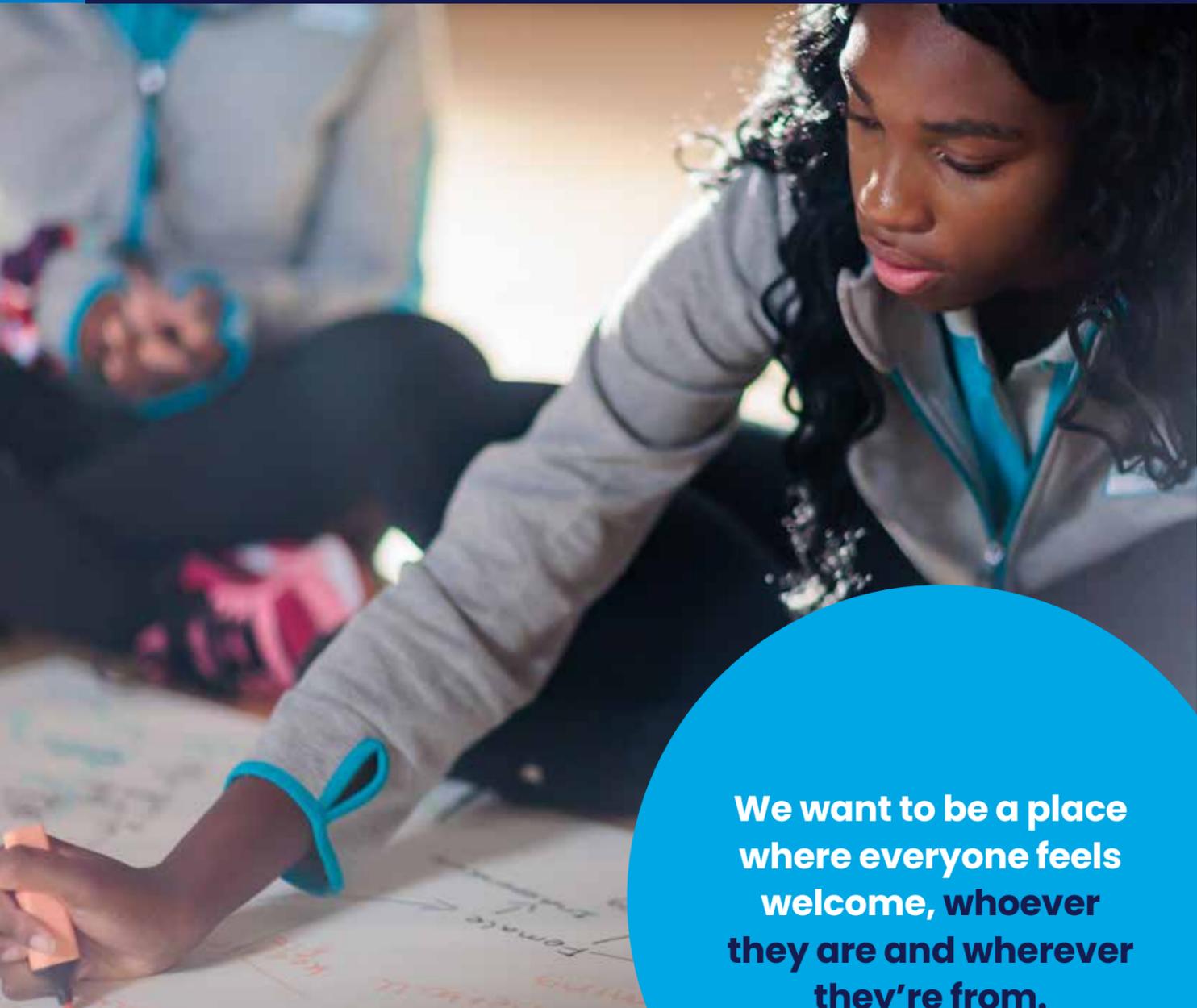


them easier to recruit for. We are always looking to improve and innovate our ways of volunteering, to offer them the environment and skills needed to thrive.

Thanks to funding from Pears Foundation, we are working in partnership with Scouts to develop a smoother joining and induction experience for new volunteers. This piece of work, along with continuous improvements to our other digital processes, will improve the volunteer experience at Girlguiding and lead to higher recruitment and retention rates.

Throughout the year we ran online advertising campaigns to recruit volunteers, which generated almost 3,000 enquiries. In total, we were delighted that over 7,000 volunteers joined us in 2022.

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We want to be a place where everyone feels welcome, whoever they are and wherever they're from.

Being inclusive and impactful

Girlguiding impact and experience survey found:

Girls who are members of Girlguiding are 20% more likely to have campaigned than those who are not in Girlguiding. (National comparison from national youth social action survey).

Equity, diversity and inclusion

We're proud to be an inclusive organisation and want to build an equal world. In 2021 we published our equity, diversity and inclusion strategic plan, outlining what we'll do to change our culture and become more inclusive. In 2022 we continued to build on that plan.

We created a new e-learning resource offering practical ways to make sure everyone in Girlguiding feels free to be themselves. Our trustees, senior staff and volunteers completed race equity training and we continued to remove barriers for disabled members by creating new guidance. We added inclusion activities to our programme for girls and increased the number of our identity-based staff networks for employees. Our inclusion adviser network also grew, made up of members with specialist knowledge who support other volunteers.

We want to be a place where everyone feels welcome, whoever

they are and wherever they're from. As part of a project funded by the Garfield Weston Foundation, we are reaching out to underrepresented groups to co-create new ways of guiding and make it easier for people to have amazing experiences with us.

We spent time in 2022 working on our refreshed brand. We worked closely with volunteers on this transformation project and believe our fresh look and clearer messaging will help us reach new audiences. Our new branding is more accessible and better reflects who we are and what we do.

As an organisation we publicly committed to reviewing our history. In 2022 we began this project to explore Girlguiding's history and heritage through the lens of equity, diversity and inclusion. This is in order to provide recommendations to shape the next phase of our equity, diversity and inclusion strategic plan in 2023.

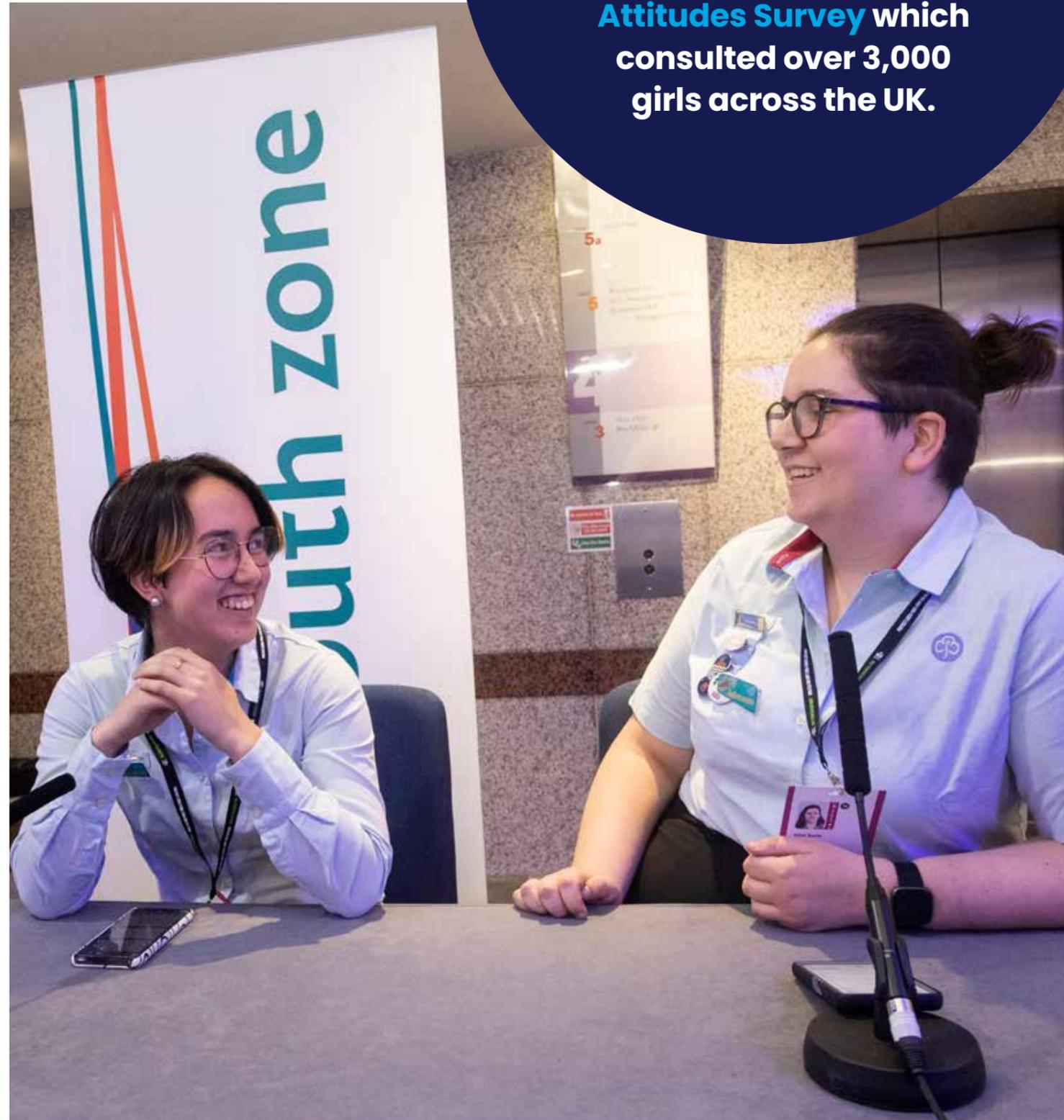


Advocating and influencing

Our advocates represent the voices of girls and young women across the UK. In 2022, they spoke at the House of Lords on body image pressures online and wrote an open letter to government, asking for better education around consent in schools. Our research shows these are issues with which girls need support. The amazing work advocates do on behalf of Girlguiding and their peers ensures we are girl-led in everything we do.

Our research also allows us to show others what life is like for girls in the UK. On Safer Internet Day we released new research on violence against women, calling on the government to adapt the online safety bill. In the summer we released research on period poverty, calling for a review of the free period products scheme.

In October we launched our 14th Girls' Attitudes Survey which consulted over 3,000 girls across the UK. For the first time the report was split into regions, and findings showed that girls and young women in the north of England feel less happy and safe than those in the south. These reports help us to highlight the areas that need addressing for girls.



In October we launched our **14th Girls' Attitudes Survey** which consulted over **3,000 girls** across the UK.

Increasing our presence

We want girls' voices heard in the media and in 2022 we used multiple opportunities to grow Girlguiding's external presence. Our UEFA Women's Euro partnership received nationwide press, while our Girls' Attitudes Survey was discussed on over 150 radio stations.

Our Platinum Jubilee coverage reached a huge viewership, including a beacon lighting featured on BBC Blue Peter and a video shared on the royal family's Instagram page. We worked closely with our country and region press teams and interviews with girls and members made over 300 pieces of coverage in broadcast, print and online. This helped us reach new audiences and proudly show who we are and what we do in guiding.

When Her Majesty the Queen sadly passed away, over 600 Girlguiding members volunteered to assist at the royal funeral as way-finders. The amazing work that members did was featured in the news, as was the Queen's service to Girlguiding. We were honoured to be able to show our respect in this way to our late monarch and Patron.

Sales of Girlguiding merchandise did well in 2022, with more than 130,000 Platinum Jubilee badges and over 100,000 World Thinking Day badges sold.

Making Girlguiding sustainable for the future

Girlguiding impact and experience survey found:

Girls in Girlguiding are 3 times more likely than others to have helped improve their local area or the environment, and 31% are more likely to have given their time to charity. (National comparison from national youth social action survey, 2019).

Being financially sustainable

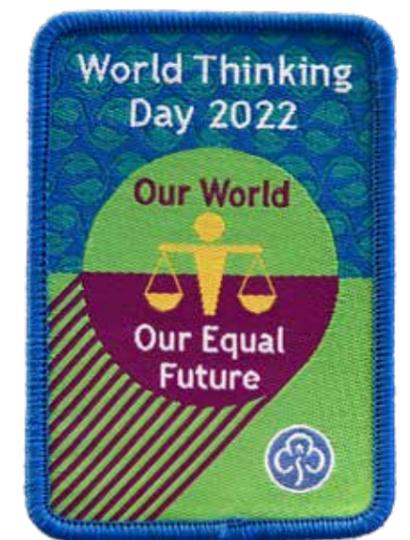
We want to continue providing experiences that will benefit girls today and in the future. Following the pandemic, we worked hard to put plans in place to rebuild as society did. We are happy to be moving towards recovery as our membership numbers rise – however we still have some way to go to reach financial stability. At present our recurring costs exceed our recurring income, and our aim is to address this structural financial deficit and create long-term sustainable finances.

Subscriptions are our main source of income and 2022 was the first in a significant 2 year increase in the amount. This was necessary to sustain Girlguiding so we can continue to provide services to girls and volunteers. We do all we can to manage our financial assets prudently. This year we set the foundations for a programme of transformative change at our trading function, as well as building a property strategy, looking at all buildings owned at Girlguiding headquarters level. The board has made a recommendation to sell the 5 activity centres to help financially secure the organisation.

We continue to look for other means of raising regular income, to ensure the level of membership subscriptions can be kept to a

minimum. In 2022 we worked on a new fundraising initiative to encourage people to donate regularly to Girlguiding, due to launch in 2023.

Sales of Girlguiding merchandise did well in 2022, with more than 130,000 Platinum Jubilee badges and over 100,000 World Thinking Day badges sold.





Thank you to funders

We are extremely grateful for the continued support of our valued funders and partners, including Google, Knorr® and ODEON. This year we also received a generous £3 million from Postcode Children Trust. Thank you all, for helping us to make a positive impact on girls and young women's lives at a time when they need us most.

We continued work on our people, cultures and behaviours programme, recognising that **how we work together is as important as what we do together.**

Transforming our organisation

This year we brought all HR and recruitment services together onto one new platform. Streamlining these processes has made it more accessible and convenient for staff and managers across all our sites. Creating these efficiencies means we can free up capacity in teams to focus on strategic priorities.

We continued work on our people, cultures and behaviours programme, recognising that how we work together is as important as what we do together. This programme aims to enable everyone to have the skills, knowledge, networks and confidence to deliver their role well.



Looking forward

Our focus for 2023 and 2024 is to improve and evolve. We want volunteers to be happy and fulfilled in their roles and for our community to grow and diversify. We want to be bold and innovative when looking at our offer, to make sure it's relevant for the needs of girls and young women.

We want to shout about our uniqueness and value to society and are working on some exciting research pieces that will help us to do this in the future. Next year, we'll be able to share more findings from our very first impact report – showing the difference we make to young people's lives.

Inflation and energy bills are a national concern and have impacted the lives of our members. We are looking to focus on accessibility and affordability moving forwards. While we are aware of the challenges we face, we are ready to build on our work to enhance girls' futures.

We want all girls to have access to exceptional experiences, and have lots planned for the next few years, from overseas trips to increasing our opportunities for adventure. Whatever girls need, Girlguiding will be here, working together as one team, to provide it.



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Structural information

Governing document and constitution

The Guide Association is incorporated by Royal Charter and is registered as a charity (charity registration number 306016, OSCR registration number SC038436) with its headquarters at 17-19 Buckingham Palace Road, London SW1W 0PT. A board of trustees manages and regulates the Association's affairs. The Association uses the operating name 'Girlguiding'. The constitution of Girlguiding's council and the board of trustees, and the exercise of powers by the council and trustees, are set out in the byelaws to the Royal Charter.

The board of trustees has the following sub-committees: audit and risk, finance, nominations and governance, and remuneration; also a board standing committee (see below). Terms of reference for each sub-committee clarify their roles and responsibilities, their decision-making and consultation remit, and the requirements for them to exercise scrutiny and make recommendations to the board. The decision-making framework for both the sub-committees and the chief executive and senior staff is laid down in the scheme of delegated authority, which the board of trustees reviews annually.

In 2020 the board established a crisis committee with terms of reference to manage the impact and implications of Covid-19 for the organisation, and with authority for taking urgent decisions within agreed delegations. In 2022, the board changed the name of the crisis committee to the board standing committee, with a remit beyond the impact of Covid-19 and tasked to coordinate and implement urgent decisions required between board meetings where necessary.

Organisation structure

Girlguiding within the UK is composed of charities and unincorporated associations. It is organised into geographical areas to provide support, lines of two-way communication and opportunities for young members, leaders and commissioners to make decisions and take responsibility. Each of the six regions of England and the three countries of Scotland, Ulster and Cymru has a voluntary position of chief commissioner, appointed by the chief guide. Each chief commissioner is normally chair of a board of trustees which is appointed according to the country or region constitution and is responsible for the administration of guiding in that country or region.

In addition to the UK, Girlguiding has a number of branch associations in UK overseas territories, and British Girlguiding Overseas also oversees units based in many other parts of the world. In 2023, Girlguiding's board of trustees announced their intention to end British Girlguiding Overseas operations as they are currently delivered, and to support girls and volunteers living overseas to be involved in guiding in different ways in the future.

This decision does not affect international trips for girls who live and are part of units in the UK. We remain committed to providing more opportunities for all girls to feel and be part of our worldwide sisterhood of guiding – from learning about different countries and cultures, to being connected to girls in other countries and feeling part of the World Association of Girl Guides and Girl Scouts (WAGGGS) movement.

Appointment and induction of trustees

The members of the board of trustees are appointed pursuant to the Royal Charter and byelaws. The chief guide and deputy chief guide are appointed in accordance with regulations proposed by the board and approved by council. The chair

and other trustees are appointed by the board and serve for a maximum of 2 terms of 3 years. A schedule of reviews is conducted for new and continuing trustees, and reappointment is subject to completion of a satisfactory review.

In all appointments the nominations and governance committee is involved in the process to ensure a breadth of professional background and experience suitable to direct the affairs of the charity.

There are established procedures for the induction of each trustee to ensure that they are aware of the responsibilities of a trustee and the ways of working within the charity. There is a rolling programme of training and development for trustees and the board. All trustees are required to take part in regular group trustee training sessions. Trustees are also invited, where required, to attend specialist one-off training sessions on aspects of their role offered by sector training organisations.

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

Chair of the board of trustees

Catherine Irwin MBE

Chief guide

Amanda Medler MBE
(until 21 February 2023)

Tracy Foster
(from 22 February 2023)

Deputy chief guide

Julie Bell (until 21 February 2023)

Sally Kettle (from 1 June 2023)

Chair of the finance committee and treasurer

Elizabeth Dymond CBE

Abbie Wright (from 1 June 2023)

Alison Hampton

Amrita Aurora
(from 1 February 2022)

Deborah O'Neill

Emma Blackburn (from 1 June 2023)

Della Salway (until 31 January 2022)

Hannah Moran

Jill McLaughlin

Kirtbir Chahal
(until 31 January 2023)

Mary Agbesanwa

Selina Armitt (until 31 January 2023)

Sue Parker-Tantush

Supriya Sobti

The Guide Association's key management personnel

Chief executive

Angela Salt OBE

Finance and commercial director

Richard Antcliffe

Marketing, communications and fundraising director

Amanda Azeez

Membership services director

Rachael Bayley

People and culture director

Joanne Smithson

Strategy, technology and transformation director

Berenice Levenez

Professional advisers and consultants

The professional advisers and consultants have been as follows:

Bankers

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

Fund managers

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

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

Auditors

Moore Kingston Smith, 6th Floor, 9
Appold Street, London EC2A 2AP

Legal consultants

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

Principal place of business

17-19 Buckingham Palace Road
London SW1W 0PT

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

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

Notes

The Guide Association and public benefit

'Girlguiding' is an operating name of The Guide Association which is incorporated/governed by Royal Charter, and is a registered charity in both England and Wales (number 306016) and Scotland (OSCR SC038436).

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

Our charitable purpose

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

It is also reflected clearly in Girlguiding's vision and mission, which are a fresh expression of the charity's purpose and direction.

Our vision

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

Our mission

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

Our promise

Central to Girlguiding is the promise: every girl, young woman and volunteer joining the charity are invited to make the same promise. These are the words that 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. In September 2022, the promise changed from Queen to King following Her Majesty's death.

I promise that I will do my best,
To be true to myself and develop my beliefs,
To serve the King and my community,
To help other people and to keep the (Brownie) Guide Law.

Public benefit in 2022

The pages of this report detail the framework that the trustees have adopted to maximise benefit to Girlguiding's members, their communities and the world beyond. We have referred to the Charity Commission's general guidance on public benefit in setting our strategic plan. Following the adoption of Girlguiding's strategy in 2019, the trustees consider how planned activities contribute to the aims and objectives against the following strategic priorities:

- Creating exceptional experiences for girls
- Developing a rewarding volunteer experience
- Being inclusive and impactful

We have also done further scoping and planning on how we can improve our sustainability and efficiency.

Environmental statement

Girlguiding seeks to create a culture in which environmental considerations are integrated into all policy decisions and business activities across the Association. Girlguiding is taking steps to reduce any negative impact of our activities on the environment. This includes initiatives to increase recycling; use sustainable

packaging and alternatives to single-use plastic; and increase our energy efficiency. Through our programme and advocacy we offer girls opportunities to better understand environmental issues and make positive decisions to live more sustainably.

Risk statement

Girlguiding has implemented a robust risk management framework to ensure that significant risks that may impact on the strategic objectives or the business plan are identified, evaluated and suitable mitigations are in place to reduce the likelihood and impact of the risk materialising. Risks are reviewed at least quarterly by risk owners to ensure they reflect the current risk environment and any new and planned mitigations are identified. Prior to the audit and risk committee meeting, a risk management board comprising senior executives meets to review and agree any proposed changes to the risk register, discuss emerging risks, to approve the quarterly reports (data protection, safeguarding, insurance and compliance) and review any new high-risk policies before they are recommended to the audit and risk committee and board. We have an agreed risk appetite

statement which is reviewed on an annual basis by the audit and risk committee and board of trustees. The board has delegated the responsibility for managing risks to the audit and risk committee, although they remain ultimately responsible for oversight of the identification and management of risk. In 2023 we will implement an outsourced internal audit provision to strengthen further our assurance processes to provide the audit and risk committee and board confidence in the risk management process.

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

- **Impact of the cost of living crisis:** we are particularly concerned about the impact the cost of living crisis is having on our young members, volunteers and staff. The Girlguiding website provides information and guidance for parents about the grants available and support in their local area. We provided money to local units via our UK units in need grant. We have also run a series of webinars for staff on financial wellbeing and resilience.
- **Volunteer recruitment and retention:** competing demands and opportunities are reducing the appeal of the traditional volunteering proposition, leading to a decline

in recruitment. Mitigation is sought through an improved volunteer journey to remove any unnecessary barriers to joining us and creating more flexible volunteering roles. We also aim to implement solutions to reduce the level and complexity of administrative tasks for volunteers.

- **Ongoing wellbeing of our members and staff:** ensuring that all members and staff are protected from harm and that the experience of girls and volunteers is safe. Mitigations are sought by assurance of health, safety and wellbeing process, practice and responsibilities across all levels of the organisation to ensure the continuing safe delivery of guiding. Role appropriate safeguarding training supports all volunteers to provide and maintain a safe environment for all our members. Our Employee Assistance Programme provides access to professional guidance for all staff and senior volunteers to support their wellbeing. We also provide training in mental health first aid and resilience, and encourage staff to complete a wellbeing action plan, particularly after a period of sick leave.
- **Complexity of the governance structure between Girlguiding UK and Girlguiding countries**

and regions: mitigation is sought through the implementation of a ways of working together agreement between the Association and countries and regions which outlines roles and responsibilities and ensures there is an alignment in our strategy and delivery of guiding. Improvements have been made with the introduction of the operational delivery group and the operational leadership team and the ways of working together agreement is monitored by an oversight forum.

- **Staff recruitment and retention:** a challenging recruitment market has resulted in some key roles being difficult to hire, which impacts on capacity and productivity and causes a delay in our transformation projects. Girlguiding has reviewed its salary and benefit policy and continues to review its flexible resourcing policies to ensure we attract and retain talented candidates. We will use agencies and temporary or flexible contracts where necessary to support the recruitment process or where there are specific skill gaps within the organisation. We have recently implemented a new HR system which aims to improve the recruitment journey for potential candidates.
- **Cyber and information security:** globally, cyber-attacks are becoming more frequent and

sophisticated in nature, so it is essential that our cyber security controls are robust. We have implemented mandatory cyber security training for all members of staff and conduct regular scenarios such as mock phishing attacks. We regularly update our antivirus and anti-malware software, we have enhanced email resilience, have regular scheduled and essential security patches, and a Cyber Essentials certification. We use an outsourced IT supplier who report monthly on any new cyber security trends and respond appropriately to any new threats. A cyber insurance policy is in place with an annual review of the adequacy of policy cover at each renewal.

Serious incidents

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

Behind the reporting of incidents lies a series of policies, frameworks and processes for notifying and

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

Organisational structure and decision-making

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

- Audit and risk – has strategic oversight of the governance of risk (including safeguarding) and oversees the annual audit process.
- Finance – oversees financial policy, strategy and performance, including investments, and supports the board in the effective scrutiny of Girlguiding finances.

- Nominations and governance – oversees the appointment of trustees, sub-committee and trading board members, and considers board development and succession planning.
- Remuneration – reviews the performance and development of the chief executive and has oversight of the overall approach to performance, pay and benefits across the organisation.
- Standing committee – comprising the chair of the board of trustees, chief guide, chair of finance committee and chair of audit and risk committee; has a remit to coordinate and implement urgent decisions required between board meetings where necessary.

There is also an operational leadership team and an operational delivery group, comprising senior volunteers and staff, who address key operational issues, lead and direct the delivery of guiding within countries and regions, and feed into the work of the sub-committees and board.

Charity Governance Code

The board of trustees is committed to good governance and to its own and the charity's continuous improvement in delivering its purpose most effectively for the public benefit. It is clear about the charity's aims and

seeks to ensure that these are being delivered effectively and sustainably, keeping under review the Code's recommended practice and seven principles of organisational purpose: leadership; integrity; decision-making; risk and control; board effectiveness; equity, diversity and inclusion; and openness and accountability.

The board strives for best practice in accordance with the Charity Governance Code, which was refreshed in 2020. Many of the measures it takes in achieving this are addressed in this report (for example board effectiveness, including performance review, is addressed in the section on appointment, induction and review of trustees; decision making, risk and control in the risk section; and equity, diversity and inclusion in the next section). As part of a revised board performance review process implemented in 2020, a board review is conducted annually, with a triennial external review to include a fresh self-assessment against the Code. The board undertook a triennial review in 2021, recommendations from which informed the board's workplan for 2022 and beyond. The board is committed to ongoing review against the Code principles.

Board diversity

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

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

During 2021 and 2022, trustees participated in a series of externally facilitated workshops as part of the consultative approach to developing Girlguiding's equity, diversity and inclusion strategic plan, and also as part of the board development programme to explore their understanding of equity, inclusion and diversity. All trustees take part in mandatory inclusion and diversity training as part of their induction, including race equity training.

The Girlguiding equity, diversity and inclusion strategic plan was launched in 2021. The board statement and objectives were reviewed in 2022 in line with the approved plan and with the 2020 update to the Charity Governance Code's Equality, Diversity and Inclusion Principle.

In line with its commitment to build a more diverse board, the trustee recruitment process was modified to attract and recruit a more diverse pool of candidates including young people, people of colour, LGBTQ+ people and people of minority faiths or no faith. Three new trustees (including the deputy chief guide) were appointed in June 2023, bringing a range of skills, experience and diversity to the board.

Volunteers

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

Setting pay at Girlguiding

As a good employer, every 3 years Girlguiding undertakes a comprehensive and holistic review of its salary and benefits package, evaluating all jobs – including that of the chief

executive – and benchmarking with charity sector salary and benefits data. The results of our 2019/20 review, with oversight from our trustee remuneration committee, were implemented in Q1 2021 and we will conduct our next major review in 2023 for implementation in 2024. Our policy and salary structure means we do not negotiate salaries, so pay is equal and transparent across our organisation. Additionally, we review annual charity sector salary data to ensure we pay the market rate for the job, in order to maximise the potential of our package to attract and retain staff with the right skills and experience. We do this with due regard to budget, transparency and equity.

Girlguiding is passionate about helping to build a society where all girls have equal opportunities to fulfil their potential. We believe tackling differences in pay between people of different ethnicities (the 'ethnicity pay gap') is an important step towards this.

With this in mind, we were pleased to publish our third ethnicity pay gap. While ethnicity pay gap reporting is not a legal requirement for UK employers, we see it as a key part of our commitment to equity, diversity and inclusion. We can report that overall Girlguiding has a small ethnicity pay gap in favour of ethnic minority employees. The difference of 96 pence hourly pay

at the mean average is because 39.1% of the roles held by ethnic minority staff, compared with 18.3% of the roles held by white staff, attract a market premium. Attraction of a market premium is determined by the market data at the point of recruitment. It is applied before we advertise a role – it has nothing to do with the person in the role. We also have a small gap at the median in favour of ethnic minority employees of 88 pence hourly pay difference.

We were also pleased to share our annual gender pay gap – which shows that Girlguiding has a relatively small gender pay gap at the mean of 8.6% in favour of men employees, £1.83 hourly pay difference. This figure is significantly below the average gender pay gap in the UK of 14.9% for the same period, as reported by the Office for National Statistics.

A key reason for this relatively small gap is that among Girlguiding's top quarter of earners, 75% of the roles men currently hold attract a market premium. We are obliged to pay a premium to make sure the salary attracts candidates with the right skills and experience. In comparison, only 66% of Girlguiding's roles currently held by women in the top quartile attract a market premium. The decision to offer a market premium happens before we advertise a role – it has nothing to do with the person in

the role. The vast majority of our top 25% of earners are women (53 women compared to 16 men).

Fundraising statement

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

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

At Girlguiding we endeavour to make all reasonable efforts to ensure the ongoing compliance of third parties with the Fundraising Code of Practice and the law. The work we undertake with commercial participators is governed by a contract which sets out the obligations of the parties involved. Similarly, all work with agencies that process responses to campaigns, print campaigns and mail out campaigns on our behalf is governed by a contract. We do not currently conduct any

work with professional fundraisers or carry out door-to-door, street or telephone fundraising.

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

It is our aim for all those donating to Girlguiding to have an extremely positive experience. However, we recognise that there may be times when supporters are not happy with their experience. In 2022 we received no complaints. However, when we do receive them, we are committed to investigating complaints and resolving them swiftly. If anyone is unsatisfied with their experience, we would like to hear about it. Feedback enables us to improve our fundraising service.

Girlguiding would like to thank the following partners for their generous support in 2022:

- Barclays
- BBC Children in Need
- Department for Digital, Culture, Media & Sport
- DePuy Synthes
- England Rugby Football Union
- The FA
- Fidelity Foundation
- Garfield Weston Foundation
- GO Outdoors
- Google
- Knorr®
- Legal & General
- The Leslie Sell Charitable Trust
- ODEON
- Pears Foundation
- Postcode Children Trust
- Rolls-Royce
- Royal Air Force
- The Royal Astronomical Society and the RAS200 project
- Royal Navy
- Unity Insurance

We would also like to thank the following supporters:

The supporters who generously left a gift to Girlguiding in their will, whether to national Girlguiding or local, we are extremely grateful.

The families and friends who supported us in memory of a loved one.

Everyone who gave their time and energy to raise money for Girlguiding in sponsored events, including our unique BBC Children in Need appeal.

Regular givers, who donate throughout the year.

Our generous and loyal supporters who have kindly given donations and wish to remain anonymous.

Review of financial position

The financial statements annexed to this report are those of the Association's headquarters and reflect the activities it undertakes on behalf of the Association as a whole. Countries and regions, counties, divisions, districts and units are separate organisations and are responsible for their own finances.

The statement of financial activities

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

Overview of 2022

Our income and charitable expenditure both increased over the course of 2022. Postcode Children Trust made a grant of £3.0 million (2021: £2.6 million). The result on the general fund for the year before investment movements was a deficit of £1.8m (2021: surplus

of £2.7m). Coupled with a fall in the investment market, the net movement in funds for the year amounted to a deficit of £6.2 million (2021: £1.4 million surplus). This includes losses on investments of £3.5 million (2021: gains of £1.9 million).

Total funds carried forward at 31 December 2022 amounted to £46.3 million (2021: £52.5 million), of which the vast majority are tied up in fixed assets and property, and are being used either operationally to enable charitable activity, or are deriving an income that helps to keep the subscription levy at a reasonable level.

Income and expenditure

Income

Total income amounted to £25.8 million (2021: £24.8 million): an increase of 4%. The income increased by £1.0 million in the year. The income from our subscriptions increased by £1.8 million, income from our trading activities increased by £1.5 million and our activity centre income saw an improvement of £2.4 million compared to 2021. These increases offset the reduction of £4.7 million from grant and donation in kind income compared to 2021 levels, which were boosted by some one-off covid-support grants. The subscription amount has increased in 2022 and will increase in 2023 as part of a number of steps to address a structural deficit.

Expenditure

Total expenditure was £28.6 million (2021: £25.2 million): an increase of 13%. Cost of raising funds was £6.7 million (2021: £6.6 million).

Charitable expenditure increased significantly to £21.9 million (2021: £18.6 million). The increase of £3.3 million was on projects and the increased costs from the higher level of usage at the activity centres, relative to 2021.

Balance sheet

Investment movements

With the fall in the investment markets during 2022, the investments suffered a loss of £3.5 million in the year (2021: gains of £1.9 million). This was mainly due to the loss on revaluation of the investment property of £2.8 million.

Investment policy

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

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

The conversion of part of the headquarters building to an investment property in 2015 provides rental income which helps to fund day-to-day running costs and to fund strategically important revenue and capital projects in the future. The investment property has been revalued to £26.8 million.

The Association also holds financial investments as an important part of our reserves. Professional fund managers are used to manage the funds and their performance is reviewed regularly by the finance committee. Performance is benchmarked against appropriate performance indices. Total unrestricted financial investments were valued at £6.2 million on 31 December 2022 (2021: £4.8 million) following additional investments in the year of £2.0 million and investment losses of £0.6 million.

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

The Guide Association seeks to select investment managers

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

Tangible fixed assets

The Association holds various tangible fixed assets to support its activities. These are the headquarters building, the trading service premises and the activity centres. A total of £0.2 million was spent on fixed assets in the year (2021: £0.1 million).

Reserves

Free reserves represent the working capital of the Association, available to support short- and medium-term objectives and to safeguard against unexpected decreases in income. Charity Commission guidance defines free reserves as 'income which becomes available to the charity and is to be expended at trustees' discretion in furtherance of any of the charity's objectives, but is not yet spent, committed or designated'. They exclude assets not freely available to spend on the charity's purposes – its tangible and intangible

fixed assets and the investment property, an asset let on a lease for long-term financial return.

The finance committee has examined the needs and challenges faced by the Association in both the short and the medium term along with relevant financial forecasts and has formulated a policy to meet those needs. This policy was recently reviewed, updated and approved by the board of trustees and requires target free reserves to be maintained at between £6 million and £12 million, which is indicative of between c.3 and c.6 months' total expenditure, of which around half (ie between £3 million and £6 million) should be held in cash and deposits. The level of free reserves at the balance sheet date was £8.5 million: within the policy requirement (2021: £10.5 million and within the policy requirement).

Girlguiding continues to face financial challenge and uncertainty as it recovers from the impact of the pandemic on its membership numbers, and takes steps to address its financial sustainability.

Designated funds

The Association holds a number of designated funds, totaling £35.9 million (2021: £39.8 million). The specific uses of the funds and how they will meet our needs are detailed in note 20.

Financial statements for 2022

The annual financial statements for 2022 are annexed to this report and include a report by the Association's auditors, Moore Kingston Smith LLP. The financial statements comply with current statutory requirements and with the requirements of the Association's Royal Charter, and were approved by the board of trustees at its meeting on 1 June 2023. They are to be submitted to the Association's annual general meeting for adoption.

Approval of the annual report and the financial statements

This report was approved by the board of trustees at its meeting on 1 June 2023 and the chair of the board of trustees was authorised to sign the report. The chair of the board of trustees and the chair of the finance committee were authorised to sign the annual financial statements on its behalf.



Catherine Irwin MBE
Chair of the board of trustees
1 June 2023

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

Opinion

We have audited the financial statements of The Guide Association for the year ended 31 December 2022 which comprise the Group and Charity Statement of Financial Activities, the Group and Parent Charity Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2022 and of the group's and parent charity's incoming resources and application of resources, including its income and expenditure, for the year then ended;

- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 (as amended) and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not

cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

report or the trustees' annual report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 35, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered

material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of

accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated



financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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

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

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing

and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of noncompliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

Use of our report

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

Moore Kingston Smith LLP

Andrew Stickland

(Senior statutory auditor)

Date: 1 June 2023
6th floor, 9 Appold Street, London
EC2A 2AP

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

Consolidated statement of financial activities

For the year ended 31 December 2022

	Notes	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Income from:									
Donations, legacies and grants	2	312	3,000	971	4,283	5,803	257	2,962	9,022
Charitable activities:									
Subscriptions		7,215	-	-	7,215	5,439	-	-	5,439
Training & activity centres		4,012	-	-	4,012	1,595	-	-	1,595
Events	3	77	-	-	77	83	-	-	83
Publications		-	-	-	-	-	-	-	-
Trading activities	4	8,126	-	-	8,126	6,590	-	-	6,590
Investments	5	1,633	-	26	1,659	1,571	-	20	1,591
Other	6	475	-	-	475	455	-	-	455
Total income		21,850	3,000	997	25,847	21,536	257	2,982	24,775
Expenditure on:									
Raising funds	7	6,679	18	-	6,697	6,587	17	-	6,604
Charitable activities	8	16,966	3,670	1,252	21,888	12,251	3,218	3,119	18,588
Total expenditure		23,645	3,688	1,252	28,585	18,838	3,235	3,119	25,192
Sub-total		(1,795)	(688)	(255)	(2,738)	2,698	(2,978)	(137)	(417)
Net (losses) / gains on investments	13	(562)	(2,800)	(95)	(3,457)	561	1,200	102	1,863
Net (expenditure)/income		(2,357)	(3,488)	(350)	(6,195)	3,259	(1,778)	(35)	1,446
Transfers between funds	20	410	(410)	-	-	(29)	29	-	-
Net movement in funds		(1,947)	(3,898)	(350)	(6,195)	3,230	(1,749)	(35)	1,446
Reconciliation of funds:									
Total funds brought forward at 1 January 2022		10,461	39,833	2,218	52,512	7,231	41,582	2,253	51,066
Total funds carried forward at 31 December 2022		8,514	35,935	1,868	46,317	10,461	39,833	2,218	52,512

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

All amounts arise from continuing activities.

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

Charity statement of financial activities

For the year ended 31 December 2022

	Notes	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Income from:									
Donations, legacies and grants	2	284	3,000	971	4,255	5,766	257	2,962	8,985
Charitable activities:									
Subscriptions		7,215	-	-	7,215	5,439	-	-	5,439
Training & activity centres		4,012	-	-	4,012	1,595	-	-	1,595
Events	3	77	-	-	77	83	-	-	83
Investments	5	1,633	-	26	1,659	1,571	-	20	1,591
Other	6	206	-	-	206	125	-	-	125
Donation from subsidiary		2,786	-	-	2,786	2,034	-	-	2,034
Total income		16,213	3,000	997	20,210	16,613	257	2,982	19,852
Expenditure on:									
Raising funds	7	947	18	-	965	1,646	17	-	1,663
Charitable activities	8	17,061	3,670	1,252	21,983	12,269	3,218	3,119	18,606
Total expenditure		18,008	3,688	1,252	22,948	13,915	3,235	3,119	20,269
Sub-total		(1,795)	(688)	(255)	(2,738)	2,698	(2,978)	(137)	(417)
Net (losses) / gains on investments	13	(562)	(2,800)	(95)	(3,457)	561	1,200	102	1,863
Net (expenditure) / income		(2,357)	(3,488)	(350)	(6,195)	3,259	(1,778)	(35)	1,446
Transfers between funds	20	410	(410)	-	-	(29)	29	-	-
Net movement in funds		(1,947)	(3,898)	(350)	(6,195)	3,230	(1,749)	(35)	1,446
Reconciliation of funds:									
Total funds brought forward at 1 January 2022		10,461	39,833	2,218	52,512	7,231	41,582	2,253	51,066
Total funds carried forward at 31 December 2022		8,514	35,935	1,868	46,317	10,461	39,833	2,218	52,512

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

All amounts arise from continuing activities.

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



Consolidated balance sheet

As at 31 December 2022

	Notes	£'000	2022 £'000	£'000	2021 £'000
Fixed assets					
Intangible fixed assets	11		400		601
Tangible fixed assets	12		6,594		6,920
Investments – property	13a		26,800		29,600
Investments – listed	13b		7,007		5,665
			40,801		42,786
Current assets					
Stocks	14	1,843		1,480	
Debtors	15	2,956		1,276	
Short-term bank deposits	16	5,852		12,110	
Cash at bank and in hand		302		317	
		10,953		15,183	
Current liabilities					
Creditors due within one year	17	(3,523)		(3,078)	
			7,430		12,105
Long-term liabilities					
Creditors due after one year	18	(1,650)		(2,150)	
Provisions for liabilities and charges	19	(264)		(229)	
			46,317		52,512
Net assets					
Unrestricted funds					
Designated funds	20	35,935		39,833	
General funds		8,514		10,461	
			44,449		50,294
Restricted funds					
	21		1,868		2,218
Total funds	22		46,317		52,512

Approved and authorised by the board of trustees on 1 June 2023 and signed on their behalf by:

Catherine Irwin
Chair of the board of trustees

Elizabeth Dymond
Chair of finance committee

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

Charity balance sheet

As at 31 December 2022

	Notes	£'000	2022 £'000	£'000	2021 £'000
Fixed assets					
Intangible fixed assets	11		400		601
Tangible fixed assets	12		6,594		6,920
Investments – property	13a		26,800		29,600
Investments – listed	13b		7,007		5,665
Investments – subsidiary	13c		150		150
			40,951		42,936
Current assets					
Stocks	14	65		77	
Debtors	15	3,717		3,233	
Short-term bank deposits	16	4,061		8,625	
Cash at bank and in hand		259		272	
		8,102		12,207	
Current liabilities					
Creditors due within one year	17	(2,472)		(2,402)	
			5,630		9,805
Long-term liabilities					
Provisions for liabilities and charges	19	(264)		(229)	
			46,317		52,512
Net assets					
Unrestricted funds					
Designated funds	20	35,935		39,833	
General funds		8,514		10,461	
			44,449		50,294
Restricted funds					
	21		1,868		2,218
Total funds	22		46,317		52,512

Approved and authorised by the board of trustees on 1 June 2023, and signed on their behalf by:

Catherine Irwin
Chair of the board of trustees

Elizabeth Dymond
Chair of finance committee

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



Consolidated cash flow statement

For the year ended 31 December 2022

	Notes	£'000	2022 £'000	£'000	2021 £'000
Cash flows from operating activities:					
Net cash (used in) / provided by operating activities (1.)			(5,392)		(1,415)
Cash flows from investing activities:					
Investment income and interest received		1,659		1,591	
Payments to acquire intangible fixed assets		(50)		(114)	
Payments to acquire tangible fixed assets		(190)		(74)	
(Purchase) / sale of fixed asset investments		(2,000)		-	
Cash flows from financing activities:					
CBILS loans (repayments)/receipt		(300)	(581)	1,450	1,403
			(300)		1,450
Change in cash and cash equivalents in the year (2.)			(6,273)		1,438

Notes to the cash flow statement

1. Reconciliation of net income/expenditure to net cash flow from operating activities

	2022 £'000	2021 £'000
Net movement in funds for the year (as per the SoFA)	(6,195)	1,446
Adjustments for:		
Losses/(gains) on investments	3,457	(1,863)
Investment income	(1,659)	(1,591)
Donated tangible assets	-	(231)
Amortisation charges	251	396
Depreciation charges	516	554
(Increase)/decrease in stocks	(363)	828
(Increase)/decrease in debtors	(1,680)	(688)
Increase/(decrease) in creditors and provisions	281	(266)
	803	(2,861)
Net cash (used in) / provided by operating activities	(5,392)	(1,415)

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

	2022 £'000	Change in year £'000	2021 £'000	Change in year £'000	2020 £'000
Cash at bank and in hand	302	(15)	317	94	223
Current investments (less than three months)	5,852	(6,258)	12,110	1,344	10,766
Total cash and cash equivalents	6,154	(6,273)	12,427	1,438	10,989

3. Net debt

	At 1 January 2022	Cashflows	Other non-cash changes	At 31 December 2022
Cash and cash equivalents				
Cash at bank and in hand	317	(15)	-	302
Current investments	12,110	(6,258)	-	5,852
Fixed asset listed investments	5,665	2,000	(658)	7,007
	18,092	(4,273)	(658)	13,161
Borrowings				
Debt due within one year	(300)	200	(400)	(500)
Debt due after one year	(2,150)	100	400	(1,650)
	15,642	(3,973)	(658)	11,011

Notes to the financial statements

For the year ended 31 December 2022

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

(a) Basis of accounting

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

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

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

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

Going Concern

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

of a period of one year from the date of approval of the financial statements.

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

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

(b) Basis of consolidation

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

(c) Fund accounting – unrestricted funds

The Association's unrestricted funds consist of funds which may be used for its purposes at its discretion. These comprise the general fund and various designated funds. The specific uses and needs to be met by the designated funds are detailed separately in note 20 to the financial statements.

(d) Fund accounting – restricted funds

The Association's restricted funds consist of a number of different funds where the donor has imposed restrictions on their use which are legally binding. The accounting records separate those restricted funds

from the unrestricted funds of the Association. A schedule of the movements on the various funds during the year is set out in note 21.

(e) Income

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

- Donations are accounted for on receipt.
- Subscriptions are recognised when the income is receivable from units at the end of February.
- Grants are accounted for once a formal offer of funding is received, subject to satisfying any performance related conditions not within the charity's control. In the event that a grant is subject to conditions that require a level of performance before the Association is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Association and it is probable that those conditions will be fulfilled in the reporting period.
- Government grants, including furlough income, are accounted for subject to satisfying any conditions not within the Association's control.
- Legacies are accounted for when probate has been granted and the executor has advised the legacy will be payable.
- Gifts in kind are included in the accounts at their approximate market value on the date of receipt.

(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 together with the operational costs of the trading subsidiary.

(g) Investments

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

(h) Depreciation and amortisation

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

Tangible fixed assets

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

Intangible fixed assets

- Membership database – 18% to 30%
- Other software – 20% to 33%

(i) Stocks

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

(j) Cash and cash equivalents

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

(k) Debtors

Debtors are measured at their recoverable amounts.

(l) Creditors

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

(m) Self-insured claims provision

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

(n) Pensions

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

(o) Employee benefits

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

(p) Operating leases

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

(q) Heritage assets

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

During 2022, a review of the historical archive was completed and the collection will be re-catalogued and re-packaged to enable smaller parcels of archive to be retrieved for use and research.

(r) Critical accounting judgements and estimation uncertainty

In preparing the financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The judgements and estimates considered by the trustees to have the most significant effect on amounts recognised in the financial statements relate to:

- (i) whether the going concern basis is appropriate, which is discussed in section (a) above;

- (ii) the provision of self-insured claims, which is made on the basis of advice from the Association's insurance brokers and is measured at the best estimate of the settlement amount;
- (iii) the fair value of property investments, which is made on the basis of advice from our external chartered surveyors and would be consistent with redeemed value if the asset were to be sold and
- (iv) the stock valuation and the need for the write down of slow moving stock.

The trustees do not consider there are any further critical judgements or key sources of estimation uncertainty requiring disclosure other than those already described within note 1.



Notes to the financial statements

For the year ended 31 December 2022

2 Donations, legacies and grants	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Consolidated								
Individual donations	108	-	54	162	41	-	65	106
Legacies and in memorial donations	87	-	42	129	15	26	80	121
Grants	79	3,000	875	3,954	2,674	-	2,817	5,491
Government grants	38	-	-	38	3,073	-	-	3,073
Donated assets	-	-	-	-	-	231	-	231
	312	3,000	971	4,283	5,803	257	2,962	9,022
Charity								
Individual donations	108	-	54	162	41	-	65	106
Legacy and in memorial donations	87	-	42	129	15	26	80	121
Grants	79	3,000	875	3,954	2,674	-	-	5,491
Government grants	10	-	-	10	3,036	-	2,817	3,036
Donated assets	-	-	-	-	-	231	-	231
	284	3,000	971	4,255	5,766	257	2,962	8,985

No lotteries took place in 2022 or 2021, however, in 2021 Postcode Children Trust made a one off unrestricted donation (of £2.6m) which is recorded within grant income.

3 Events income	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Consolidated and charity								
Community events	36	-	-	36	75	-	-	75
Other charity events	41	-	-	41	8	-	-	8
	77	-	-	77	83	-	-	83

4 Trading income	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Consolidated								
Members' trading Service	7,875	-	-	7,875	6,356	-	-	6,356
Licence fees and royalties	251	-	-	251	234	-	-	234
	8,126	-	-	8,126	6,590	-	-	6,590

5 Investment income

	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Consolidated and charity:								
Distributions from listed investments	183	-	26	209	103	-	20	123
Interest on cash deposits	6	-	-	6	1	-	-	1
	189	-	26	215	104	-	20	124
Investment property:								
Rental income	1,444	-	-	1,444	1,467	-	-	1,467
	1,633	-	26	1,659	1,571	-	20	1,591

6 Other income	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Consolidated								
Corporate sponsorship	441	-	-	441	444	-	-	444
International trips sponsorship	34	-	-	34	11	-	-	11
	475	-	-	475	455	-	-	455
Charity								
Corporate sponsorship	27	-	-	27	14	-	-	14
International trips sponsorship	34	-	-	34	11	-	-	11
Other	145	-	-	145	100	-	-	100
	206	-	-	206	125	-	-	125

Notes to the financial statements

For the year ended 31 December 2022

7 Cost of raising funds (all unrestricted funds)	Staff costs £'000	Other direct costs £'000	Support costs £'000	Total 2022 £'000	Staff costs £'000	Other direct costs £'000	Support costs £'000	Total 2021 £'000
Consolidated								
Seeking donations, grants and legacies	482	54	135	671	326	24	104	454
Operating costs of trading company	1,272	3,815	645	5,732	1,077	3,328	536	4,941
Investment management costs	-	8	-	8	-	8	-	8
Other	-	286	-	286	-	1,201	-	1,201
Total	1,754	4,163	780	6,697	1,403	4,561	640	6,604

	Staff costs £'000	Other direct costs £'000	Support costs £'000	Total 2022 £'000	Staff costs £'000	Other direct costs £'000	Support costs £'000	Total 2021 £'000
Charity								
Seeking donations, grants and legacies	482	54	135	671	326	24	104	454
Investment management costs	-	8	-	8	-	8	-	8
Other	-	286	-	286	-	1,201	-	1,201
Total	482	348	135	965	326	1,233	104	1,663

8 Charitable expenditure

The expenditure has been allocated across the four stands of the strategy as follows:

	Staff costs £'000	Other direct costs £'000	Support costs £'000	Total 2022 £'000	Staff costs £'000	Other direct costs £'000	Support costs £'000	Total 2021 £'000
Consolidated								
Creating exceptional experiences for girls	5,188	3,157	2,513	10,858	4,310	3,810	1,852	9,972
Developing a rewarding volunteer experience	2,773	1,369	817	4,959	2,151	824	667	3,642
Being inclusive and impactful	1,826	457	461	2,744	1,336	468	356	2,160
Sustainable and efficient organisation	2,308	424	595	3,327	1,784	578	452	2,814
Total	12,095	5,407	4,386	21,888	9,581	5,680	3,327	18,588

In 2022, the expenditure on charitable activities was £21,888,000 of which £3,688,000 was from designated funds and £1,252,000 was from restricted funds. (2021: £18,588,000 of which £3,218,000 was from designated and £3,119,000 was from restricted funds).

9 Analysis of support costs

	Charitable expenditure £'000	Raising funds £'000	Trading operation £'000	Total 2022 £'000	Charitable expenditure £'000	Raising funds £'000	Trading operation £'000	Total 2021 £'000
Consolidated								
Governance	101	3	23	127	31	1	17	49
Finance & legal	1,636	50	81	1,767	1,477	47	59	1,583
Insurance	477	15	18	510	388	12	18	418
Property management	571	18	201	790	361	11	116	488
Catalogues	-	-	153	153	-	-	190	190
Information technology	1,144	35	169	1,348	742	23	136	901
Human resources	457	14	-	471	328	10	-	338
	4,386	135	645	5,166	3,327	104	536	3,967

	Charitable expenditure £'000	Raising funds £	Trading operation £'000	Total 2022 £'000	Charitable expenditure £'000	Raising funds £	Trading operation £'000	Total 2021 £'000
Charity								
Governance	101	3	-	104	31	1	-	32
Finance & legal	1,636	50	-	1,686	1,477	47	-	1,524
Insurance	477	15	-	492	388	12	-	400
Property management	571	18	-	589	361	11	-	372
Information technology	1,144	35	-	1,179	742	23	-	765
Human resources	457	14	-	471	328	10	-	338
	4,386	135	-	4,521	3,327	104	-	3,431

Auditor's remuneration	Total	Total
Charity	23	19
Trading	22	15
Prior year under/(over) accrual	1	(5)
Accountancy, tax and other services	11	17
	57	46

Governance costs include £22,860 of auditor's remuneration for the charity (2021: £27,600) of which costs of £22,860 are in respect of audit services (2021: £14,845).

Further costs of £9,857 (2021: £12,755) are included in finance costs for non-audited services.

Notes to the financial statements

For the year ended 31 December 2022

10 Staff numbers and remuneration

	2022 Total £'000	2021 Total £'000
Gross salaries and wages	10,723	8,961
Redundancy costs	7	-
Employer's national insurance	1,072	901
Employer's pension contribution	729	607
	12,531	10,469

Temporary staff engaged through employment agencies are not included in the above analysis. The average number of employees in the year, is calculated on a headcount basis.

The headcount has been allocated across the four stands of the strategy and fundraising as follows:

	2022 No.	2021 No.
Creating exceptional experiences for girls	164	128
Developing a rewarding volunteer experience	53	46
Being inclusive and impactful	30	25
Sustainable and efficient organisation	39	31
Raising funds	51	45
	337	275

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

	2022	2021
£60,001 - £70,000	11	10
£70,001 - £80,000	3	2
£80,001 - £90,000	5	5
£120,001 - £130,000	1	1

The total remuneration for the year, including employer's national insurance but excluding pensions, for the chief executive, was £140,000 (2021: £138,000).

Remuneration for key management personnel including the chief executive of the Association (as shown on page 34 of the report) totalled £680,000 (2021: £660,000).

Members of the board of trustees are not remunerated. Expenses reimbursed in the year for travel and out-of-pocket expenses amounted to £12,853 for 9 members (2021: £1,199 for 3 members).

The Association owns a long-leasehold let, which is available for the use of senior volunteers during their time of office.

The Association pays the service and utility costs of the flat, which totalled £9,410 in the year (2021: £4,993).

11 Intangible fixed assets Consolidated and charity

	Software £'000	Assets under construction £'000	Total £'000
Cost			
At 1 January 2022	2,182	89	2,271
Additions	4	46	50
Transfer between categories	79	(79)	-
At 31 December 2022	2,265	56	2,321
Accumulated amortisation			
At 1 January 2022	1,670	-	1,670
Provision for the year	251	-	251
At 31 December 2022	1,921	-	1,921
Net book value at 31 December 2022	344	56	400
Net book value at 31 December 2021	512	89	601

All assets are used for direct charitable purposes.

Notes to the financial statements

For the year ended 31 December 2022

12 Tangible fixed assets Consolidated and charity

	Freehold land & buildings £'000	Leasehold property £'000	Equipment fittings & vehicles £'000	Total £'000
Cost				
At 1 January 2022	9,676	149	3,805	13,630
Additions	-	163	27	190
Transfer between categories	277	-	(277)	-
At 31 December 2022	9,953	312	3,555	13,820
Accumulated depreciation				
At 1 January 2022	4,147	84	2,479	6,710
Provision for the year	230	4	282	516
Transfer between categories	54	4	(58)	-
At 31 December 2022	4,431	92	2,703	7,226
Net book value at 31 December 2022	5,522	220	852	6,594
Net book value at 31 December 2021	5,529	65	1,326	6,920

All assets are used for direct charitable purposes.

The transfer between categories, corrects errors in the classification of assets and associated depreciation.

13a Investments – property

	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Consolidated and charity								
Market value loss at 1 January	-	29,600	-	29,600	-	28,400	-	28,400
Net (losses) / gains on revaluation of investment property	-	(2,800)	-	(2,800)	-	1,200	-	1,200
Market value at 31 December	-	26,800	-	26,800	-	29,600	-	29,600

The freehold investment property comprising a hotel was valued at 31 December 2022 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 – Global Standards 31 January 2022 and the national standards and guidance set out in the UK national supplement 2018 and the financial reporting standard applicable to the UK and Republic of Ireland (FRS102). The valuation of the property was on the basis of fair value, equated to market value, on the assumption of an investment. It was principally derived using the profits and investment methods valuation.

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

13b Investments – listed Consolidated and charity

	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Listed investments								
Market value at 1 January	4,764	-	867	5,631	4,203	-	765	4,968
Acquisitions at cost	2,000	-	-	2,000	-	-	-	-
Net loss/(gain) on revaluation of investments	(563)	-	(95)	(658)	561	-	102	663
Market value at 31 December	6,201	-	772	6,973	4,764	-	867	5,631
Cash held for investment	-	-	34	34	-	-	34	34
Portfolio value at 31 December	6,201	-	806	7,007	4,764	-	901	5,665
Historical cost at 31 December	5,707	-	673	6,380	3,707	-	673	4,380

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

	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
UK bonds and cash	-	-	34	34	-	-	34	34
Pooled funds	6,201	-	772	6,973	4,764	-	867	5,631
Total	6,201	-	806	7,007	4,764	-	901	5,665

13c Investments – subsidiary

	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Charity only								
Investment in subsidiary	150	-	-	150	150	-	-	150
Total value of investments	150	-	-	150	150	-	-	150

14 Stocks

	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Consolidated								
Stocks for resale	1,814	-	-	1,814	1,450	-	-	1,450
Consumable stocks	29	-	-	29	30	-	-	30
Total	1,843	-	-	1,843	1,480	-	-	1,480
Charity								
Stocks for resale	36	-	-	36	47	-	-	47
Consumable stocks	29	-	-	29	30	-	-	30
Total	65	-	-	65	77	-	-	77

Notes to the financial statements

For the year ended 31 December 2022

15 Debtors due within one year	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Consolidated								
Trade debtors	695	-	-	695	644	-	-	644
Other debtors	4	-	15	19	12	-	17	29
Prepayments and accrued income	4,068	-	450	4,518	2,510	-	-	2,510
VAT	30	-	-	30	114	-	-	114
Bad debt provision	(2,306)	-	-	(2,306)	(2,021)	-	-	(2,021)
	2,491	-	465	2,956	1,259	-	17	1,276
Charity								
Trade debtors	356	-	-	356	334	-	-	334
Amounts due from subsidiary	1,100	-	-	1,100	2,282	-	-	2,282
Other debtors	4	-	15	19	12	-	17	29
Prepayments and accrued income	4,051	-	450	4,501	2,476	-	-	2,476
VAT	30	-	-	30	114	-	-	114
Bad debt provision	(2,289)	-	-	(2,289)	(2,002)	-	-	(2,002)
	3,252	-	465	3,717	3,216	-	17	3,233

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

16 Short term bank deposits	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Consolidated								
Call accounts	3,606	2,177	69	5,852	8,203	2,749	1,158	12,110
	3,606	2,177	69	5,852	8,203	2,749	1,158	12,110
Charity								
Call accounts	1,815	2,177	69	4,061	4,718	2,749	1,158	8,625
	1,815	2,177	69	4,061	4,718	2,749	1,158	8,625

17 Creditors due within one year	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Consolidated								
Trade creditors	1,343	-	-	1,343	1,096	-	-	1,096
Deferred income (see note 17a)	479	-	-	479	480	-	-	480
Bank loans	500	-	-	500	300	-	-	300
Accruals and other creditors	878	37	5	920	913	38	5	956
Income tax and national insurance	281	-	-	281	246	-	-	246
	3,481	37	5	3,523	3,035	38	5	3,078

17 Creditors due within one year

	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Charity								
Trade creditors	1,088	-	-	1,088	923	-	-	923
Deferred income (see note 17a)	327	-	-	327	383	-	-	383
Accruals and other creditors	734	37	5	776	807	38	5	850
Income tax and national insurance	281	-	-	281	246	-	-	246
	2,430	37	5	2,472	2,359	38	5	2,402

17a Analysis of movement in deferred income

	Balance 1 January 2022 £'000	Income released in current year £'000	Income deferred in current year £'000	Balance 31 December 2022 £'000
Consolidated				
Deferred Income	480	(99)	98	479

Deferred income relates to fees received in advance from corporate partnerships at the end of the year and income received for Girlguiding events which take place in the following year.

Charity	£'000	£'000	£'000	£'000
Deferred Income	383	(99)	43	327

18 Creditors due after one year

	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2022 £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000
Consolidated only								
Bank loans								
Later than 1 year and not later than 5 years	1,650	-	-	1,650	1,950	-	-	1,950
Later than 5 years	-	-	-	-	200	-	-	200
	1,650	-	-	1,650	2,150	-	-	2,150

Deferred income relates to income received for Girlguiding events which take place in the following year.

During 2021 the wholly owned subsidiary applied for a loan of £1.5 million under the government backed Coronavirus Business Interruption Loan Scheme. The loan was drawn down on 9 August 2021. The final repayment is due six years after the loan was drawn and the interest rate is 3.0% over the Bank of England base rate.

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



Notes to the financial statements

For the year ended 31 December 2022

19 Provisions for liabilities and charges (all unrestricted)

	Balance 1 January 2022 £'000	Paid during the year £'000	Provision in the year £'000	Balance 31 December 2022 £'000
Consolidated and charity				
Self-insured claims provision	229	(20)	55	264

20 Movement in unrestricted funds

	Balance 1 January 2022 £'000	Income £'000	Expenditure £'000	Net investment (losses) / gains £'000	Transfers	Balance 31 December 2022 £'000
Consolidated	1					
General fund	10,461	21,850	(23,645)	(562)	410	8,514
Total	10,461	21,850	(23,645)	(562)	410	8,514
Investment property	29,600	-	-	(2,800)	-	26,800
Intangible fixed assets	601	-	(251)	-	50	400
Tangible fixed assets	6,920	-	(516)	-	190	6,594
Buildings & Equipment Fund	1,219	-	(310)	-	250	1,159
Transformation Fund	1,267	3,000	(2,611)	-	(900)	756
Diversity, Equality & Inclusion Fund	226	-	-	-	-	226
Total	39,833	3,000	(3,688)	(2,800)	(410)	35,935
	50,294	24,850	(27,333)	(3,362)	-	44,449

The balance on the general fund is equivalent to the free reserves following the transfer of the fixed assets into designated funds at the end of 2020. The trustees believe this improves the user's understanding of the accounts.

The main uses of the designated funds are:

Investment property

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

Intangible and tangible fixed assets

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

All amortisation and depreciation is charged against these funds.

Buildings & Equipment Fund

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

The funds are likely to be expended in the next three years.

Transformation Fund

This fund supports Girlguiding's strategy development. The fund is being spent as the projects within the strategy are developed with further funding and projects expected to take place in the coming three years.

Diversity, Equality & Inclusion Fund

During 2021, a diversity, equality and inclusion review was undertaken, and strategy launched. The fund will support the aims of the strategy over the coming two years.

21 Movement in restricted funds

	Balance 1 January 2022 £'000	Income £'000	Expenditure £'000	Net investment (losses) / gains £'000	Balance 31 December 2022 £'000
Restricted funds					
Support for Countries & Regions	377	11	(9)	(41)	338
Support for UK Guiding	1,325	902	(1,116)	(32)	1,079
Support for Training & Activity Centres (TACs)	515	84	(127)	(22)	450
Other funds	1	-	-	-	1
	2,218	997	(1,252)	(95)	1,868

Country and Region funds are used to generate income that is distributed to nine countries and regions in proportion to their membership. UK Guiding funds are used to provide grants to the membership, for example to set up new units, to support members with a disability and to provide travel bursaries. Training and Activity funds are used to provide grants to leaders attending trainings held at Foxlease and Waddow Hall and for the upkeep of one of our activity centre properties.

22 Analysis of net assets between funds

	Tangible fixed assets £'000	Intangible fixed assets £'000	Investments £'000	Assets £'000	Liabilities £'000	Total 2022 £'000
Consolidated and charity						
Restricted funds						
Support for countries and regions	-	-	328	10	-	338
Support for UK guiding	-	-	269	815	(5)	1,079
Support for Training & Activity Centre (TAC) funds	-	-	209	241	-	450
Other funds	-	-	-	1	-	1
Total restricted funds	-	-	806	1,067	(5)	1,868
Unrestricted funds						
General fund	-	-	6,201	7,708	(5,395)	8,514
Designated funds						
Investment property	-	-	26,800	-	-	26,800
Fixed assets	6,594	400	-	-	-	6,994
Buildings & Equipment Fund	-	-	-	1,159	-	1,159
Transformation Fund	-	-	-	793	(37)	756
Diversity, Equality & Inclusion Fund	-	-	-	226	-	226
Total designated funds	6,594	400	26,800	2,178	(37)	35,935
Total unrestricted funds	6,594	400	33,001	9,886	(5,432)	44,449
Total funds	6,594	400	33,807	10,953	(5,437)	46,317

Notes to the financial statements

For the year ended 31 December 2022

22 Analysis of net assets between funds (continued)

	Tangible fixed assets £'000	Intangible fixed assets £'000	Investments £'000	Assets £'000	Liabilities £'000	Total 2021 £'000
Consolidated and charity						
Restricted funds						
Support for Countries and Regions	-	-	369	8	-	377
Support for UK guiding	-	-	301	1,029	(5)	1,325
Support for Training & Activity Centre (TAC) funds	-	-	231	284	-	515
Other funds	-	-	-	1	-	1
Total restricted funds	-	-	901	1,322	(5)	2,218
Unrestricted funds						
General fund	-	-	4,764	11,112	(5,414)	10,461
Designated funds						
Investment property	-	-	29,600	-	-	29,600
Fixed assets	6,920	601	-	-	-	7,521
Buildings & Equipment Fund	-	-	-	1,219	-	1,219
Transformation Fund	-	-	-	1,305	(38)	1,267
Diversity, Equality & Inclusion Fund	-	-	-	226	-	226
Total designated funds	6,920	601	29,600	2,749	(38)	39,833
Total unrestricted funds	6,920	601	34,364	13,861	(5,452)	50,294
Total funds	6,920	601	35,265	15,183	(5,457)	52,512

23 Financial commitments

At 31 December 2022 the Association had no capital commitments (2021: £nil).

At 31 December 2022 the Association's subsidiary, The Guide Association Trading Service Limited, had entered into contracts of advance stock purchased with suppliers within the ordinary course of business worth £1,754,000 (2021: £2,300,000).

24 Operating lease commitments

The minimum lease payments under non-cancellable operating leases for land and buildings were as follows:

	2022 £'000	2021 £'000
Not later than 1 year	71	71
Later than 1 year and not later than 5 years	42	113
	113	184

25 Contingent assets

The Charity has been advised of a number of legacies from which it will benefit. The Charity's total estimated share is £176,000 (2021: £100,000). The value has not been included in the accounts as the conditions for recognition of the income have not been met.

26 Investment in subsidiary

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

The Guide Association owns the whole of the issued ordinary share capital, amounting to £150,000, of the Guide Association Trading Service Limited, a company registered in England (company number 04301686). As a wholly owned subsidiary, the Association is exempt, under Financial Reporting Standard 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 new movement for the consolidated group.

During the year the Guide Association Trading Service Limited achieved sales of £7,875,000 (2021: £6,374,000). Of these sales £95,000 (2021: £18,000) were sales to the Association. The Association charges £160,000 (2021: £160,000) in management fees. The Guide Association Trading Service Limited achieved a net profit of £2,786,000 (2021: £2,034,000) and this was donated under Gift Aid to the Association. At the end of the year the Guide Association Trading Service Limited had £3,951,000 (2021: £5,251,000) of assets and £3,801,000 (2021: £5,101,000) of liabilities.

27 The Guide Association Trust Corporation

Guide Association Trust Corporation is a company limited by guarantee and incorporated under the Companies Act. It acts as custodian and holds land, freehold or leasehold buildings and investments on behalf of guiding units. It is funded by the Guide Association as a service to guiding units and the expenses are included in management and administration expenditure in these financial statements. Financial statement of the Guide Association Trust Corporation are available care of the Guide Association, 17-19 Buckingham Palace Road, London, SW1W 0PT.

28 Related party transactions

There are no related party transactions requiring disclosure (2021: nil) other than those with the Association's subsidiary (as outlined in note 26).



Girlguiding

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