



**THE GIRLS' BRIGADE IN SCOTLAND**  
**REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**Year ended 31 March 2012**  
**Company Registration number: SC332331**  
**Charity Number: SC010980**

WEDNESDAY



\*S1HB9DM0\*  
SCT 12/09/2012 #574  
COMPANIES HOUSE

**THE GIRLS' BRIGADE IN SCOTLAND**

**Report and Financial Statements**

**Year ended 31 March 2012**

<b>Contents</b>	<b>Page</b>
Report of the Executive	1
Independent Examiner's Report	8
Statement of Financial Activities and Income and Expenditure Account	9
Balance Sheet	10
Notes to the Accounts	12

## THE GIRLS' BRIGADE IN SCOTLAND

### Annual Report of the Executive of The Girls' Brigade in Scotland For the year ended 31 March 2012

The directors of The Girls' Brigade in Scotland, who are also Trustees of the Charity for the purposes of the Charities and Trustee Investment (Scotland) Act 2005, have pleasure in submitting to the Members their annual report with the financial statements for the year ended 31 March 2012.

#### General Administrative Information

##### Directors

Anne J Hosie, MBE, National President (resigned 10.09.11)  
 Marianne McCafferty, National President (appointed 10.09.11)  
 Elizabeth Miller, Vice President  
 Sandra Hoey, Vice President  
 Morag Barnstaple, Treasurer (resigned 10.09.11)  
 Alistair S Burrow, Treasurer (appointed 10.09.11)  
 Very Rev William Hewitt, National Chaplain (appointed 10.09.11)  
 Karen Scott (resigned 10.09.11)  
 Lynda Ross (resigned 10.09.11)  
 Gillian Agnew  
 Jennifer Major  
 Margaret Cooper  
 Jennie Cochrane  
 Wendy Joss (appointed 10.09.11)  
 Heather McWhinnie (appointed 10.09.11)  
 Michelle MacPherson (Youth Representative - appointed 10.09.11)

##### Co-opted Youth Members (appointment for one year, initially)

Christine McFarlane

##### Company Secretary

M Caroline Goodfellow, National Director

##### Registered office

11A Woodside Crescent  
 Glasgow  
 G3 7UL

##### Bankers

HBOS  
 Sauchiehall Street  
 Glasgow  
 G2 3EY

##### Solicitors

Tods Murray LLP  
 33 Bothwell Street  
 Glasgow  
 G2 6NL

##### Insurance

George Semple & Co  
 (Brokers – working with  
 Royal Sun Alliance)  
 60 Westbourne Crescent  
 Bearsden  
 Glasgow G61 4HE

##### Independent examiner

Scott-Moncrieff  
 25 Bothwell Street  
 Glasgow  
 G2 6NL

##### Governing Document

The Girls' Brigade in Scotland (GBS) is incorporated under the Companies Acts as a company limited by guarantee without share capital and is accordingly governed by a Memorandum and Articles of Association as adopted on incorporation of the company on 12 October 2007.

The Members of GBS have each guaranteed its liabilities up to £1.

GBS is also a registered Scottish Charity registered under Charity Number SC010980 with the Office of the Scottish Charities Regulator.

## **THE GIRLS' BRIGADE IN SCOTLAND**

### **Annual Report of the Executive of The Girls' Brigade in Scotland (cont'd) For the year ended 31 March 2012**

#### **Structure, Governance and Management**

The directors are both charity trustees and company directors. The directors include those designated as office bearers and all are elected by the Members of GBS in accordance with provisions set out in the Articles of Association. This requires nominations to be made in writing and in the event of there being more than one nomination for the relevant post regulations made by GBS provide for the election of directors to be conducted by a postal ballot of companies. Directors who hold the role of National President, Vice President and Treasurer are eligible for nomination for a maximum of two three year terms. The National Chaplain is elected for a term of three years and is not eligible for a further term. All other directors are elected for a three year term and are not eligible for re-election to the Executive for a further two year period unless they are elected as office bearers. In accordance with the Constitution, Gillian Agnew and Jennifer Major, having served for three years as elected members will demit office at the Annual General Meeting to be held on 15 September 2012.

The National Director acts as Company Secretary to the company and is not a director of the company. The National Director is therefore a non-voting attendee at meetings of the Executive.

Additional directors, whether members of GBS or otherwise, up to a maximum of three, may be co-opted for a maximum of two years on an annual basis by the Executive. At present, Michelle MacPherson and Christine MacFarlane have been co-opted as youth members (i.e. under the age of 25) of the Executive for one year initially.

#### **Directors' Induction and Training**

Directors are familiar with the work of the charity and will generally have held positions of responsibility within companies or divisions prior to being elected to the Executive Committee.

GBS is aware of its responsibility to provide training to directors on the role which they are undertaking in the governance of the charity. Governance training and written information on roles and responsibilities has been provided to date with further training planned for new directors on a rolling basis.

#### **The Executive's Responsibilities**

The Executive is charged with the management and supervision of the affairs of GBS. It has worked towards the key objectives laid out in the 2009-10 Strategic Plan but has over the period been working to develop a new strategic vision for GBS, based on a series of consultation events, known as 'Developing a Vision for GBS'. This strategic initiative coupled with an Impact Assessment Study, being undertaken by an external consultant, will form the basis of the ongoing development of GBS over the next 3-5 years. The Executive meets at least five times per annum, receiving reports from the various groups which have been established to deliver aspects of the activities of GBS and to oversee and develop policies and action in the areas of mission, training, camping and GBS responsibilities and functions as an operating authority for the Duke of Edinburgh Award. The Executive's responsibilities include:

- Promoting the best interests of GBS;
- The administration of the organisation and of all its assets in the interest of its current and future beneficiaries;
- Bringing independent judgment to bear on issues of strategy, resources and performance; and
- Encouraging the delivery of programmes to members of GBS to the highest possible standards.

## **THE GIRLS' BRIGADE IN SCOTLAND**

### **Annual Report of the Executive of The Girls' Brigade in Scotland (cont'd) For the year ended 31 March 2012**

#### **National Director**

The National Director is the senior member of staff of GBS and Chief Executive and Company Secretary of The Girls' Brigade in Scotland as a charitable company. The National Director is responsible for the day to day management of the affairs of GBS and for implementing the policies agreed by the Executive.

#### **Objectives and Activities**

The principal objective of GBS continues to be to help girls to become followers of the Lord Jesus Christ and through self control, reverence and a sense of responsibility to find a true enrichment of life.

#### **Achievements and Performance**

GBS aims to fulfil its objectives by offering a programme of informal education to its members, delivered through companies, each of which is connected with a church or mission of an approved Christian denomination. The programme focuses on the needs of the individual and the personal development of every girl in membership. The programme places a high value on the development of service to church and community. Whilst being firmly based in the Christian faith, the membership of GBS is open to those of all faiths and none.

GBS provides a varied training programme to develop and nurture the skills of its voluntary leaders in assisting young people achieve the GBS objectives. During the period under review this has included specialised training in planning and preparing a GB Focus, camp and DofE training, particularly focusing on the new e-DofE implementation. The three year period of implementation for 'Train the Trainer' came to an end, resulting in the majority of Divisions across Scotland now having suitably qualified trainers in place. Where this has not been achieved, Divisions will require to work in partnership with those who have the necessary training qualifications. In the year ahead further courses will be held to ensure the continuity of this programme.

An increased number of girls have participated in national Leadership and Queen's Award Residential courses over the period. There has also been a rise in DofE participation and both girls and leaders are being encouraged to try new skills as part of their work to gain the award. Competitions have been well supported over the period with a new format provided for the Mar & Kellie and Bible Competitions, allowing members to work as a team within the company and to submit a portfolio of evidence for external assessment. The standard of work achieved, particularly in supporting the work of Yorkhill Children's Foundation, has been impressive and fits in well with the objectives of the Scottish Government's Curriculum for Excellence. A wide variety of activities are undertaken at local and divisional level in addition to the normal company programme.

The key focus for the year has been a series of 'Developing a Vision for GBS' events, as announced at the 2011 AGM. The Executive was keen to build on the GB Connect consultation events of 2010 but focusing more on a new streamlined strategic vision to take GBS forward for the next 3 -5 years. Funding for this consultation was awarded from the Scottish Government National Voluntary Training Support Fund, administered by Youthlink Scotland, and we extend our gratitude to them for this support. The events saw a mixture of residential weekends for Executive and Commissioners with one day events being held for Chaplains, Captains and Young Leaders. External facilitation has been key to the process, resulting in the Executive reviewing major areas of work to ensure that GBS is not over committed in the years ahead but can deliver long term viability and sustainability for all members. This process has led to some major changes to plans previously intimated, as noted below.

Phase I of the building project at Guay, in the form of Tayview Lodges, was completed within the period albeit later than originally planned. At the end of phase I, the Executive felt it prudent to review the position before proceeding any further with the project. The reality was that all funds raised for the project, via the National Appeal, and more, had been expended and the cost of completing the main build, as per the plans, required a further £400-500,000 at 2012 prices. On the basis that GBS did not have any money towards that sum, key funding agencies and trusts had already indicated that our project would not match their criteria while others indicated that capital projects would not be supported in the current economic climate it was agreed not to proceed with this project.

## **THE GIRLS' BRIGADE IN SCOTLAND**

### **Annual Report of the Executive of The Girls' Brigade in Scotland (cont'd) For the year ended 31 March 2012**

#### **Achievements and Performance (cont'd)**

At the same time, the Executive reviewed the future of the properties known as Tayview Cottage and Tayview Bungalow (the former Warden's accommodation) as substantial work was required to upgrade both properties, particularly the Cottage, to meet current legislation. Professional advice had been sought and reports indicated that around £200-250,000 would require to be spent to achieve this. The future of these properties had been discussed by the Executive in the previous period where it had been agreed that funding was not available to undertake the necessary work at that time and that position had not changed. The Executive decided to sell both properties and these are currently being marketed for sale.

The membership was advised of the decisions taken in December 2011 which related to Guay and associated properties. This resulted in a small minority asking for the decisions about the main build and the sale of Tayview Cottage, in particular, to be reviewed and overturned. The Executive undertook this review following meetings with individuals to listen to their concerns. At an Executive meeting on 11 February 2012 the decisions made were reviewed but all members indicated that they wished to stand firm with the decisions taken in November 2011 as the material facts and figures had not changed and they believed that they must act in the best interests of the majority of members. The Executive has agreed that the proceeds from the sale of both properties will be used to the wider benefit of The Girls' Brigade in Scotland but no plans will be formulated in respect of this until the process has been completed.

The National Display planned for June 2013 was cancelled due to uncertainty about how many individual companies or areas would be able to participate. In a time of economic uncertainty the Executive was keen not to impose further financial burdens in respect of travel, costumes, etc on companies and not to expose GBS to financial liability in respect of venue and equipment hire if the event was not well supported.

Marketing materials planned for a nursery school campaign have been put on hold at present to allow for streamlining of the strategic plan for future years in line with the outcome of 'Developing a Vision'. The Executive has also commissioned an Impact Assessment Study, undertaken by an external agency, to determine the impact that GB has on its members, the church and the wider community. This is being undertaken as a direct response to the HMIE report where GBS was advised that it needed to formally evaluate such impact. The Executive is keen to ensure that the findings from the Impact Study dovetail with the outcomes from the Vision process to ensure the development of a cohesive strategic plan for the future.

The Executive has also continued to further develop the work done previously in respect of uniform review. Consultation on uniform has been undertaken via the GB Connect Consultations and Surveys for all adult leaders and Brigaders since 2010 combined with ongoing consultation with Commissioners at their Forum meetings, held twice yearly. A Uniform Review Group was established in 2011 and proposals to change uniform regulation and titles have been circulated to members post year end and will be voted on at the annual meeting. Change has been minimal and in direct response to the consultation process with a view to easing the financial burden on parents and leaders purchasing uniform. If the proposal is accepted, the new uniform items would be available within a month of the AGM but there would be a two year changeover process to allow existing uniform to be worn until September 2014.

During the period, an on-line shopping facility was introduced to allow parents, leaders and friends of GB to purchase uniform items and gifts directly rather than via the company. This has proved popular in the early stages but the real test of the system will be at the start of the session in September 2012 which is normally the peak period for uniform purchase.

A fuller report on activities is contained in the Annual Report to members, copies of which can be obtained from the National Director.

## **THE GIRLS' BRIGADE IN SCOTLAND**

### **Annual Report of the Executive of The Girls' Brigade in Scotland (cont'd) For the year ended 31 March 2012**

#### **Directors' Responsibilities**

Company and charity law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Results**

The net operating surplus for the year was £114,851 (2011 – surplus of £45,397). Overall, the accounts show a surplus of £121,412 (2011 – surplus of £56,177) for the year. On advice from our Investment Managers we eliminated our investment exposure, resulting in a loss in the year of £644 (2011 – £nil).

The restricted and unrestricted funds used for the creation of the Tayview Lodges has been utilised to construct the lodges which are now noted as a fixed asset in the accounts valued at £390,613. It is anticipated that the remaining costs for the project will be £15,692. The total amount of £215,213 has been reallocated to a designated fund in the current year.

#### **Investment Policy and Performance**

The Executive has appointed Tilney to manage its investment fund. The present investment policy is to maximise the long term return of the investment fund subject to the risks normally associated with a balanced approach to portfolio management. Within that a conservative risk strategy is adopted. Ethical investments are made where appropriate opportunities arise. Regular reports are provided to the Executive by the Fund Manager detailing the progress and performance of the fund.

#### **Resources Level**

The Executive intends to conduct the financial affairs in such a way as to ensure, whenever possible, that uncommitted uninvested funds should be not less than three and ideally equal to at least six months expenditure on a nominal basis, in order to enable the organisation to continue if there were to be a significant drop in income. At 31 March 2012 unrestricted reserves amounting to £473,129 (2011 - £453,405) were available to use in future accounting periods.

#### **National Appeal**

Income to the National Appeal during the year has been £78,069, the largest donation being £60,008 from Greater Glasgow Division to support the costs involved in building one lodge. Other smaller sums have been received in respect of fitting out the lodges and through the various fundraising events held up to the end of November 2011. Following the decisions made by the Executive about the proposed main building it was agreed to wind up the National Appeal at the end of the current period. The National Appeal has been running for over 7 years and while the Executive expressed its gratitude to all who contributed in any way they also recognised the strength of feeling from many companies that they were tired of fundraising. The profits from any merchandise sold, which was already held as part of the National Appeal stock, will be transferred to GB Fundraising with a view to assisting future projects.

## **THE GIRLS' BRIGADE IN SCOTLAND**

### **Annual Report of the Executive of The Girls' Brigade in Scotland (cont'd) For the year ended 31 March 2012**

#### **Grant Making**

GBS does not offer grants. Income is used for the benefit of the members and in the furtherance of the aims and objectives of GBS.

#### **Related Parties**

The accounts disclose the operations of The Girls' Brigade in Scotland as a limited company and registered charity. They do not consolidate the activities and assets of independently constituted local GB companies or divisions.

#### **Risk Analysis**

The Executive has undertaken a risk analysis in order to identify the major risks to which GBS may be exposed. These risks have been reviewed and steps taken to mitigate the risks identified.

#### **Plans for future periods**

A programme of competitions for girls will be offered on the same basis as the previous year and the Olympic Challenge events have been rescheduled for October 2012. A Brigader Activity Day will be offered in conjunction with JudoScotland and the National Climbing Centre at Ratho to offer girls the chance to try out new skills with experienced and qualified instructors.

The Brigader Programme material, including the development of a progress file for girls, is being developed by a group of GB leaders and staff assisted by external facilitators. The Executive will also oversee the review of the Queen's Award Scheme, Camp and Leadership Training in the forthcoming session with a view to bringing them up to date and ensuring they meet the needs of GBS members for the future.

At the request of the membership, specialised training for the 2012-13 session will offer certified courses in First Aid and Elementary Food Hygiene. In addition, e-DofE courses will be offered to assist leaders in the ongoing management of the e-DofE system.

Further refinements and additions will be made to the GB website, including the introduction of a dedicated site for Brigaders. The use of electronic mailing processes instead of hard copy mailing has proved popular with over 80% of companies using this service. This has a huge impact on reducing costs in terms of postage, stationery and staff time and it is hoped to increase the numbers using this service.

The Executive is committed to producing policy and guidance on how to use all forms of social media safely at local and national level.

In respect of child protection, the process for retrospective checking under the new PVG (Protection of Vulnerable Groups) scheme will commence on 29 October 2012. GBS has already undertaken a full audit to assist in identifying how to undertake this process via the local churches and is working with the Church of Scotland Safeguarding Office, and others, to meet the challenges of implementing the second phase of this new legislation.

The outcome and key objectives of 'Developing a Vision for GBS' will be announced at the annual meeting in September 2012. The results of the Impact Study will be launched at a separate event in 2013. The Executive will continue to link both processes together to formulate a strategic plan and ongoing business plan for GBS in future years.



**THE GIRLS' BRIGADE IN SCOTLAND**

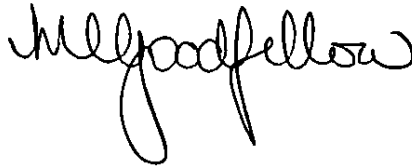
**Annual Report of the Executive of The Girls' Brigade in Scotland (cont'd)  
For the year ended 31 March 2012**

**Small Company Exemptions**

The above report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the board on 3 September 2012 and signed on its behalf by:

M Caroline Goodfellow  
National Director  
11A Woodside Crescent  
Charing Cross  
Glasgow  
G3 7UL



Date: 4 September 2012

## THE GIRLS' BRIGADE IN SCOTLAND

### Independent Examiner's Report to the Trustees of The Girls' Brigade in Scotland

I report on the accounts of the charity for the year ended 31 March 2012, which are set out on pages 9 - 11 and the related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005. My examination has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my examination, for this report, or for the opinions I have formed.

#### Respective responsibilities of directors and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the Regulations). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the 2005 Act and to state whether particular matters have come to my attention.

#### Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

#### Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations
 have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

*Gillian Donald*

**Gillian Donald**  
**Chartered Accountant**  
**Scott-Moncrieff**  
**Chartered Accountants**  
**25 Bothwell Street**  
**Glasgow**  
**G2 6NL**

Date: *4 September 2012*

**THE GIRLS' BRIGADE IN SCOTLAND**
**Combined Statement of Financial Activities and Income and Expenditure Account  
Year ended 31 March 2012**

	Note	Unrestricted funds		Restricted	2012	2011
		General	Designated	Funds	Total	Total
		£	£	£	Funds	Funds
					£	£
<b>Incoming resources</b>						
Incoming resources from generated funds						
- Voluntary income	2	49,406	-	149,371	198,777	103,731
- Activities for generating funds	3	81,129	-	-	81,129	85,736
- Investment income	4	7,526	-	669	8,195	7,141
Incoming resources from charitable activities	5	202,879	-	3,146	206,025	182,898
<b>Total incoming resources</b>		<u>340,940</u>	<u>-</u>	<u>153,186</u>	<u>494,126</u>	<u>379,506</u>
<b>Resources expended</b>						
Costs of generating funds						
- Costs of generating voluntary income	6	-	-	14,761	14,761	5,835
- Fundraising trading: supplies	7	58,271	-	-	58,271	66,890
- Other costs of generating funds	8	797	-	8,619	9,416	12,267
Charitable activities	9	234,286	-	52,108	286,394	242,745
Governance costs	10	10,433	-	-	10,433	6,372
<b>Total resources expended</b>		<u>303,787</u>	<u>-</u>	<u>75,488</u>	<u>379,275</u>	<u>334,109</u>
<b>Net incoming resources before holding gains and losses and transfers</b>		37,153	-	77,698	114,851	45,397
Holding gains/losses						
- gains/(losses) on investment assets	14	6,816	-	(255)	6,561	10,780
Gross transfer between funds	19	(24,245)	215,213	(190,968)	-	-
<b>Net movement in funds</b>		19,724	215,213	(113,525)	121,412	56,177
Total funds brought forward		453,405	-	255,768	709,173	652,996
<b>Total funds carried forward</b>		<u>473,129</u>	<u>215,213</u>	<u>142,243</u>	<u>830,585</u>	<u>709,173</u>

All of the results relate to continuing activities.

There were no recognised gains and losses other than as shown above.

The notes on pages 12 to 22 form part of these accounts

**THE GIRLS' BRIGADE IN SCOTLAND**

**Balance Sheet  
As at 31 March 2012**

	Note	2012 £	2011 £
<b>Fixed assets</b>			
Tangible fixed assets	13	436,400	133,305
Investments	14	178,187	173,077
		<u>614,587</u>	<u>306,382</u>
<b>Current assets</b>			
Stock	15	58,008	49,711
Debtors	16	116,629	68,008
Cash at bank and in hand		270,907	486,736
		<u>445,544</u>	<u>604,455</u>
<b>Creditors: amounts falling due within one year</b>	17	229,546	201,664
<b>Net current assets</b>		<u>215,998</u>	<u>402,791</u>
<b>Net assets</b>		<u>830,585</u>	<u>709,173</u>
<b>Funds</b>			
Unrestricted	19	473,129	453,405
Designated	20	215,213	-
Restricted			
Somerville Award	19	5,699	5,390
Display Funds	19	1,147	1,147
International Events	19	31,122	29,864
Fixed Asset Replacement Fund	19	42,554	42,554
Middleton Award	19	7,896	7,896
Dr C Hay Murray's Legacy	19	-	(6,719)
Mission Possible	19	5,127	4,498
National Appeal Fund	19	-	154,149
Youthlink Scotland Fund	19	15,146	14,142
Cos in Abeyance	19	2,847	2,847
Youth Scotland Cashback Fund	19	30,705	-
<b>Total Funds</b>		<u>830,585</u>	<u>709,173</u>

**THE GIRLS' BRIGADE IN SCOTLAND****Balance sheet (cont'd)  
As at 31 March 2012**

These financial statements have been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

For the financial year ended 31 March 2012 the company was entitled to exemption from audit under section 477 of the Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The financial statements were authorised for issue by the board of directors on 3 September 2012 and signed on its behalf by:



Alistair S Burrow  
Treasurer

**Registered number: SC332331**

**THE GIRLS' BRIGADE IN SCOTLAND****Notes to the Accounts  
Year ended 31 March 2012****1. Accounting policies**

The principal accounting policies adopted are as follows:

**(a) Going concern**

The directors have considered a period of at least twelve months from the date on which these financial statements have been signed and, having considered all relevant information available to them, believe it is appropriate to prepare the financial statements on a going concern basis.

**(b) Basis of accounting**

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice – Accounting by Charities (revised 2005) and the Charities Accounts (Scotland) Regulations 2006 (as amended).

**(c) Incoming resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, specific funding and donations and is included in full in the statement of financial activities when receivable unless this relates specifically to another accounting period.
- Incoming resources from activities for generating funds are accounted for when earned. This income includes income from trade of uniforms and other supplies and rental income from properties.
- Investment income is included when receivable.
- Incoming resources from charitable activities are accounted for when earned and include income generated from the companies' fees and training income.

**(d) Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred and is reported as part of the expenditure to which it relates:

- Costs of generating voluntary income comprise the costs associated with the trade of uniforms and other supplies.
- Charitable activities expenditure comprises those costs incurred by the charity in the delivery of the activities carried out which meet the objectives of the charity.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity.

**(e) Tangible fixed assets**

It is the policy of The Girls' Brigade in Scotland to maintain the property to a high standard and the cost of maintenance is charged to revenue in the year in which it is incurred. In the view of the Executive, the property is recorded at residual value and therefore no provision for depreciation has been made. The costs for the Tayview Lodges are not yet finalised but will be depreciated in the next financial year.

## THE GIRLS' BRIGADE IN SCOTLAND

### Notes to the Accounts Year ended 31 March 2012

#### (e) Tangible fixed assets (cont'd)

As agreed by the Board of Directors all capital expenditure for Tayview Lodges will be capitalised even if below £1,000.

Depreciation is provided on all other tangible fixed assets at rates required to write off the assets over their estimated useful lives and is calculated on the cost of the assets.

The following principal rates are used:

Furnishings	:	25% reducing balance
Motor vehicles	:	25% straight line
Computer equipment	:	33% straight line

The Tayview Lodges will be depreciated on a straight line basis over 25 years.

#### (f) Listed investments

Listed investments are stated at market value at the period end. Gains and losses on disposal and revaluation of investments are charged or credited to the statement of financial activities.

#### (g) Operating leases

Lease payments under operating leases, where substantially all the risk and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

#### (h) Stocks

Stocks are stated at the lower of cost (on a first in first out basis) or net realisable value.

#### (i) Funds

The charity receives some restricted income funds to account for the situation where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

#### (j) Deferred income

Deferred income comprises grant and fee income which relates specifically to future accounting periods.

## 2. Voluntary Income

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Donations	3,925	695	4,620	6,259
National Appeal	-	78,069	78,069	30,931
Scottish Government HQ Grant	46,000	-	46,000	46,000
Other grants	-	70,227	70,227	17,497
Other income	(519)	380	(139)	3,044
	<u>49,406</u>	<u>149,371</u>	<u>198,777</u>	<u>103,731</u>

Other income is a deficit in the current year as an accrual of £4,800 was included in 2010 and 2011 for gift aid but only £2,661 was received in year. Also included in other income is miscellaneous income of £1,250, national competitions income of £638 and insurance income of £111.

**THE GIRLS' BRIGADE IN SCOTLAND**

**Notes to the Accounts  
Year ended 31 March 2012**

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
<b>3. Activities for generating funds</b>				
Supplies income	77,465	-	77,465	82,296
Rental income	2,817	-	2,817	3,440
Admin income	847	-	847	-
	<u>81,129</u>	<u>-</u>	<u>81,129</u>	<u>85,736</u>
<b>4. Investment income</b>				
Dividends and interest on listed investments	7,328	668	7,996	6,728
Interest on cash deposits	198	1	199	413
	<u>7,526</u>	<u>669</u>	<u>8,195</u>	<u>7,141</u>
<b>5. Incoming resources from charitable activities</b>				
National fees from companies	185,365	3,146	188,511	177,035
International fees	1,845	-	1,845	-
Training fees	8,942	-	8,942	5,863
Award packs	4,372	-	4,372	-
AGM	2,355	-	2,355	-
	<u>202,879</u>	<u>3,146</u>	<u>206,025</u>	<u>182,898</u>
<b>6. Costs of generating voluntary income</b>				
Costs of National Appeal	-	14,761	14,761	5,835
<b>7. Surplus on activities for generating funds (supplies)</b>			<b>2012</b> £	<b>2011</b> £
Sales			77,465	82,296
Cost of sales			<u>29,620</u>	<u>41,858</u>
			47,845	40,438
Accommodation charge			5,407	4,549
Salaries			18,990	19,125
Stationery and other expenses			<u>4,254</u>	<u>1,358</u>
			28,651	25,032
Surplus for period			<u>19,194</u>	<u>15,406</u>



**THE GIRLS' BRIGADE IN SCOTLAND**

**Notes to the Accounts  
Year ended 31 March 2012**

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
<b>8. Other costs of generating funds</b>				
Salaries, pension and NIC	-	-	-	3,524
Service charges	-	2,592	2,592	4,406
Depreciation	-	127	127	170
Insurance	-	2,525	2,525	2,000
Postage and general expenses	-	-	-	340
Telephone	-	369	369	346
Upkeep and repairs	-	3,006	3,006	813
Investment management fees	797	-	797	668
	<u>797</u>	<u>8,619</u>	<u>9,416</u>	<u>12,267</u>
<b>9. Charitable activities</b>				
Annual report	2,440	-	2,440	1,250
Annual meeting	3,842	-	3,842	1,078
Salaries, pension and NIC	132,281	-	132,281	120,466
Staff training	205	-	205	-
European & International GB fees	3,834	-	3,834	6,029
International event costs	-	-	-	7,373
Cost of activities	3,947	71	4,018	1,887
Expenditure re grants	195	38,749	38,944	29,405
Training activities	4,802	-	4,802	2,460
Service charges	3,184	-	3,184	13,647
Depreciation	528	-	528	472
Insurance	30,283	-	30,283	27,502
Postage and general expenses	3,659	-	3,659	8,088
Stationery, printing, publicity and publication	5,499	-	5,499	5,163
Subscriptions	989	-	989	-
Equipment lease	4,546	-	4,546	1,602
Telephone	1,532	-	1,532	1,543
Travelling expenses	3,324	-	3,324	4,889
Rent & room hire	7,193	268	7,461	-
Upkeep and repairs	8,695	-	8,695	5,516
Van costs	1,249	-	1,249	-
Membership badges	6,403	-	6,403	-
Marketing - lodges	690	-	690	-
Professional fees – lodges	4,150	-	4,150	-
Gain on disposal of motor vehicles	(1,167)	-	(1,167)	-
Recognised loss on disposal	644	-	644	-
Irrecoverable VAT	1,339	-	1,339	-
Expenditure of National Appeal funds	-	13,020	13,020	4,375
	<u>234,286</u>	<u>52,108</u>	<u>286,394</u>	<u>242,745</u>

**THE GIRLS' BRIGADE IN SCOTLAND**

**Notes to the Accounts  
Year ended 31 March 2012**

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
<b>10. Governance costs</b>				
Accountancy	3,700	-	3,700	3,050
Other professional services	5,588	-	5,588	1,547
Meeting & travel costs of directors	1,145	-	1,145	1,775
	<u>10,433</u>	<u>-</u>	<u>10,433</u>	<u>6,372</u>

Expenses reimbursed to 8 (2011 – 7) directors in the period amounted to £1,145 (2011 - £1,775).

	2012 £	2011 £
<b>11. Staff costs</b>		
Staff costs		
Wages and salaries	139,415	131,816
Employers NI	11,856	11,299
	<u>151,271</u>	<u>143,115</u>

	2012 Number	2011 Number
The average number of employees, analysed by function was:		
National officials (full-time)	1	1
Administration staff (part and full-time)	5	5
Supplies staff (part and full-time)	1	2
Warden	1	1
	<u>8</u>	<u>9</u>

None of the directors received remuneration from the company in respect of their services as directors (2011 – none).

No employee received remuneration in excess of £60,000 in the period (2011 – none).

**12. Taxation**

The company is accepted as a charitable body under the terms of section 505 of the Income and Corporation Taxes Act 1988 and therefore no provision for corporation tax is required.

**THE GIRLS' BRIGADE IN SCOTLAND**

**Notes to the Accounts**  
**Year ended 31 March 2012**

	Freehold Land and Buildings £	Guay Chalets £	Furnishings And Equipment £	Motor Vehicles £	Total £
<b>13. Tangible fixed assets</b>					
Cost:					
At 1 April 2011	22,005	109,374	6,534	482	138,395
Additions	-	281,239	22,511	-	303,750
Disposals	-	-	-	(482)	(482)
At 31 March 2012	<u>22,005</u>	<u>390,613</u>	<u>29,045</u>	<u>-</u>	<u>441,663</u>
Accumulated depreciation:					
At 1 April 2011	-	-	4,608	482	5,090
Charge for period	-	-	655	-	655
Released on disposal	-	-	-	(482)	(482)
At 31 March 2012	<u>-</u>	<u>-</u>	<u>5,263</u>	<u>-</u>	<u>5,263</u>
Net book values:					
At 31 March 2012	<u>22,005</u>	<u>390,613</u>	<u>23,782</u>	<u>-</u>	<u>436,400</u>
At 31 March 2011	<u>22,005</u>	<u>109,374</u>	<u>1,926</u>	<u>-</u>	<u>133,305</u>
<b>14. Fixed asset investments</b>				<b>2012</b> £	<b>2011</b> £
Market value at 1 April 2011				173,077	162,966
Less: disposals (proceeds and loss on disposal)				(16,244)	-
Add: increase/(decrease) in cash in period				14,793	(669)
Add: net gain/(loss) on revaluation at 31 March 2012				6,561	10,780
Market value at 31 March 2012				<u>178,187</u>	<u>173,077</u>
Historical cost at 31 March 2012				<u>137,274</u>	<u>138,809</u>
All the above investments are listed on a UK stock exchange					
Major investments at market value:-					
Treasury stocks				-	19,365
Royal Dutch Shell				15,397	15,820
Johnson Matthey				16,513	13,020
Murray Income Trust				11,825	11,471
Temple Bar Inv Tr				11,986	11,518
British Assets Trust				16,091	16,952
Unilever PLC				13,416	12,350
Glaxosmithkline				11,172	9,516
Morrison (W) Supermarkets				9,834	9,108
Vodafone Group				11,537	11,826
Scottish & Southern Energy				10,632	10,088
New City High				10,392	10,647

**THE GIRLS' BRIGADE IN SCOTLAND**

**Notes to the Accounts  
Year ended 31 March 2012**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>15. Stock</b>		
Stock of finished goods	58,008	49,711
	<u>58,008</u>	<u>49,711</u>
<b>16. Debtors</b>		
Trade debtors	3,229	644
Income tax recoverable	-	4,800
Other debtors	104,060	57,091
VAT	9,340	5,473
	<u>116,629</u>	<u>68,008</u>
<b>17. Creditors: amounts falling due within one year</b>		
Deferred income (see note 18)	164,254	136,487
Trade creditors	39,215	44,163
Tax and social security	-	5,018
Other creditors	26,077	15,996
	<u>229,546</u>	<u>201,664</u>
<b>18. Deferred income</b>		
Income received in advance	164,254	136,487
	<u>164,254</u>	<u>136,487</u>
<b>Fees in advance</b>		
At 1 April 2011	136,487	125,100
Deferred in period	164,254	136,487
Released in period	(136,487)	(125,100)
	<u>164,254</u>	<u>136,487</u>
Balance at 31 March 2012	<u>164,254</u>	<u>136,487</u>

## THE GIRLS' BRIGADE IN SCOTLAND

### Notes to the Accounts Year ended 31 March 2012

#### 19. Funds

	Balance at 1 April 2011 £	Incoming resources £	Outgoing resources £	Invest- ment loss £	Transfers £	Balance at 31 March 2012 £
Restricted funds						
Somerville Award	5,390	380	(71)	-	-	5,699
Display Fund	1,147	-	-	-	-	1,147
International						
Events	29,864	1,258	-	-	-	31,122
FARR	42,554	-	-	-	-	42,554
Middleton Award	7,896	-	-	-	-	7,896
Dr C Hay						
Murray's Legacy	(6,719)	2,623	(8,619)	(255)	12,970	-
Mission Possible						
Fund	4,498	629	-	-	-	5,127
National Appeal						
Fund	154,149	78,069	(27,780)	-	(204,438)	-
Youthlink						
Scotland Fund	14,142	17,487	(16,483)	-	-	15,146
Companies in						
Abeance	2,847	-	-	-	-	2,847
Youth Scotland						
Cashback Fund	-	52,740	(22,035)	-	-	30,705
TSB	-	-	(500)	-	500	-
Sub-total	<u>255,768</u>	<u>153,186</u>	<u>(75,488)</u>	<u>(255)</u>	<u>(190,968)</u>	<u>142,243</u>
Designated funds	-	-	-	-	215,213	215,213
Unrestricted						
funds	<u>453,405</u>	<u>340,940</u>	<u>(303,787)</u>	<u>6,816</u>	<u>(24,245)</u>	<u>473,129</u>
Total	<u>709,173</u>	<u>494,126</u>	<u>(379,275)</u>	<u>6,561</u>	<u>-</u>	<u>830,585</u>

#### Represented by:

	Tangible fixed assets £	Invest- ments £	Net current assets £	Total £
Restricted funds	-	3,121	139,122	142,243
Designated funds	204,438	10,775	-	215,213
Unrestricted funds	<u>231,962</u>	<u>164,291</u>	<u>76,876</u>	<u>473,129</u>
Total	<u>436,400</u>	<u>178,187</u>	<u>215,998</u>	<u>830,585</u>

**THE GIRLS' BRIGADE IN SCOTLAND****Notes to the Accounts  
Year ended 31 March 2012****19. Restricted Funds (cont'd)****Somerville Award**

This fund, which is based on a gift from the Somerville family, is to cover the costs of making an award to a member or group of members of The Girls' Brigade in Scotland. The award will emphasise, in particular, service to the community.

**Display Fund**

This fund, being the surplus from the last National Display account and from the Celebration Praise event is for costs of a future National Display or similar event.

**Provision for International Events**

This fund is a provision for the additional costs of the participation by The Girls' Brigade in Scotland in International Girls' Brigade events.

**Fixed Asset Replacement Provision**

This is a provision for capital expenditure on future fixed asset replacement.

**Middleton Award**

This fund, gifted in memory of Rev. Clyne Middleton and his parents, Rev Stanley and Mrs Ria Middleton, is to be used for making an award to a member or members for training and development.

**Dr C Hay Murray's Legacy**

This fund was used for the running of the National Residential Camp Training and Holiday establishment at Guay, Ballinluig, Perthshire. The camp house is no longer there and the property known as Tayview Cottage is being sold.

As the purpose of the fund has now been met it has been released from restricted reserves and is now categorised as designated.

**Mission Possible Fund**

This fund was created to provide assistance for Girls' Brigade members to participate in development activities.

**National Appeal Fund**

This fund was used for activities related to the national appeal. Following the decisions made by the Executive about the proposed main building it was agreed to wind up the National Appeal at the end of the current period.

As the purpose of the fund has now been met it has been released from restricted reserves and is now categorised as designated.

**Companies in Abeyance**

Where a Girls' Brigade company goes in to abeyance, the funds of that company are transferred to The Girls' Brigade in Scotland according to the constitution. These funds are to be ring-fenced for a period of five years. If, after a five year period, there was no sign of the funds being utilised by the Church to restart a Company the restriction would be removed and the funds applied where required.

**Youthlink Scotland**

Funds were received to fund a one day Leadership Conference to be held in October 2009 and to facilitate pre and post event surveys with the membership with a view to identifying future training needs. Funding provision is also included in this Grant for the provision of external trainers.

Funds were also received to assist in the running of the Commissioners' Forum throughout the period.

## THE GIRLS' BRIGADE IN SCOTLAND

Notes to the Accounts  
Year ended 31 March 2012

### 19. Restricted funds (cont'd)

#### Youth Scotland Cashback Grant Fund

This fund is derived from Cashback for Communities and is applied for by National HQ on behalf of and distributed to Girls Brigade Companies. The administration of the grant is done by National HQ.

#### TSB

This fund is in respect of money that is received to be distributed out to the respective companies chosen by TSB.

20. Designated funds	Balance at	Incoming resources	Outgoing resources	Transfers	Balance at
	1 April 2011				31 March 2012
	£	£	£	£	£
Dr C Hay Murray's Legacy	-	-	-	10,775	10,775
National Appeal Fund	-	-	-	204,438	204,438
	<u>-</u>	<u>-</u>	<u>-</u>	<u>215,213</u>	<u>215,213</u>
Total	-	-	-	215,213	215,213

Dr C Hay Murray's Legacy was used for the running of the National Residential Camp Training and Holiday establishment at Guay, Ballinluig, Perthshire. As the camp house is no longer in use and the property known as Tayview Cottage is being sold it has been transferred to a designated fund. The full amount received has been spent on assets and investments purchased to generate income for the camp.

National Appeal fund was set up for activities relating to the National Appeal. As the full value of £204,438 has been utilised to purchase assets and the donor needs have been met this fund has now been transferred to designated funds.

The National Appeal balance will be reduced on an annual basis when depreciation is charged on the assets or in the event that the assets are sold.

### 21. Connected charities

Details of connected and affiliated charities are set out in the Annual Report 2012.

### 22. Operating lease commitments

The charity has annual commitments under operating leases expiring as follows:-

	2012		2011	
	Land & Buildings	Other Leases	Land & Buildings	Other Leases
	£	£	£	£
2 – 5 years	24,000	4,611	-	1,602
After 5 years	-	-	12,000	-
	<u>24,000</u>	<u>4,611</u>	<u>12,000</u>	<u>1,602</u>

**THE GIRLS' BRIGADE IN SCOTLAND****Notes to the Accounts  
Year ended 31 March 2012****23. Capital commitments**

During this financial year the charity has completed the bulk of the construction work in relation to the Tayview Lodges. In addition, the fitting out costs of the lodges have been incurred. The costs incurred during the financial year are £302,322 and it is estimated that a further £15,692 of expenditure will be incurred to complete the project by December 2012.

**24. Contingent liabilities**

During the period under review, the directors engaged a VAT consultant to confirm GBS was accounting correctly for VAT. Following the advice given, it appears that GBS has over recovered VAT and will have to repay this to HMRC. A detailed voluntary disclosure is being drafted and will be submitted shortly. The amount is not yet quantifiable pending agreement on the principles but is expected to crystallise in the year ended 31 March 2013.