

Registered Company No: SC332331

Registered Charity No: SC010980

THE GIRLS' BRIGADE IN SCOTLAND
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2014

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THE GIRLS' BRIGADE IN SCOTLAND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

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THE GIRLS' BRIGADE IN SCOTLAND

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Name: The Girls' Brigade in Scotland

Registered Office & Operational Address: 11A Woodside Crescent, Glasgow, G3 7UL.

Charity Registration Number: SC010980

Company Registration Number: SC332331

Trustees: Marianne McCafferty, National President
Sandra Hoey, Vice President
Gillian Agnew, Vice President
Alistair S Burrow, Treasurer
Rev Barbara Ann Sweetin, National Chaplain
Wendy Joss
Heather McWhinnie
Christine McFarlane
Sue Kirkbride
Michelle MacPherson
Ruth McNeill

Co-opted Youth Members: Claire Harris

Secretary: M Caroline Goodfellow, National Director

Independent Examiners: Wylie & Bisset LLP
168 Bath Street
Glasgow
G2 4TP

Bankers: HBOS
Sauchiehall Street
Glasgow
G2 3EY

Solicitors: Tods Murray LLP
33 Bothwell Street
Glasgow
G2 6NL

Insurance: Boyd & Co (incorporating George Semple)
(Brokers – working with Royal Sun Alliance)
7 Mill Street
Paisley
PA1 1LY

The Girls' Brigade in Scotland

Annual Report of the Executive of the Girls' Brigade in Scotland For the year ended 31 March 2014

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 2014.

Directors and Trustees

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees who served during the year and since the year end (unless otherwise stated) were as follows:

Marianne McCafferty, National President	
Elizabeth Miller, Vice President	(Resigned 21/9/13)
Sandra Hoey, Vice President	
Gillian Agnew, Vice President	(Appointed 21/9/13)
Alistair S Burrow, Treasurer	
Very Rev William Hewitt, National Chaplain	(Resigned 21/9/13)
Rev Barbara Ann Sweetin, National Chaplain	(Appointed 21/9/13)
Margaret Cooper	(Resigned 21/9/13)
Jennie Cochrane	(Resigned 21/9/13)
Wendy Joss	
Heather McWhinnie	
Christine McFarlane	
Sue Kirkbride	
Michelle MacPherson	(Appointed 21/9/13)
Ruth McNeill	(Appointed 21/9/13)

Co-opted Youth Members

Claire Harris

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 For the year ended 31 March 2014

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 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, Wendy Joss and Heather McWhinnie, having served for three years as elected members, will demit office at the Annual General Meeting to be held on 13 September 2014. The National President, Marianne McCafferty, has served one term of 3 years and will retire from office at the Annual General Meeting on 13 September 2014. In addition, Sandra Hoey has intimated her retirement from the post of Vice-President as from the 2014 AGM. Nominations were sought and received for the posts of National President, Vice-President and 2 elected members, resulting in a postal ballot of companies being undertaken. Jennifer Major has been elected as President, Margaret Cooper as National Vice-President and Fiona Robertson and Laura Baigrie as elected members and all will take up office after the AGM on 13 September 2014.

The National Director acts as a 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, Claire Harris has been co-opted as a youth member (i.e. under the age of 25) of the Executive for a second year.

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.

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 but it is planned to introduce a more formal induction process for new Trustees along with regular updates for those already in post. The National Director provides updates on legislative and regulatory changes via regular reports to the Executive as well as providing updates and recommendations on good practice, particularly in areas of child protection, insurance and risk management. Similarly, regular updates are provided in respect of developments and issues arising in the sector.

The Executive's Responsibilities

The Executive is charged with the management and supervision of all aspects of the work of GBS. During the period under review the focus has been on the implementation of the Moving Forward Framework, introduced in May 2013. This is a strategic initiative focusing on strengthening key areas of the organisation to provide a platform for ongoing development of GBS in future years. The issues relating to Guay and Tayview Lodges have also been a key area of work for the Executive, including a Consultation period with members, as they try to establish a strategic plan for the future.

The Girls' Brigade in Scotland

Annual Report of the Executive of the Girls' Brigade in Scotland For the year ended 31 March 2014

The Executive meets at least five times per annum, receiving reports from the groups which have been established to deliver the various 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. Following detailed discussion and briefing decisions are made, usually by general consensus but voting may take place for major decisions. The responsibility for implementing and delivering decisions, policies and procedures agreed by the Executive is devolved to the National Director and the staff team at GB HQ.

The Executive's responsibilities include:

- Promoting the aims and objectives of GBS, as noted below;
- 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 judgement to bear on issues of strategy, resources and performance; and
- Encouraging the delivery of programmes to members of GBS to the highest possible standards.

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 help for 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 is a Christian based, inter-denominational organisation, operating throughout Scotland for over 120 years. Membership is open to girls/young women across the social and economic spectrum; from all faiths or none and from a wide variety of cultural backgrounds. It is our policy, wherever possible, to include those who are challenged by physical or mental disability. The key objects of GBS are as outlined in the Constitution:

"To help girls become followers of the Lord Jesus Christ, and through self control, reverence and a sense of responsibility, find true enrichment of life. This is done by the formation, development, encouragement and support of local groups for the purposes of training and development of individual capabilities, skills and understanding of the social challenges facing young people as they grow in wisdom and stature, such education and teaching to include respect for other religions."

To assist in delivering these objectives, GBS has a small professional staff team who deliver support to around 1950 adult volunteer leaders in respect of training, programmes, materials, activities/events so that they may support around 7500 girls/young women from P1-S6 in delivering the above objectives. In addition, the activities and training offered to membership is based on the Curriculum for Excellence and GIRFEC with the aim of encouraging our members to be successful learners, confident individuals, effective contributors and responsible citizens.

The Girls' Brigade in Scotland

Annual Report of the Executive of the Girls' Brigade in Scotland For the year ended 31 March 2014

Achievements and Performance cont'd

GBS offers a Leadership training programme for girls aged 15+ through to adult leadership with a view to developing and nurturing skills to ensure that those working with girls are well equipped to meet our aims and objectives. In addition, specialised and certified training courses in various areas are made available to support the wider activities offered by companies, as and when required. Those volunteers delivering training are required to complete a Train the Trainer course with a view to maintaining standards of delivery at Divisional level. At a national level, Leadership 3 training and Queen's Award Residential have, yet again, proved popular. Evaluation of both courses throughout the period has been above average but review groups are currently working on further development of Leadership Training and Queen's Award as part of the Moving Forward Framework.

GBS is an Operating Authority for The Duke of Edinburgh Award (DofE) and we are pleased to report that numbers engaging in this programme continue to rise year on year. While DofE complements the award programme offered by GBS it also provides additional areas for personal achievement and challenge, particularly in relation to the expedition section. A second DofE Expedition Supervisor's course was held in September 2013. This was very successful and has provided a significant number of leaders with new skills. During the session the focus has continued to be on encouraging companies involved in the Award to try new skills and activities and improving the standard and delivery of expedition training at all levels. To help support companies offering the Award, a 'GBS & DofE Award Guide' is being developed to ensure that everyone works to the same criteria for the Award.

The Executive took the decision not to offer national competitions or events during the period as numbers attending competitions, in particular, had dwindled significantly. Feedback from Commissioners and companies demonstrated that the cost of transport to national events and distances to be travelled meant that such activities were no longer as attractive on a national scale. Divisions and companies were encouraged to have events and competitions in local groupings to encourage fellowship for members. The Executive continues to review this issue and are looking at a variety of options for the future.

The new Awards, agreed in 2013, were designed and made available in January 2014. A minimal amount of old stock, under £500, had to be written off but there are plans to share surplus stock with other GB countries in Africa.

Overall, it has been a busy year for GBS and the plans for the future noted in the 2013 accounts have been implemented as noted below.

- A revised Queen's Award scheme was launched at the AGM in September 2013. The aim was to open up the award to more members without diluting its value and we are pleased to report an increased number of registrations in the period. The QA Review Group continues to develop further the various sections relating to the award, including the residential element.
- The Leadership Training review group was established and is working to develop a series of new training modules for young women and adult leaders.
- GB Support Network was launched at the 2013 AGM to allow those unable to provide a full commitment to company work to help support local initiatives as and when required. As anticipated, this will take time to establish but a small number of support initiatives have already been undertaken.
- The new Holiday Leadership material and training courses were launched in February 2014. A further course has been held with more planned for the 2014-15 session. Overall, the new programme for training has been welcomed by leaders, particularly the introduction of on-line preparatory modules and subsequent reporting.

The Girls' Brigade in Scotland

Annual Report of the Executive of the Girls' Brigade in Scotland For the year ended 31 March 2014

Achievements and Performance cont'd

- A complete set of new and revised policies, including Equalities, How to Manage Volunteers, Social Media, Child Protection and Bullying, were circulated to all companies in August 2013 along with update forms to streamline registration and membership processes, etc. As anticipated, these have taken a little time to bed in but are now working well as part of an improved governance structure at all levels.
- Electronic communication for all documents, other than legal correspondence, was implemented on 1 January 2014. Overall, this appears to be working well and has proved beneficial in reducing costs of stationery and allowing staff time to be used more effectively.
- The Executive and senior staff met for a residential weekend in November where they worked and developed strategic elements of the Moving Forward Framework as well as receiving updates on DofE, governance training, etc.
- The annual Commissioners' residential Forum was held in late November. Commissioners were provided with an update on the Moving Forward Framework and business of GBS. In addition, they participated in training sessions on Equality and Diversity training, Social Media and DofE during the weekend.
- Completion of the new Brigader Programme material was achieved during the period under review with the support of Catch the Light. This is a dual resource in that while there is a traditional programme book there is also a very effective and useful on-line resource. The material was launched in May 2015 with around 150 leaders attending. This resource has been designed to be organic and a further 20 topics will be added by June 2015, providing companies with a minimum of 6 years of programme material.

During the period under review, GBS had to bid for Scottish Government funding to be administered by the Big Lottery under the stream of Third Sector Early Intervention funding. GBS, like all uniformed organisations, was not successful in this but were subsequently invited to be one of the Scottish Government Strategic Funding Partners. This resulted in increased funding for specific areas of work and we would record our grateful thanks for Scottish Government support which has enabled delivery of a number of the initiatives highlighted above.

GBS continues to be part of the Cashback for Communities Small Grants Consortium and maintains a close working relationship with Boys' Brigade Scotland as well as being part of the Four Uniform Group. We also enjoy an excellent working relationship with DofE Scotland and Youthlink Scotland, both of whom provide support and guidance where required.

As mentioned previously, Tayview Lodges at Guay has been a constant item of business on the Executive agenda. A small marketing group was established in late 2013 to help promote the lodges. Their work continues and while occupancy levels have shown signs of increase this was not to a breakeven level, resulting in a significant operating deficit. Aware of the need to address this issue in the longer term, the Executive prepared a consultation document for members with a view to determining a position. Unfortunately, the response rate was very low with a less than 10% response rate and did not indicate a definitive organisation wide view. The Executive is now investigating a variety of possibilities for the longer term.

A fuller report on activities throughout the period is contained in the Annual Report to members, copies of which may be obtained from GB HQ after the Annual Meeting on 13 September 2014.

The Girls' Brigade in Scotland

Annual Report of the Executive of the Girls' Brigade in Scotland For the year ended 31 March 2014

Financial Review

Without the sale of properties, the financial statements revert this year to a more "normal" position. GBS has incurred a deficit overall, wholly attributable to the Lodges at Guay. This comprises a deficit of over £30,000 on the costs of operating the Lodges, and an impairment charge on the value of the lodges (see below) of £65,417. The situation at Guay is referred to above, and as mentioned this has been a major issue for Executive meetings throughout the year under review. Given the disappointing response to the membership wide consultation and the indecisive response received, the Executive has invited a number of people to advise the Executive about the options available to stem the losses which are being incurred and it is hoped a decision will be made and communicated to members at the 2014 AGM in September. However, the advice received included a valuation of the Lodges at a figure considerably less than the book value of the lodges and the Executive has decided it would be prudent that the carrying value be written down to the estimated value of the properties in this most recent valuation. This reflects the policy outlined in Note 1 (e) and is detailed in Note 13.

We reported on discussions with HMRC over the issue of VAT last year. As envisaged this has been a laborious and slow process and during the year we have only managed to complete the recalculation of 11 of the 12 quarterly returns required by HMRC. This has indicated that our initial estimate of the overall liability may have been too low and we have increased the provision in the financial statements by a further £4,000 in this period (see Note 22).

Reserves Policy

The Executive has determined that whenever possible uncommitted un-invested funds should be not less than three and ideally equal to six months expenditure on a normal basis, in order to enable the organisation to continue if there were to be a significant drop in income. This does not take in to account the costs of winding up the company or making staff redundant. At 31 March 2014 unrestricted reserves amounted to £887,666 (2013 - £971,107), of which £292,340 was tied up in fixed assets. The free cash at bank was sufficient to meet the Executive target for reserves.

Investment Policy & Performance

The Executive has appointed Deutsche Bank Private Wealth Management to manage its investment portfolio on a discretionary basis. The Policy is to maximise the long term return on the investment fund subject to the risks normally associated with a balanced approach to portfolio management. Within that policy a conservative risk strategy is adopted. Regular reports are provided to the National Treasurer by the Fund Manager on their stewardship of the funds under management, which increased compared to last year by the investment of the monies from the sale of the properties at Guay designated as a Development Fund, leading both to an increased income and increased portfolio management costs. A formal written Investment Policy was agreed by the Executive during the year under review and has been reviewed since the year end, with a view to providing a clear basis to measure the manager's performance.

Risk Assessment

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

Plans for the coming year include:

- Further development of the Leadership Training material for all stages.

The Girls' Brigade in Scotland

Annual Report of the Executive of the Girls' Brigade in Scotland For the year ended 31 March 2014

Plans for future periods cont'd

- Development on an assessment tool for training courses and enhancement of the current Train the Trainer scheme.
- Continued monitoring of the revised Queen's Award scheme and development of practice and process of the award.
- Exploring new ways of recruiting Adult Leaders.
- Commencement of work on the new programme material for Juniors, our members in the P4-7 age range.
- Participation in the Young People Taking the Lead initiative, supported by Scottish Government Cashback Funding and operated via the Cashback consortium. This is designed to offer young leaders aged 14-25 an opportunity to develop their leadership skills and a programme of activities to support this will be delivered in local areas with a view to forming a youth network. In addition, DofE Leadership courses will be offered to build and strengthen DofE delivery at company level.
- A further Executive residential weekend to look at ongoing strategic development as well as team building is planned for October 2014.
- A residential weekend for Commissioners is planned for early December 2014 and will provide an opportunity for strategic updates and further training initiatives.
- Leadership 3 and Queen's Award residential weekends will be held during the period.

Statement of trustees' responsibilities

The trustees (who are also directors of The Girls' Brigade in Scotland for the purposes of company law) 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).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

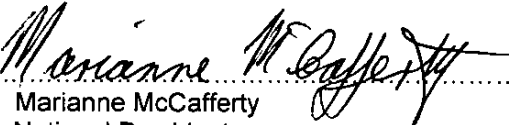
The Girls' Brigade in Scotland

**Annual Report of the Executive of the Girls' Brigade in Scotland
For the year ended 31 March 2014**

Statement of trustees' responsibilities cont'd

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the provisions applicable to companies subject to the small companies regime of the Companies Act 2006.

Approved by the Trustees and signed on their behalf by:


.....
Name: Marianne McCafferty
National President

Date: 23rd August 2014

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE GIRL'S BRIGADE IN SCOTLAND

I report on the accounts of the charity for the year ended 31 March 2014, which are set out on pages 11 to 22.

Respective responsibilities of trustees and examiner

The charity's trustees 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.

The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the 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. 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, and
- 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.

Wylie & Bisset LLP

Jenny Simpson BSc (Hons) FCA DChA
Wylie & Bisset LLP
Chartered Accountants
168 Bath Street
Glasgow
G2 4TP

Date: *5 September 2014*

The Girls' Brigade in Scotland

STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)

For the year ended 31 March 2014

	Note	Unrestricted Funds £	Restricted Funds £	2014 Total £	2013 Total £
Incoming Resources					
Incoming resources from voluntary funds					
Voluntary income	3	8,213	63,833	72,046	59,717
Activities for generating funds	4	28,168	-	28,168	13,007
Investment income	5	11,551	-	11,551	7,000
Incoming resources from charitable activities	6	325,941	250	326,191	341,933
Other incoming resources	7	-	-	-	235,916
Total Incoming Resources		<u>373,873</u>	<u>64,083</u>	<u>437,956</u>	<u>657,573</u>
Resources expended					
Costs of generating funds					
Fundraising trading; cost of goods sold and other costs	8	62,949	-	62,949	89,704
Investment management fees	9	5,758	-	5,758	619
Charitable activities	10	399,702	55,710	455,412	395,443
Governance costs	11	9,854	-	9,854	12,329
Total Resources Expended		<u>478,263</u>	<u>55,710</u>	<u>533,973</u>	<u>498,095</u>
Net (expenditure)/income for the year		(104,390)	8,373	(96,017)	159,478
Transfers		-	-	-	-
Net (outgoing)/incoming resources before other recognised gains and losses		(104,390)	8,373	(96,017)	159,478
Other recognised gains and losses					
Realised gain/(loss) on investments		2,345	-	2,345	(1,122)
Unrealised gain on investments	17	18,604	-	18,604	13,429
Net movement in funds		(83,441)	8,373	(75,068)	171,785
Reconciliation of Funds					
Total funds brought forward	23,24	971,107	31,263	1,002,370	830,585
Total funds carried forward	23,24	<u>887,666</u>	<u>39,636</u>	<u>927,302</u>	<u>1,002,370</u>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The Girls' Brigade in Scotland

BALANCE SHEET AS AT 31 March 2014

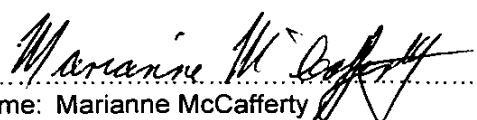
	Notes	£	2014 £	2013 £
FIXED ASSETS				
Tangible Assets	16		292,340	375,351
Investments	17		415,951	168,697
			<u>708,291</u>	<u>544,048</u>
CURRENT ASSETS				
Stock	18	63,103		58,817
Debtors	19	74,608		77,462
Cash at bank and in hand		<u>334,073</u>		<u>504,408</u>
		471,784		640,687
Creditors: amounts falling due within one year	20	<u>(236,773)</u>		<u>(170,365)</u>
NET CURRENT ASSETS			235,011	470,322
Provisions for liabilities and charges	22		(16,000)	(12,000)
NET ASSETS			<u>927,302</u>	<u>1,002,370</u>
Unrestricted Funds		345,326		345,756
Designated Funds	24	<u>542,340</u>		<u>625,351</u>
			887,666	971,107
Restricted Funds	23		39,636	31,263
TOTAL FUNDS			<u>927,302</u>	<u>1,002,370</u>

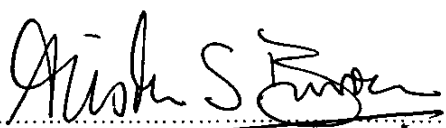
For the year ended 31 March 2014 the company was entitled to exemption under section 477 of the Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The trustees 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 period and of its profit or loss for the financial period 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.

These Accounts have been prepared in accordance with provisions applicable to companies subject to the small companies regime of the Companies Act 2006.

Approved by the Trustees and signed on their behalf by:


Name: Marianne McCafferty
National President


Name: Alistair S Burrow
National Treasurer

Date: 23rd August 2014

Company No: SC332331

The Girls' Brigade in Scotland

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 March 2014

1. Accounting Policies

a) Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

b) Fund accounting

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

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, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources from charitable trading activities are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

The Girls' Brigade in Scotland

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 March 2014

1. Accounting Policies (continued)

d) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the external scrutiny fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage.

e) Tangible fixed assets and depreciation

Assets costing more than £1,000 are capitalised. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Furnishings	-	25% Reducing Balance
Computer Equipment	-	33% Straight Line
Motor vehicles	-	25% Straight Line
Guay Chalets	-	4% Straight Line

Freehold land and buildings are not depreciated because 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.

f) Investments

Investments are included at market value at the Balance Sheet date. The statement of financial activities includes the net gains and losses arising on revaluations and disposals during the year.

g) Stock

Stock is included at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

h) Operating leases

Rentals paid under operating leases are charged to the statement of financial activities. The obligation to pay future rentals on operating leases is shown by way of a note to the Accounts.

i) Taxation

The company is a charity within the meaning of Section 506(1) of the Taxes Act 1988. Accordingly the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 505 of the Taxes Act 1988 or Section 256 of Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

The Girls' Brigade in Scotland

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 March 2014

2. Legal Status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

3. Voluntary Income

	Unrestricted £	Restricted £	2014 Total £	2013 Total £
Donations	6,273	-	6,273	10,462
Scottish Government HQ Grant	-	63,833	63,833	46,000
AGM	1,940	-	1,940	3,255
	<u>8,213</u>	<u>63,833</u>	<u>72,046</u>	<u>59,717</u>

4. Activities for Generating Funds

	Unrestricted £	Restricted £	2014 Total £	2013 Total £
Fundraising income	563	-	563	-
Rental income	27,605	-	27,605	13,007
	<u>28,168</u>	<u>-</u>	<u>28,168</u>	<u>13,007</u>

5. Investment Income

	Unrestricted £	Restricted £	2014 Total £	2013 Total £
Dividends and interest on listed investments	11,551	-	11,551	6,990
Interest on cash deposits	-	-	-	10
	<u>11,551</u>	<u>-</u>	<u>11,551</u>	<u>7,000</u>

6. Incoming Resources from Charitable Activities

	Unrestricted £	Restricted £	2014 Total £	2013 Total £
Membership, support, training and development	325,941	250	326,191	341,933
	<u>325,941</u>	<u>250</u>	<u>326,191</u>	<u>341,933</u>

7. Other Incoming Resources

	Unrestricted £	Restricted £	2014 Total £	2013 Total £
Gain on sale of fixed asset	-	-	-	235,916
	<u>-</u>	<u>-</u>	<u>-</u>	<u>235,916</u>

8. Resources Expended – Costs of Generating Funds

	Direct Costs £	Support Costs £	2014 Total £	2013 Total £
Rental Costs	58,864	4,085	62,949	89,704
	<u>58,864</u>	<u>4,085</u>	<u>62,949</u>	<u>89,704</u>

The Girls' Brigade in Scotland

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 March 2014

9. Resources Expended – Investment Management Costs

	Direct Costs £	Support Costs £	2014 Total £	2013 Total £
Investment management fees	5,758	-	5,758	619
	<u>5,758</u>	<u>-</u>	<u>5,758</u>	<u>619</u>

10. Resources Expended- Charitable Activities

	Direct Costs £	Support Costs £	2014 Total £	2013 Total £
Membership, support, training and development	406,603	48,809	455,412	395,433
	<u>406,603</u>	<u>48,809</u>	<u>455,412</u>	<u>395,433</u>

11. Resources Expended – Governance Costs

	Direct Costs £	Support Costs £	2014 Total £	2013 Total £
Audit fee	-	-	-	3,090
Independent examination fee	1,400	-	1,400	-
Meeting and travel costs	336	-	336	1,677
Staff costs	-	8,118	8,118	7,562
	<u>1,736</u>	<u>8,118</u>	<u>9,854</u>	<u>12,329</u>

12. Support Costs – Breakdown by Activities

	Rental	Charitable Activities	Governance	Basis of Allocation
Staff costs	4,085	48,809	8,118	Time spent
	<u>4,085</u>	<u>48,809</u>	<u>8,118</u>	

13. Net Incoming Resources for the Year

This is stated after charging:

	2014 £	2013 £
Depreciation	21,095	23,459
Impairment on fixed asset	65,417	30,906
Auditors' Remuneration - Audit Fees	-	3,090
Independent Examiners' Fees	<u>1,400</u>	<u>-</u>

The Girls' Brigade in Scotland

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 March 2014

14. Staff Costs and Numbers

Staff costs were as follows:

	2014	2013
	£	£
Salaries and wages	151,838	135,669
Social security costs	11,830	11,635
Other pension costs	<u>7,779</u>	<u>7,126</u>
Total	<u><u>171,447</u></u>	<u><u>154,430</u></u>

No employee received emoluments of more than £60,000. (2013: None)

The average number of employees during the year, calculated on the basis of fulltime equivalents, was as follows:

	2014	2013
	Number	Number
National Officials (full-time)	1	1
Admin Staff (part-time and full-time)	5	5
Supplies Staff (part-time and full-time)	1	1
Centre Manager	<u>1</u>	<u>1</u>
Total	<u><u>8</u></u>	<u><u>8</u></u>

15. Trustees' Remuneration and Related Party Transactions

No Trustees received any remuneration during the year. Travel expenses totalling £336 (2013 - £734) were reimbursed to 4 Trustees in the year (2013 - 6).

The Trustees have taken out trustee indemnity insurance during the year. The annual premium is £1,045 (2013 - £1,045)

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2013 - Nil).

The Girls' Brigade in Scotland

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 March 2014

16. Tangible Fixed Assets

	Freehold land and buildings £	Tayview Lodges at Guay £	Fixtures, Fittings And Equipment £	Total £
Cost or valuation				
At 1 April 2013	4,072	396,778	34,129	434,979
Additions	-	-	3,501	3,501
Disposals	-	-	-	-
At 31 March 2014	<u>4,072</u>	<u>396,778</u>	<u>37,630</u>	<u>438,480</u>
Depreciation				
At 1 April 2013	-	46,778	12,850	59,628
Charge for the year	-	14,583	6,512	21,095
Impairment charge	-	65,417	-	65,417
On disposals	-	-	-	-
At 31 March 2014	<u>-</u>	<u>126,778</u>	<u>19,362</u>	<u>146,140</u>
Net book values				
At 31 March 2014	<u>4,072</u>	<u>270,000</u>	<u>18,268</u>	<u>292,340</u>
At 31 March 2013	<u>4,072</u>	<u>350,000</u>	<u>21,279</u>	<u>375,351</u>
The net book value at 31 March 2014 represents fixed assets used for:				
	£	£	£	£
Direct charitable purposes	<u>4,072</u>	<u>270,000</u>	<u>18,268</u>	<u>292,340</u>

On the 28th July 2014 the Tayview Lodges at Guay were valued on an open market basis by CLDH. The resulting impairment in value has been recorded in these accounts.

The Girls' Brigade in Scotland

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 March 2014

17. Fixed Asset Investments

	2014	2013
	£	£
Market value at 1 April 2013	168,697	149,281
Additions at cost	286,079	33,956
Disposals at opening book value	(57,429)	(27,969)
Net unrealised investment gains / (losses)	18,604	13,429
	<u>415,951</u>	<u>168,697</u>
Market value at 31 March 2014	<u>415,951</u>	<u>168,697</u>
Historical cost at 31 March 2014	<u>355,692</u>	<u>119,300</u>

	£
Investments held at 31 March 2014 which are over 5% of portfolio by value are:	
Johnson Matthey	21,850
UK Govt GILT 2.5%	24,835
UK Govt GILT 4.125%	31,416
M&G Investment Management	21,638

18. Stocks

	2014	2013
	£	£
Goods for sale	63,103	58,817
	<u>63,103</u>	<u>58,817</u>

19. Debtors

	2014	2013
	£	£
Trade debtors	6,670	10,982
Other Debtors	67,938	66,480
	<u>74,608</u>	<u>77,462</u>

20. Creditors: Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	54,365	2,530
Other taxes and social security costs	4,487	309
Other creditors	20,838	19,106
Deferred income (Note 21)	157,083	148,420
	<u>236,773</u>	<u>170,365</u>

The Girls' Brigade in Scotland

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 March 2014

21. Deferred Income

	2014 £	2013 £
Balance at 1 April 2013	148,420	164,254
Amount released to incoming resources	(148,420)	(164,254)
Amount deferred in the year	157,083	148,420
Balance at 31 March 2014	<u>157,083</u>	<u>148,420</u>

Deferred income comprises membership fee income and rental income received in advance.

22. Provisions for liabilities and charges

	2014 £	2013 £
Provision for VAT liability	<u>16,000</u>	<u>12,000</u>
	<u>16,000</u>	<u>12,000</u>

A provision has been made for a historic VAT liability, which resulted from the over-claim of VAT in prior years.

23. Restricted Funds

	Balance at 1 April 2013 £	Movement in funds			Balance at 31 March 2014 £
		Incoming resources £	Expenditure (gains)/losses £	Transfers £	
Somerville Award	5,822	-	-	-	5,822
Middleton Award	7,896	-	-	-	7,896
Youthlink Scotland Fund	4,612	-	4,612	-	-
Companies in Abeyance	2,847	-	-	-	2,847
Youth Scotland Cashback Fund	10,086	250	144	-	10,192
Scottish Government	-	63,833	50,954	-	12,879
	<u>31,263</u>	<u>64,083</u>	<u>55,710</u>	-	<u>39,636</u>

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.

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.

Youthlink Scotland

Funding was provided for the cost of external trainers and to assist in the running of Commissioners Forums.

The Girls' Brigade in Scotland

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 March 2014

23. Restricted Funds (continued)

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.

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.

Scottish Government

Support towards Children and young people having the best chance to reach their potential, becoming successful learners, confident individuals, effective contributors and responsible citizens.

24. Unrestricted Funds

	Movement in funds				
	Balance at 01 April 2013 £	Incoming resources £	Expenditure (gains)/losses £	Transfers £	Balance at 31 March 2014 £
Designated Funds					
Development Fund	250,000	-	-	-	250,000
Fixed assets	<u>375,352</u>	-	86,512	3,500	<u>292,340</u>
	625,352	-	86,512	3,500	542,340
General Funds	<u>345,755</u>	<u>373,873</u>	<u>370,802</u>	<u>(3,500)</u>	<u>345,326</u>
	<u>971,107</u>	<u>373,873</u>	<u>457,314</u>	<u>-</u>	<u>887,666</u>

The fixed asset fund reflects the funds tied up on the net book value of the fixed assets.

The development fund represents monies set aside for future developments.

The Girls' Brigade in Scotland

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 March 2014

25. Analysis of Net Assets between Funds

	Tangible Fixed Assets £	Investments £	Net current assets £	Provisions	Total £
Restricted funds	-	-	39,636	-	39,636
Unrestricted funds	292,340	415,951	195,375	(16,000)	887,666
Total funds	<u>292,340</u>	<u>415,951</u>	<u>235,011</u>	<u>(16,000)</u>	<u>927,302</u>

26. Commitments

Lease Commitments – operating leases

	2014		2013	
	Land & Buildings £	Other Leases £	Land & Buildings £	Other Leases £
Less than 1 year	12,000	6,750	15,635	2,034
2-5 Years	21,000	8,996	9,143	4,242
After 5 Years	-	-	86	86

27. Control

The charity is controlled by its Directors, the Trustees.