

Annual Report and Financial Statements

The Guide Association London & South East England
Known as
Girlguiding London & South East England
For the year ended 31st December 2013



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REPORT OF THE EXECUTIVE COMMITTEE

The Executive Committee of The Guide Association London and South East England is pleased to present its Report for 2013.

Statement of Purpose

Girlguiding London and South East England offers girls and young women quality girl-led guiding opportunities, presenting challenge and adventure, which develop their potential and enable them to make a positive contribution to their community and beyond.

Governing Document and Constitution

The Guide Association London and South East England ("The Region") is governed by Royal Charter and the powers of the Executive Committee are set out in the Constitution, Bye-Laws to the Royal Charter. Its main offices are at 3 Jaggard Way, Wandsworth Common, London, SW12 8SG.

Organisation Structure

The Region is one of nine separately constituted areas of The Guide Association and as such an independent charity in its own right (charity registration no. 308268). The reports and results contained herein relate only to the operation of the Region and no other entity. The Region covers the whole of Greater London except the London Borough of Havering; Kent; Sussex and Surrey.

The Region's Executive Committee is the decision making group for policy and management decisions. Three main committees report to the Executive Committee: Guiding Development, Marketing & Communications and Finance & General Purposes.

The Region also comprises three campsites: Chigwell Row, Cudham Shaws and Paxmead Riverside Base. These are branches of the Region, they operate their own site management, have their own 'Friends Group' and their results are included in the Region's financial statements.

REPORT OF THE EXECUTIVE COMMITTEE (cont'd)

Members of the Executive Committee

The Executive Committee meets four times each year and had an attendance rate of 95% in 2013 (94% in 2012).

Ex Officio voting members:

Chief Commissioner	Mrs P McKerrow
Deputy Chief Commissioner	Mrs C Hardy
Chair of Finance/Treasurer	Mrs M Kipling to 01/09/2013 Mrs T Miller from 01/09/2013
Chair Adult Support	Mrs J Butler to 27/10/2013*
Chair of Guiding Development	Mrs A Purser
Chair of Marketing & Communications	Mrs K Whitmore
County Commissioner - Croydon	Mrs S Thomas
County Commissioner - Greater London Kent	Mrs C Thomas to 31/08/2013 Miss A Munns from 01/09/2013
County Commissioner - Greater London West	Mrs R Townsend
County Commissioner - Kent East	Mrs J Hermitage
County Commissioner - Kent Weald	Miss S Christmas
County Commissioner - Kent West	Miss L Derham
County Commissioner - London North East	Mrs J Goss
County Commissioner - London North West	Ms M Caven
County Commissioner - London-over-the-Border	Mrs J Pettit
County Commissioner - London South East (Jobshare)	Mrs J Arkwright Mrs P Mason
County Commissioner - London South West	Mrs T Shand
County Commissioner - Middlesex East	Mrs P Daniels to 6/07/2013 Ms J Martyr from 06/07/2013
County Commissioner - Middlesex North West	Mrs K Harrison

REPORT OF THE EXECUTIVE COMMITTEE (cont'd)

County Commissioner - Middlesex South West	Mrs D Griffiths
County Commissioner - Surrey East	Miss E Edwards
County Commissioner - Surrey West	Mrs G Churchlow to 01/09/2013 Mrs A Sargent from 01/09/2013
County Commissioner - Sussex Central	Mrs D Phillips
County Commissioner - Sussex East (Jobshare)	Mrs S Buche Miss A Edgar
County Commissioner - Sussex West	Mrs A Gray

* From 27/10/13 Adult Support forms part of Guiding Development

Ex Officio non-voting members:

Chair of Trefoil Guild - Mrs P Downer

Region Manager - Mrs P Higgs

Sub -Committees

Guiding Development (Adult Support)	Mrs J Butler to 27/10/2013
Chair of Guiding Development	Mrs A Purser
Marketing & Communications	Mrs K Whitmore
Finance & General Purposes	Mrs M Kipling to 01/09/2013 Mrs T Miller from 01/09/2013



REPORT OF THE EXECUTIVE COMMITTEE (cont'd)

Appointment, induction and training of trustees

The members of the Executive are appointed ex officio by the Chief Commissioner in accordance with the bye-laws and procedures established by the Association. There are established procedures for the induction of each trustee to ensure that they are aware of the responsibilities of a trustee. Further training takes place every two years.

Trustee Term of appointment

The standard term of appointment for the Chief Commissioner and each County Commissioner Trustee is 5 years and for the Chairs of Finance & General Purposes, Guiding Development and Marketing & Communications this is 3 years.

There is an option to extend the length of service by a further two years to all ex officio members.

The Senior Leadership Team

Chief Commissioner

Philippa McKerrow (until 11 July 2016)

Deputy Chief Commissioner

Carole Hardy (until 11 July 2016)

Chair of Finance/Trustee Treasurer

Tracey Miller (until 31 August 2016)

Chair of Guiding Development

Angela Purser (until 27 October 2016)

Chair of Marketing and Communications

Kim Whitmore (until 6 October 2015)

REPORT OF THE EXECUTIVE COMMITTEE (cont'd)

Professional Advisers and Consultants

The professional advisers and consultants during 2013 have been as follows:

Bankers

National Westminster Bank, Wandsworth Branch, PO Box 8888,
98 Wandsworth High Street, SW18 4ZD

Auditors

BDO, 55 Baker Street, London, W1U 7EU

Legal Consultants

Girlguiding

Bates Wells Braithwaite, Scandinavian House, 2-6 Canon Street, London EC4M 6YH

LaSER

Gullands Solicitors, 16 Mill Street, Maidstone, Kent ME15 6XT



REPORT OF THE EXECUTIVE COMMITTEE (cont'd)

Report of the Trustees of London and South East England Region 2013

Introduction

Girlguiding is the leading charity for girls and young women in the UK. We build girls' confidence and raise their aspirations. We give them the chance to discover their potential and encourage them to be a powerful force for good. We give them a space to have fun.

Over a third of girls and young women (aged 7 to 21 years) in London and the South East of England are involved in guiding, or have been in the past. We run Rainbows (5-7 years), Brownies (7-10 years), Guides (10-14 years) and The Senior Section (14-25 years) enabling girls and young women to develop their potential whatever their ability or background. We are striving to offer new opportunities to a broad diversity of communities through our expanding network of almost 14,000 trained volunteer Leaders.

In 2013 London and South East England increased our total membership to 80,125 offering more girls and young women the opportunity to explore the challenge, adventure and fun of guiding. Our Region events have provided spectacular experiences for our members to discover and grow as individuals. We encouraged all guiding sections to join together for KaBoom!, our hugely successful 3 day extravaganza of fun and investigation at the Science Museum and welcomed Trefoil Guilds from across the Region who joined with us to celebrate their 70th anniversary.

Our dedicated and enthusiastic volunteer Leaders are supported through ongoing local and Region based training by a specialist team of volunteer Trainers and Advisers. The energy, knowledge and skills of our volunteers form the life blood of our organisation; without the time, care and understanding that they give to our young members we could not offer the exciting and stimulating programme that we do. The Trustees would like to take this opportunity to thank each and every volunteer in Girlguiding London and South East England for all that they give to enable our girls and young women to discover and grow.



Pip McKerrow
Chief Commissioner
11th May 2014



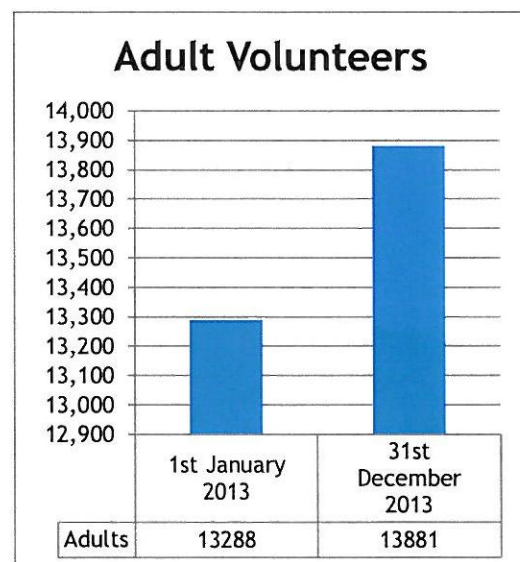
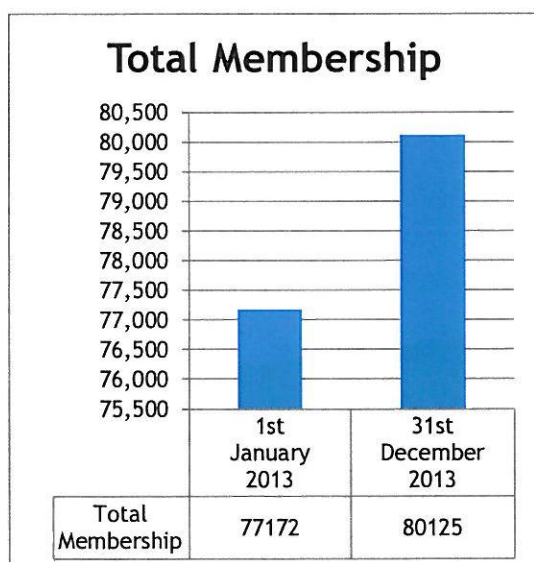
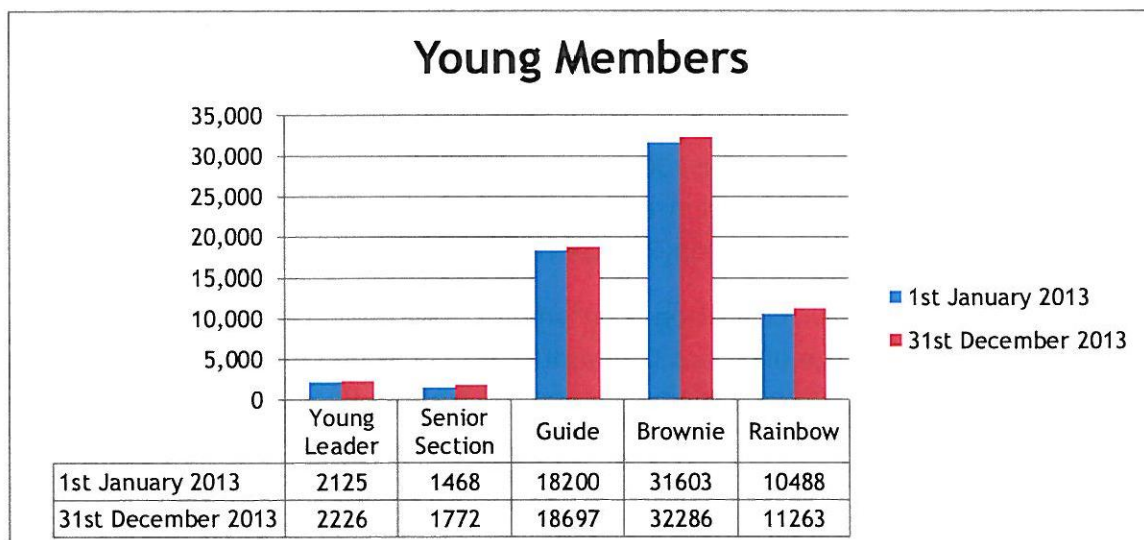
REPORT OF THE EXECUTIVE COMMITTEE (cont'd)

Opportunity

By 2015 we will have increased our membership by inspiring and supporting adult volunteers, girls and young women to grow quality guiding at a local level to offer more opportunities to girls.

Girlguiding LaSER grew by 4% in 2013; we have seen increased numbers across all sections with a phenomenal growth in the Senior Section of 17%.

We have been working to increase membership with two organisations: YOU Matter Funding (Safer London Foundation) and Youth United; they have financially supported us and we in turn have been able to support adult volunteers, girls and young women to grow guiding at a local level. We have three development workers within London and they have supported the volunteer structure to provide more recruitment opportunities. It is our intention to continue to look for opportunities to grow guiding throughout the Region.



REPORT OF THE EXECUTIVE COMMITTEE (cont'd)

Influence

By 2015 we will have decision-making processes region-wide that are actively influenced by the views and opinions of our young members.

In Girlguiding LaSER we put the girl at the centre of everything we do. We know that we must deliver the programme our members want and listen to what they tell us.

We encouraged members to share their views on the events they attended. We held post-event evaluation meetings and made time to talk to the young members we met.

This year we used online survey tools to gather feedback about our events - to find out what participants liked, what could be improved and what our members would like to see in the future. Our girls told us they loved staying in unusual places, receiving VIP treatment at popular theme-parks and trying things they couldn't do anywhere else. Our adults told us that attending large-scale Region run events allowed them to take their girls away to places they wouldn't normally consider and gave them the confidence to try new things.

We provided opportunities for adult volunteers to share good practise by using events such as Region Day, an event for 200 Commissioners and Advisers, to discuss how to involve young members in decision-making and by publishing facts, ideas and "myth busters" in our weekly publication, Raspberry Ripple.

We are proud of our Peer Education Programme. Peer Educators are trained to deliver trainings on a wide range of topics that matter to our young members, such as bullying, youth health and self-esteem. We have over 100 trained Peer Educators in the Region, and in 2013 they delivered 46 training sessions. Our Peer Educators assisted Girlguiding with trialling a new programme, Free Being Me, which explores issues of self-esteem and body confidence. This gave them the chance to have their say in the development of the programme and to share their opinions. We encouraged our Peer Educators to seek further opportunities in guiding, such as completion of the Leadership or Training Qualifications.



REPORT OF THE EXECUTIVE COMMITTEE (cont'd)

Voice

By 2015 we will have developed a recognised brand used consistently and appropriately by all members, to unite all our members in a co-ordinated delivery of Girlguiding and Girlguiding LaSER key messages.

The Region is committed to giving girls and young women a voice. This year we have set up a group called 'LaSER Champions'. They are a group of 18-25 year olds who we have trained to be spokespeople and represent us to the general public and external organisations. This year they went to the Houses of Parliament to discuss issues young women are facing.

In the coming year they will be initiating campaigns and issues that are relevant to our Region and will be a consultation group for the Operations Group.



REPORT OF THE EXECUTIVE COMMITTEE (cont'd)

Action

By 2015 we will consistently deliver a good quality, age appropriate, relevant programme offering action, challenge and adventure.

We are fortunate to have many trained, experienced and enthusiastic volunteers and skilled specialists in the Region. Using this expertise, we delivered an adventurous, fun programme to our young members.

In 2013, we ran a series of sleepovers at Chessington World of Adventures Resort, providing over 600 members with the opportunity to camp at the resort for two nights and spend two days exploring the theme park, attractions and animal areas.

Our mountain-top-moment was KaBoom!. An event for all ages held at The Science Museum, London in October, which incorporated an evening event primarily for our Guides and The Senior Section, two daytime events for all guiding sections around the museum, and a sleepover for 450 Brownies and Guides in the museum itself. We were delighted to share the event with the Region's Trefoil Guild who were celebrating their 70th anniversary. Over 6,000 of our members attended the events as well as a host of special guests and VIPs who were able to see the Region at its best.

As well as running large-scale events that local guiding groups may not be able to deliver themselves, we provided opportunities for adult volunteers to enhance and develop their skills. We held trainings in outdoor skills, international travel, first-aid and delivered several social walking weekends that enabled leaders to improve their skills and gain new qualifications.



REPORT OF THE EXECUTIVE COMMITTEE (cont'd)

Organisation

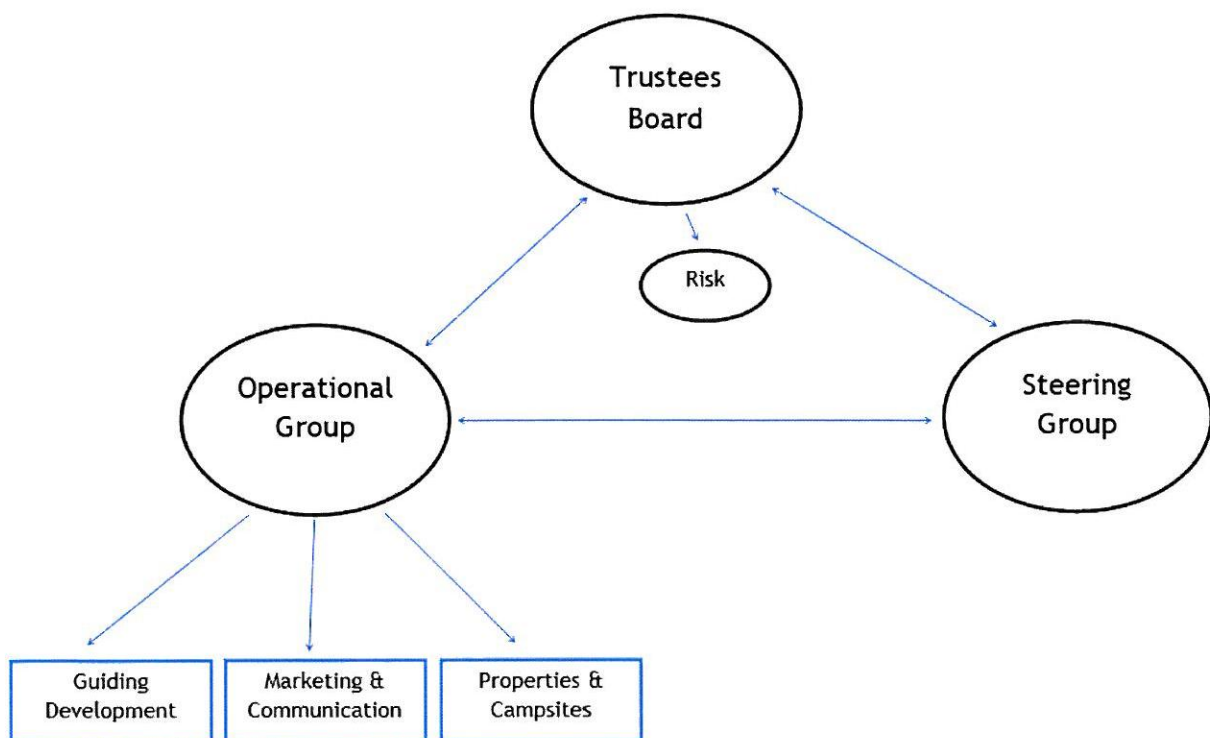
By 2015 we will have reviewed structures and processes to establish a more responsive and flexible style of organisational leadership.

During 2013, we have implemented a process to review all aspects of Governance within Girlguiding LaSER. Consultations started in January 2013 and the process was completed in November 2013 when the Trustees approved a revised structure for implementation in early/mid 2014.

One of the key outcomes is that Trustees will be appointed for their skills and experience they will bring to delivering our strategic aims, and County Commissioners will represent their areas at a "Steering Group" aimed to reflect the views and wishes of their County membership to the Board of Trustees.

Membership of the Board of Trustees will comprise key Girlguiding LaSER senior volunteers, representation from the adult membership and externally appointed trustees. The new structure will be in place for July 2014.

Revised structure



REPORT OF THE EXECUTIVE COMMITTEE (cont'd)

Support

By 2015 we will continue to be in a sustained stable financial position to support the charity's statement of purpose and objectives.

Finance

At Girlguiding LaSER we work hard to ensure our financial resources support our strategic aims; making sure funds are available to enable a full and dynamic membership programme.

The majority of our income is derived from 3 main sources: member subscriptions, our campsites and membership events. In 2013 the main membership events comprised Chessington World of Adventures, Kaboom! at the Science Museum and 3 International Trips; these events were geared to break even.

Our charitable expenditure varies each year depending on the programme offered. Support and staff costs have grown versus last year. This was mainly to provide consistent membership support and to grow guiding in our Region.

The total net assets for the year grew slightly versus last year. In 2012 they were £1.75m and in 2013 they increased to £1.79m. Most of our assets are held in cash in interest bearing accounts.

Properties and Sites

For the past three years, Girlguiding LaSER has been undertaking a comprehensive review of the three leased properties/sites that we use for camping and boating.

This review is designed to recognise current income flows from usage and potential for development and income for the future. The aim is to ensure that Girlguiding LaSER can meet the needs of its members, to be able to experience residential and outdoor adventurous activities and to ensure a financially viable position into the future.

The review group reported to the Trustees in February 2014.



REPORT OF THE EXECUTIVE COMMITTEE (cont'd)

Conclusion

This year saw many achievements and advances for Girlguiding London and South East England in line with national developments and our strategic goals. None of these would have been possible without the support of our enthusiastic and committed volunteers.

In 2014 we will complete our overall review of the Region with the changed structure to Governance, the final report to Trustees of the Campsite Review and review of staffing.

We will build on the work of our growth of membership funded by YOU Matter Funding and Youth United and seek local funding to support more project work. We will work to support our Counties to respond quickly to enquiries on Girlguiding's Join Us online system for new volunteers and young members. We will continue to value our volunteers by providing quality training opportunities and support services.

We will celebrate the Big Brownie Birthday, 100 years of Brownie Guiding, with Funtastic, with a spectacular weekend event for 3,000 Brownies at Butlins. We will launch Growing Up Wild, a new Region initiative to engage young people with nature, building on our core programme and developing partnerships with local organisations and local branches of national organisations. We will continue to offer demanding, adventurous international opportunities to The Senior Section.

We will continue to ask girls what they think and to put them at the forefront of our decision making. We will further develop our LaSER Champions programme empowering our members to have a voice, ensuring that our organisation is at the forefront of public awareness and challenging the way we portray ourselves to the outside world.

Objective and activities for the public benefit

The Executive Committee confirms that it has taken due regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the organisation's aims and objectives in planning future activities.

Risk Statement

The Executive committee are responsible for overseeing the risk faced by the Region and are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

REPORT OF THE EXECUTIVE COMMITTEE (cont'd)

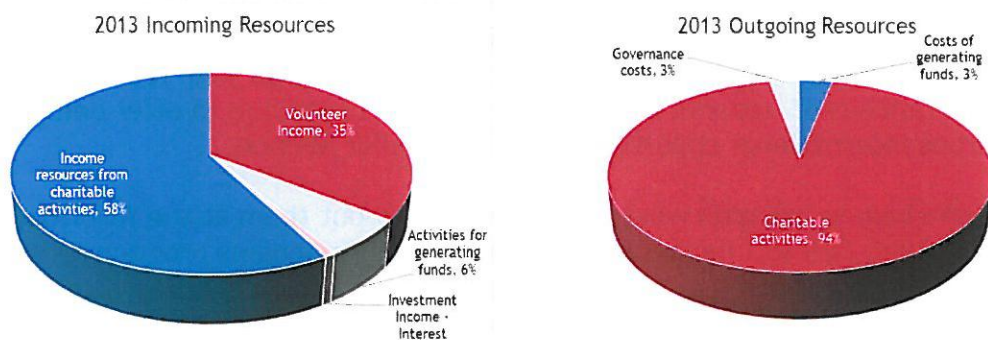
REVIEW OF THE FINANCIAL POSITION

The financial statements annexed to this report are those of the Region's and reflect the activities it undertakes. Counties, Divisions, Districts and Units are responsible for their own finances.

Statement of Financial Activities (SOFA)

The income for 2013 totalled £1,044,377 (2012: £933,059) and expenditure totalled £1,004,299 (2012: £787,739). Income and expenditure varies from year to year mainly depending on the charitable activities and events held by Region.

The net incoming resources for the year amounted to £40,078 (2012: £145,320).



Balance Sheet

Free reserves represent the working capital of the Region and are available to support short and medium term objectives and to safeguard against unexpected decreases in income. The Charity Commission defines free reserves as 'income which becomes available to the charity and is to be expended at the Executive Committee's discretion in furtherance of any of the charity's objectives, but is not yet spent, committed or designated'.

At 31 December 2013 free reserves amounted to £405,047 (2012: £558,057) (General Funds of £589,855 less General Fund fixed assets of £184,808 as in note 14) which represents approximately 8 months of expenditure. This is in line with the Reserves Policy to retain 3-9 months of expenditure. The main source of income, subscriptions, is received annually in April thus there is a need to retain this level of reserve to cope with unexpected events as they arise.

REPORT OF THE EXECUTIVE COMMITTEE (cont'd)

Balance Sheet (Continued)

The need for, and level of, reserves is reviewed annually when the subscription fee for the following year is determined. Reserves are maintained at the appropriate level by adjusting the subscription fee to take account of any changes.

In 2013 the Executive Committee established a new designated reserve to cover the costs of supporting our campsites; this totalled £159,000 and was transferred from the General Fund. More information on Designated Funds can be found in Note 15 to the accounts.

Reserves Calculation	2013	2012
General Funds	£589,855	£755,810
Less General Fund Fixed Assets	<u>-£184,808</u>	<u>-£197,753</u>
Free Reserves	£405,047	£558,057
 Unrestricted Expenditure	 £578,910	 £455,887
 Months of cover	 8.4	 14.7

REPORT OF THE EXECUTIVE COMMITTEE (cont'd)

Financial Statements for 2013

The annual financial statements for 2013 are annexed to this report and include a report by the Region's auditors, BDO LLP. The financial statements comply with current statutory requirements and with the requirements of the Royal Charter and were approved by the Board of Trustees at its meeting on 11th May 2014.

The Trustee Treasurer was authorised to sign on behalf of the Board of Trustees.

Annual Report

This report was approved by the Board of Trustees on 11th May 2014. The Chief Commissioner was authorised to sign the report and financial statements on its behalf.

Pip McKerrow
Chief Commissioner
11th May 2014



STATEMENT OF THE EXECUTIVE COMMITTEE'S RESPONSIBILITIES

The voting members of the Executive Committee (as the Trustees) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and apply them consistently
- Observes the methods and principles in the Charities SORP
- Make judgments and accounting estimates that are reasonable and prudent
- Prepare the financial statement on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Executive Committee are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the Region and enable them to ensure that the financial statements comply with the Charities Act 2011 and regulation made thereunder. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE EXECUTIVE COMMITTEE of THE GUIDE ASSOCIATION LONDON & SOUTH EAST ENGLAND

We have audited the financial statements of The Guide Association London & South East England for the year ended 31st December 2013 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of executive committee and auditor

As explained more fully in the Statement of Executive Committees' Responsibilities, the executive committee are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2013, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

BDO LLP

BDO LLP

Statutory Auditor

London

United Kingdom

Date: 28 May 2014

BDO LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2013

		Unrestricted Funds			2013	2012
	Note	General Funds	Designated Funds	Restricted Funds	Total Funds	Total Funds
		£	£	£	£	£
Incoming resources						
Incoming resources from generated funds						
Voluntary income	2	357,867	3,970	6,444	368,281	387,354
Activities for generating funds	3	6,394	56,290	-	62,684	53,149
Investment Income - interest		5,345	1,872	-	7,217	6,905
Incoming resources from charitable activities	4	219,461	220,084	166,650	606,195	485,651
Total incoming resources		589,067	282,216	173,094	1,044,377	933,059
Resources expended						
Costs of generating funds	5	5,231	27,662	-	32,893	31,323
Charitable activities	6	543,685	272,069	125,658	941,412	725,652
Governance costs	7	29,994	-	-	29,994	30,764
Total resources expended		578,910	299,731	125,658	1,004,299	787,739
Net incoming/(outgoing) resources before transfers		10,157	(17,515)	47,436	40,078	145,320
Transfers between funds	15	(176,112)	176,112	-	-	-
Net movement in funds		(165,955)	158,597	47,436	40,078	145,320
Balances brought forward at 1 January 2013		755,810	688,649	309,211	1,753,670	1,608,350
Balances carried forward at 31 December 2013		589,855	847,246	356,647	1,793,748	1,753,670

Transfers represent internal designations by the Executive Committee within the restrictions (where applicable) of the funds concerned.

There were no recognised gains and losses other than those shown in the Statement of Financial Activities.

The notes in pages 24-33 form part of these Accounts.

BALANCE SHEET AS AT 31 DECEMBER 2013

	Note	2013		2012	
		£	£	£	£
Fixed assets					
Tangible fixed assets	9		559,635		597,162
Current assets					
Stock	10	18,737		22,449	
Debtors	11	160,045		46,836	
Bank and cash balances (interest bearing accounts)		<u>1,488,557</u>		<u>1,162,074</u>	
		1,667,339		1,231,359	
Creditors: amounts falling due within one year	12	<u>(417,533)</u>		<u>(59,158)</u>	
Net current assets			1,249,806		1,172,201
Provision for liabilities and charges	13		(15,693)		(15,693)
Net assets	14		<u>1,793,748</u>		<u>1,753,670</u>
Funds:					
Unrestricted funds					
General funds			589,855		755,810
Designated funds	15		847,246		688,649
Restricted funds	16		356,647		309,211
			<u>1,793,748</u>		<u>1,753,670</u>

The notes on pages 24 to 33 form part of these Accounts.

The accounts were approved and authorised for issue by the Executive Committee on 11th May 2014 and signed on its behalf by:



PIP MCKERROW - Chief Commissioner



TRACEY MILLER - Trustee Treasurer

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

1 ACCOUNTING POLICIES

(a) Basis of Accounting and Scope of the Accounts

The accounts comprise the activities of the Region, which includes those of the three sites operated by the Region at Chigwell Row, Cudham and Paxmead.

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and the recommendations of the Statement of Recommended Practice "Accounting and Reporting by Charities" SORP 2005 issued by the Charity Commissioners for England and Wales in 2005.

(b) Fund accounting

The Region's unrestricted funds consist of funds which may be used for any of its purposes at the discretion of the Executive Committee. These funds have been separately shown, as General Funds and Designated Funds.

General funds: General funds are those available on a day to day basis to the Executive Committee for any purpose.

Designated funds: Designated funds are those funds set aside by the Executive Committee for specific purposes, together with the funds held by the site management committees and Friends groups for use at the relevant site. Details of the purpose of each fund are set out in note 15.

Restricted Funds: Restricted funds consist of funds where the donor has placed some restriction on the use that can be made of the assets donated. Details of the purpose of each fund are set out in note 16.

(c) Incoming Resources

Incoming resources are accounted for when due, except for donations which are accounted for when received. All trading activities are carried out with members in pursuance of the Region's charitable objectives.

(d) Resources Expended

Expenditure is charged on an accruals basis and classified into the functional classifications required by the Statement of Recommended Practice. All expenditure can be directly attributed to specific activities. Support costs which are shown separately represent the running costs of the Region's Head Office. Support costs are allocated to the various charitable activities on the basis of staff time.

Governance costs are the costs related to governance of the charity such as trustee expenses and audit; allocations of other costs are based on staff time.

Development grants are awarded against plans, but only paid once the development has begun.

(e) Fixed Assets

Depreciation is provided at rates calculated to write off the value of assets over their estimated useful lives. The rates used are:

Freehold and leasehold property over the shorter of the remaining term of the lease or 50 years

Furniture, fittings and office equipment	10%-20% straight line
Motor vehicles	25% reducing balance

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

1 ACCOUNTING POLICIES (Continued)

(e) Fixed Assets

All fixed assets acquired costing over £500, whether purchased or donated, are capitalised. Major donations received for fixed assets are credited to capital grants and donations funds or other restricted funds as shown in note 14. These funds are then used to write off the asset over its estimated useful life.

(f) Stocks

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

(g) Pensions

The Region contributes to a money purchase pension scheme on behalf of its employees. The scheme is operated by The Pension Trust for Charities and Voluntary Organisations. Contributions to the scheme are a set percentage of individual salaries and are charged to the General Fund as incurred.

(h) Operating Leases

Rental paid under operating leases are charged on a straight line basis over the term of the lease.

2 VOLUNTARY INCOME

	Unrestricted Funds		Restricted	2013	2012
	General	Designated	Funds	Total	Total
	Funds	Funds	Funds	Funds	Funds
	£	£	£	£	£
Subscriptions	357,384	-	-	357,384	358,219
Donations	483	3,970	6,444	10,897	29,135
	357,867	3,970	6,444	368,281	387,354

3 ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds		Restricted	2013	2012
	General	Designated	Funds	Total	Total
	Funds	Funds	Funds	Funds	Funds
	£	£	£	£	£
Campsite shops & other trading income	6,394	38,981	-	45,375	37,379
Rental income	-	10,133	-	10,133	10,038
Fundraising events by Friends' groups	-	7,176	-	7,176	5,732
	6,394	56,290	-	62,684	53,149

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds			2013	2012
	General Funds	Designated Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£	£
International activities	119,020	-	-	119,020	127,226
Grants	750	-	166,650	167,400	97,333
Programme & training activities	99,691	-	-	99,691	40,884
Campsites - activities	-	219,784	-	219,784	219,708
Exhibition trailer	-	300	-	300	500
	219,461	220,084	166,650	606,195	485,651

5 COSTS OF GENERATING FUNDS

	Unrestricted Funds			2013	2012
	General Funds	Designated Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£	£
Fundraising events	-	3,726	-	3,726	2,104
Campsite shops & merchandise	5,231	23,936	-	29,167	29,219
	5,231	27,662	-	32,893	31,323

6 CHARITABLE ACTIVITIES

	Unrestricted Funds			2013	2012
	General Funds	Designated Funds	Restricted Funds	£	£
	£	£	£		
International activities	121,165	9,780	5,236	136,181	153,891
Grants payable	600	7,250	-	7,850	1,644
Programme & training activities	119,435	-	-	119,435	53,647
Marketing & publicity	27,678	15,071	31,417	74,166	20,036
Campsites	-	180,767	9,797	190,564	212,423
Campsite staff costs	26,671	59,201	-	85,872	77,550
Staff costs	151,322	-	79,208	230,530	129,466
Support costs	96,814	-	-	96,814	76,995
	543,685	272,069	125,658	941,412	725,652

Support costs include depreciation of equipment and all administrative and running costs of the Region Office at Jaggard Way.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

7 GOVERNANCE COSTS

	2013	2012
Salaries	7,290	6,716
Audit	6,695	6,300
Other costs	16,009	17,748
	<u>29,994</u>	<u>30,764</u>

The audit fee, net of VAT was £5,450 (2012: £5,250)

8 STAFF COSTS

	2013 £	2012 £
Gross pay	292,889	195,186
Social security costs	21,578	14,308
Other pension costs	9,225	4,238
	<u>323,692</u>	<u>213,732</u>

The average number of employees expressed in terms of full time equivalents was:

	2013	2012
RHQ	6.3	6.0
Campsites	5.7	4.7
Growing Guiding	3.3	0.5
Governance	0.2	0.2
	<u>15.5</u>	<u>11.4</u>

Trustees were reimbursed for out of pocket expenses totalling £9,952 (2012: trustees were reimbursed £11,573).

No trustee received any remuneration in either 2013 or 2012

There were no employees earning over £60,000 per annum (2012: none)

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

9 FIXED ASSETS

	Land & buildings:			Fixtures, fittings & equipment	Total
	Freehold	Long leasehold	Short leasehold		
	£	£	£	£	£
Cost					
At 1st January 2013	296,972	550,158	128,985	347,468	1,323,583
Additions	-	1,437	-	5,192	6,629
Disposals	-	-	-	(7,109)	(7,109)
At 31st December 2013	<u>296,972</u>	<u>551,595</u>	<u>128,985</u>	<u>345,551</u>	<u>1,323,103</u>
Depreciation					
At 1st January 2013	124,728	217,412	111,569	272,712	726,421
Charge for the year	5,940	9,422	8,708	17,820	41,890
Disposals	-	-	-	(4,843)	(4,843)
At 31st December 2013	<u>130,668</u>	<u>226,834</u>	<u>120,277</u>	<u>285,689</u>	<u>763,468</u>
Book Value					
At 31st December 2013	<u>166,304</u>	<u>324,761</u>	<u>8,708</u>	<u>59,862</u>	<u>559,635</u>
At 31st December 2012	<u>172,244</u>	<u>332,746</u>	<u>17,416</u>	<u>74,756</u>	<u>597,162</u>

All the charity's assets are used for charitable purposes.

10 STOCKS

The Stock Figure of £18,737 (2012: £22,449) represents goods and badges for resale valued at the lower of cost and net realisable value.

11 DEBTORS

	2013 £	2012 £
Prepayments of general expenses	10,467	15,630
Prepayments of future activity expenses	144,694	17,429
Other debtors	4,884	13,777
	<u>160,045</u>	<u>46,836</u>

12 CREDITORS

	2013 £	2012 £
Creditors: amounts falling due in less than one year		
Social security and other taxes	6,657	100
Other creditors	343	24
Accruals for general expenses	35,383	36,855
Accruals and deferred income for future activities	375,150	22,179
	<u>417,533</u>	<u>59,158</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

13 PROVISION FOR LIABILITIES AND CHARGES

	2013 £	2012 £
Farmhouse repairs	<u>15,693</u>	<u>15,693</u>

The land at Chigwell Row is held under the terms of a tenants full repairing lease for a peppercorn rent of £1 per annum. In 1998 it was noted that the farmhouse at this site, a grade II listed building, was in need of repairs and a full survey of the farmhouse was carried out and the trustees made a provision for the liability of £150,000 to cover the total cost of the repairs. In 2013 there was no expenditure (2012:£2,094) on the property.

14 ANALYSIS OF NET ASSETS

	Fixed Assets £	Cash & bank balances £	Other net current assets/ (liabilities) £	Provision for liabilities & charges £	Total £
General funds	184,808	669,737	(248,997)	(15,693)	589,855
Designated funds	165,167	671,833	10,246	-	847,246
Restricted funds	209,660	146,987	-	-	356,647
Total net assets	<u>559,635</u>	<u>1,488,557</u>	<u>(238,751)</u>	<u>(15,693)</u>	<u>1,793,748</u>

15 MOVEMENTS IN FUNDS

General Fund

These funds comprise the assets available to the Region's Executive Committee, for use without any restrictions imposed by donors. Only one General Fund is established for this purpose and the movements in that fund are those shown on the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

15 MOVEMENTS IN FUNDS (Continued)

Designated Funds	Balance at 1st January 2013	Incoming Resources	Resources Expended	Transfer from/(to) general fund	Balance at 31 December 2013
	£	£	£	£	£
a - g and i Held at Region Headquarters:					
a Future Events Fund	66,388	-	-	-	66,388
b Development Grants Fund	10,000	-	(5,000)	5,000	10,000
c Region Chief Commissioner's Discretionary Fund	5,004	274	(2,250)	1,972	5,000
d Staff House Fund	-	10,133	(18,819)	8,686	-
e Exhibition Trailer Fund	10,374	300	(8,980)	-	1,694
f Website Development Fund	4,638	-	(6,092)	1,454	-
g Pension Deficit Fund	100,000	-	-	-	100,000
h Held at Campsites:	478,272	271,509	(248,810)	-	500,971
i International Travel Fund	13,973	-	(9,780)	-	4,193
j Campsite Fund	-	-	-	159,000	159,000
	<u>688,649</u>	<u>282,216</u>	<u>(299,731)</u>	<u>176,112</u>	<u>847,246</u>

- a The Future Events Fund consists of monies set aside to finance and facilitate future large scale events that the Region undertakes including surpluses from previous events where designated.
- b The Development Grants Fund is money set aside from subscription income for the use of any Unit, District, Division or County that wishes to apply for assistance with capital building guiding projects. The Trustees agreed that at the end of each year this fund should be maintained at £10,000.
- c The Region Chief Commissioner's Discretionary Fund, consists of donations received for use at her discretion. The expenditure represents nine grants made to individuals during the year.
- d The Staff House Fund is monies charged as rent on properties occupied by staff to be used for maintenance of properties
- e The Exhibition Trailer Fund is money set aside to fund the recruitment of new Guide leaders. The fund is used to meet the running costs and depreciation of an exhibition trailer. Income from hire of the trailer is added to the fund.
- f The Website Development Fund has been set aside from a share of the profit on sales of souvenirs at the Big Gig to be spent on developing the Region website
- g The Pension deficit fund is money set aside to cover the shortfall in the fund and a top amount set aside to cover the eventually of no members remaining in the scheme, as described in note 19.
- h The campsites each hold various designated funds which include all general income received, which are used for both capital expenditure and day to day site operation, as well as particular projects.
- i The International travel fund is surplus monies raised to fund international trips but remaining at the end of the trip and/or after any refunds have been made.
- j The Campsite Fund is money set aside to cover additional costs involved in running the campsites in 2014.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

16 MOVEMENTS IN FUNDS

Restricted Funds	Balance at 1st January 2013 £	Incoming Resources £	Resources Expended £	Transfer to general fund £	Balance at 31 December 2013 £
Held at Region Headquarters:					
k Chief's Memorial Fund	-	5,236	(5,236)	-	-
k Edwards Legacy	5,100	-	-	-	5,100
l King George VI fund	1,724	1,208	-	-	2,932
m Safer London Foundation	50,043	47,973	(40,753)	-	57,263
n Youth United	27,714	118,677	(69,873)	-	76,518
Held at campsites:					
o Cudham - Brownie House	107,696	-	(3,117)	-	104,579
o - Badgers House	35,517	-	(929)	-	34,588
o Chigwell Row - Holiday House	63,889	-	(1,795)	-	62,094
p - Mobility Scooter	2,546	-	(449)	-	2,097
o Paxmead - Bunk House	6,212	-	(3,106)	-	3,106
q - Activity equipment	8,770	-	(400)	-	8,370
	<u>309,211</u>	<u>173,094</u>	<u>(125,658)</u>	<u>-</u>	<u>356,647</u>

k These International Travel Funds all represent donations received that are to be used to send members on international opportunities. Each fund has its own restrictions on who can qualify for assistance with international travel costs.

l The King George VI fund is to be used for the provision of training and associated travel opportunities.

m Safer London Foundation - a 3 year agreement was signed in March 2012, and funds are received quarterly. The grant pays for a part-time Development Worker and a part-time administrator. The aim of this fund is to grow

n Youth United - The money will pay for two full time Development Workers and a part-time administrator. This aim of this fund is to grow Guiding.

o The House Funds represent the current value of purpose built self-catering accommodation at each site, originally paid for from grants, donations and fund-raising income donated for this purpose and thus restricted income. The expenditure shown is the annual depreciation charge per Note 1e.

p The fund represents the current value of an all terrain mobility scooter funded by the Grange Farm Trust.

q The fund represents the balance of a grant received from Surrey County Council towards the cost of new boats and current value of boats previously purchased with the grant.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013

17 FINANCIAL COMMITMENTS

At 31 December 2013, annual commitments under operating leases were as follows:

	2013 Land & buildings	2013 Other	2012 Land & buildings	2012 Other
	£	£	£	£
Operating leases expiring				
Up to one year	1,500	71	-	71
Between one and two years	-	4,557	1,500	-
Between two and five years	-	-	-	4,557
After five years	2	-	2	-

18 CONNECTED CHARITIES

The Guide Association at Commonwealth Headquarters

The Guide Association is an umbrella organisation to the Region. The Region is one of nine separately constituted Country/Region Associations established under the powers and by-laws of the Royal Charter to administer guiding in each area.

Material transactions with The Guide Association are as follows:

	<u>2013</u> £	<u>2012</u> £
Incoming Resources:		
Grants received from the Guide Association	6,718	7,232

Counties, Divisions, Districts and Units

Within the London & South East England Region, there are 19 county areas of the Guide Association, each further subdivided into divisions, districts and units. Each county, division, district and unit is responsible as a separate charity for their own finances.

Trefoil Guild

The Trefoil Guild is a connected charity established under the powers of the Guide Association Royal Charter. This Guild has a Regional Association, and the Chairman of this Association is appointed by the Chief Commissioner in conjunction with the Trefoil Guild. The Trefoil Guild is a separate charity and manages its own affairs and prepares its own annual report.

19 PENSION OBLIGATIONS

The Guide Association London & South East England participates in the Pensions Trust's Growth Plan, a multi-employer pension plan which is in most respects a money purchase arrangement but it has some guarantees. It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. Accordingly, due to the nature of the plan, the accounting charge for the period under FRS17 represents the employer contributions available.

The latest triennial valuation of the plan was performed on 30 September 2011 by a professionally qualified actuary. The valuation results at 30 September 2011 were completed in 2012 and have been formalised. The valuation of the Plan was performed by a professionally qualified Actuary using the Projected Unit Method. The market value of the Plan's assets at the valuation date was £780 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £148 million, equivalent to a funding level of 84%.

During the year the Pensions Trust advised that contributions from employers will be required in respect of the Growth Plan deficit. The Region's contributions apply from 1 April 2013 and were set at £5,319 per annum for 10 years with a 3% increase each year.

Following a change in legislation in September 2005, there is a potential debt on the employer that could be levied by the Trustee of the plan. The Trustees' current policy is that it only applies to employers with pre-October 2001 liabilities in the plan. The debt is due in the event of the employer ceasing to participate in the plan or the plan winding up. The debt for the plan as a whole is calculated by comparing the liabilities for the plan (calculated on a buyout basis, i.e., the cost of security benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the plan. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the plan's pre October 2001 liability attributable to employment with the leaving employer compared to the total amount of the plan's pre October 2001 liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total plan liabilities, plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

Potential employer debt - contingent liability

The charity has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the plan based on the financial position of the plan as at 30 September 2013. As of this date the estimated employer debt for the charity was £83,651 (2012: £97,903). There is no current intention to leave the plan and trigger the contingent liability.

