

# **Girl Guides Australia**

**ACN 070 581 770**

## **Financial Statements**

**For the Year Ended 31 December 2020**

# **Girl Guides Australia**

ACN 070 581 770

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**For the Year Ended 31 December 2020**

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## Girl Guides Australia

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### Directors' Report 31 December 2020

The directors present their report on Girl Guides Australia for the financial year ended 31 December 2020.

#### Directors

The names of directors in office at any time during, or since the end of, the year are:

<b>Names</b>	<b>Appointed/Resigned</b>
Janet Torney	Appointed 01/07/2013
Rosemary Derwin	Appointed 05/11/2015
Kate Alcorso	Resigned 08/04/2021
Kate Alcorso	Appointed 09/04/2021
Heather Barnes	Appointed 26/11/2018
Laura Hume	Appointed 01/10/2019
Debra Jakes	Appointed 25/08/2019
Katrina Lane	Appointed 01/07/2019
Sarah Neill	Appointed 01/01/2018
Katherine Raskob	Appointed 01/01/2018
Helen Reid	Appointed 01/02/2021
Michele Stokes	Resigned 31/01/2021
Tara Waniganayaka	Resigned 06/10/2020

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### Principal activities

The principal continuing activity of the Organisation during the year was to be a part of a worldwide voluntary organisation which promotes and encourages the development of girls and women as responsible community members through a program of activities and service and a commitment to the Guide Promise.

No significant changes in the nature of the Organisation's activity occurred during the financial year.

#### Short and long term objectives

The Organisation's purposes are to promote throughout the Commonwealth of Australia and its Territories unity of purpose and common understanding of the fundamental principles of the World Association of Girl Guides and Girl Scouts (WAGGGS) as expressed in the Promise and Law, as amended by the Organisation from time to time.

#### Strategy for achieving the objectives

Nationally our work and activities will be geared to align with four strategic areas:

- Be a child safe, child friendly organisation
- Provide innovative, fun, relevant and high quality non-formal learning for girls and young women
- Deliver high quality volunteer experiences
- Be an efficient, effective and productive organisation

## **Girl Guides Australia**

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# **Directors' Report**

## **31 December 2020**

### **Performance measures**

The following measures are used within the Organisation to review performance:

- Significant numbers of volunteers who willingly contribute their time and skills to empower girls and young women to grow into confident, self-respecting, responsible community members.
- Delivery of the Australian Guide Program, which is a non-formal educational program based on shared leadership and decision-making at all ages.
- Delivery of the Olave Program, which is a personal development program for members of Guiding in Australia aged 18-30. It focuses on the three aspects of community, adventure and self-development.
- The Australian Learning & Qualification Program (ALQP) provides a learning path to Unit Leadership, Outdoors, Management and Trainer Qualifications to empower women with leadership skills.

### **Members' guarantee**

Girl Guides Australia is an Organisation limited by guarantee. In the event of, and for the purpose of winding up of the Organisation, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 31 December 2020, the total amount that members of the Organisation are liable to contribute if the Organisation is wound up is \$60 (2019: \$70).

### **Impact of COVID-19 on continuing operations**

COVID-19 has had an impact on our business. The response of Governments in dealing with the outbreak is affecting general activity levels within the community, the economy and the operations of our business. The scale and the duration of these developments remain uncertain as at the date of this report however they have had an impact on our earnings, cash flow and financial condition. We received the JobKeeper and Cashflow boost grants from Government to support our business during this challenging time.

It is not possible to estimate the continuing impact of the outbreak's near term and longer term effects or the Governments' varying efforts to combat the outbreak and support businesses. This being the case, we do not consider it practicable to provide quantitative or qualitative estimate of the potential impact of this outbreak on the Organisation at this time.

The Organisation is currently in the process of assessing and implementing business strategies along with availing in any government offered support available to them. Future cash flow forecasts are revisited regularly to assess the ability of the Organisation to sustain future activity and cashflows for normal operations. Management is confident that the Organisation can continue to adapt to the changing environment as necessary and is confident the going concern remains appropriate at 31 December 2020.

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### Directors' Report 31 December 2020

#### Meetings of directors

During the financial year, 10 meetings of directors and 23 committee meetings were held. Attendances by each director during the year were as follows:

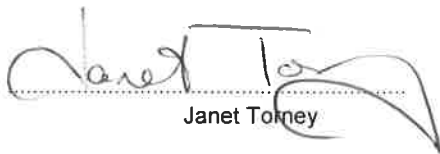
	Directors' Meetings		Committee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Janet Torney	10	10	9	9
Rosemary Derwin	10	10	15	15
Kate Alcorso	10	10	5	5
Heather Barnes	10	10	3	3
Laura Hume	10	7	9	9
Debra Jakes	10	9	3	1
Katrina Lane	10	10	3	3
Sarah Neill	10	10	11	11
Katherine Raskob	10	8	3	2
Michele Stokes	10	10	1	-
Tara Waniganayaka	8	5	4	3

#### Auditor's independence declaration

The lead auditor's independence declaration in accordance with the Australian Charities and Not-for-profits Commission Act 2012, for the year ended 31 December 2020 has been received and can be found on page 4 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Chair:

  
Janet Torney

Dated

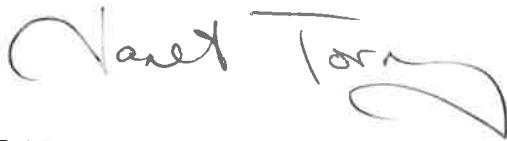
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**Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Girl Guides Australia**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2020, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Date:

## Girl Guides Australia

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### Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2020

		2020	2019
	Note	\$	\$
Revenue from continuing operations	4	1,763,808	2,879,348
Changes in inventories		(12,590)	(2,201)
Purchases for resale		(395,921)	(1,377,511)
Employee benefits expense		(537,274)	(411,081)
Contractor costs		(77,191)	(104,189)
Depreciation and amortisation expense	5	(50,149)	(147,677)
Consultancy fees		(145,175)	(48,734)
Insurance		(315,025)	(318,723)
Travel and accommodation		(8,784)	(106,473)
Other operating expenses		(550,163)	(346,084)
Gain on sale of investments		-	39,667
<b>(Loss)/surplus before income tax</b>		<b>(328,464)</b>	<b>56,342</b>
Income tax expense	2(b)	-	-
<b>(Loss)/surplus for the year</b>		<b>(328,464)</b>	<b>56,342</b>
<b>Other comprehensive income</b>			
Net gain/(loss) on financial assets - fair value through other comprehensive income	18	(41,656)	190,278
<b>Total comprehensive (loss)/income for the year</b>		<b>(370,120)</b>	<b>246,620</b>

The accompanying notes form part of these financial statements.







## Girl Guides Australia

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### Statement of Financial Position 31 December 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	<b>385,033</b>	519,600
Trade and other receivables	7	<b>139,576</b>	163,020
Inventories	8	<b>28,232</b>	11,692
Financial assets	9	<b>203,105</b>	253,991
Other assets	12	<b>43,014</b>	83,756
<b>TOTAL CURRENT ASSETS</b>		<b>798,960</b>	1,032,059
<b>NON-CURRENT ASSETS</b>			
Financial assets	9	<b>3,186,375</b>	3,268,875
Property, plant and equipment	10	<b>4,062</b>	12,146
Right of use asset	11	-	46,633
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,190,437</b>	3,327,654
<b>TOTAL ASSETS</b>		<b>3,989,397</b>	4,359,713
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	<b>132,313</b>	100,709
Lease liabilities	14	-	29,188
Short-term provisions	15	-	80,000
Employee benefits	17	<b>18,710</b>	27,384
Other liabilities	16	<b>232,766</b>	138,892
<b>TOTAL CURRENT LIABILITIES</b>		<b>383,789</b>	376,173
<b>NON-CURRENT LIABILITIES</b>			
Employee benefits	17	<b>6,422</b>	12,926
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>6,422</b>	12,926
<b>TOTAL LIABILITIES</b>		<b>390,211</b>	389,099
<b>NET ASSETS</b>		<b>3,599,186</b>	3,970,614
<b>EQUITY</b>			
Reserves	18	<b>346,386</b>	388,042
Accumulated funds	18	<b>3,252,800</b>	3,582,572
<b>TOTAL EQUITY</b>		<b>3,599,186</b>	3,970,614

The accompanying notes form part of these financial statements.

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### Statement of Changes in Equity For the Year Ended 31 December 2020

	Accumulated Funds	Other Reserves	Total
	\$	\$	\$
<b>Balance at 1 January 2020</b>	<b>3,582,572</b>	<b>388,042</b>	<b>3,970,614</b>
Loss for the year	(328,464)	-	(328,464)
Total other comprehensive income for the year	-	(41,656)	(41,656)
Transfer to funds for trusts and projects	(1,308)	-	(1,308)
<b>Balance at 31 December 2020</b>	<b>3,252,800</b>	<b>346,386</b>	<b>3,599,186</b>

	Accumulated Fund	Other Reserves	Total
	\$	\$	\$
<b>Balance at 1 January 2019</b>	<b>3,529,010</b>	<b>197,764</b>	<b>3,726,774</b>
Surplus for the year	56,342	-	56,342
Total other comprehensive income for the year	-	190,278	190,278
Transfer to funds for trusts and projects	(2,780)	-	(2,780)
<b>Balance at 31 December 2019</b>	<b>3,582,572</b>	<b>388,042</b>	<b>3,970,614</b>

The accompanying notes form part of these financial statements.





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### Statement of Cash Flows For the Year Ended 31 December 2020

	2020	2019
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Administration income received	1,046	12,000
Subscriptions, membership, publications and sales income received	961,608	2,366,676
Payments to suppliers and employees (inclusive of goods and services tax)	(2,164,034)	(3,007,891)
Interest, distributions and dividends received	203,161	277,000
Donations Received	-	14,809
Other revenue	582,065	657,209
Government grants	218,000	-
Net cash provided by/(used in) operating activities	23 <u>(198,154)</u>	<u>319,803</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of investment	91,062	-
Payment for plant and equipment	-	(4,249)
Purchase of investments	-	(162,403)
Net cash provided by/(used in) investing activities	<u>91,062</u>	<u>(166,652)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Payment of borrowings	<u>(27,475)</u>	<u>(79,913)</u>
Net cash used in financing activities	<u>(27,475)</u>	<u>(79,913)</u>
Net (decrease)/increase in cash and cash equivalents held	(134,567)	73,238
Cash and cash equivalents at beginning of year	<u>519,600</u>	<u>446,362</u>
Cash and cash equivalents at end of financial year	6 <u>385,033</u>	<u>519,600</u>

The accompanying notes form part of these financial statements.

## **Girl Guides Australia**

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# **Notes to the Financial Statements**

## **For the Year Ended 31 December 2020**

The financial report covers Girl Guides Australia as an individual entity. Girl Guides Australia is an Organisation, incorporated under the Australian Charities and Not-for-profits Commission Act 2012 and domiciled in Australia.

### **1 Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards Reduced Disclosure Requirements, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Australian Charities and Not-for-profit Commission Act 2012 and the Charitable Fundraising Act 1991 (NSW).

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected noncurrent assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The financial statements were authorised for issue on 28 April 2021 by the directors of the Organisation.

### **2 Summary of Significant Accounting Policies**

#### **(a) Revenue and other income**

##### **Revenue from contracts with customers**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Organisation expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

##### **Specific revenue streams**

The revenue recognition policies for the principal revenue streams of the Organisation are:

##### **Sale of goods**

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

##### **Services – membership**

Membership fees are recognised as received from the individual states.

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2020**

#### **2 Summary of Significant Accounting Policies**

##### **(a) Revenue and other income (cont'd)**

###### **Event income**

Event income is recognised at the point in time when the event is held unless the event income is collected for a specific purpose, in which case it is recognised as revenue when the Organisation gains control of the asset.

###### **Managed fund income**

Managed fund income comprises interest and dividends. Interest income is recognised in the statement of profit or loss and other comprehensive income on accrual basis. Dividends from equity instruments are recognised in profit or loss, when the right to receive a dividend has been established.

###### **Government grants**

Government grants include amounts received or receivable under the Federal Government's JobKeeper Payment Scheme and Cash Flow Boost Scheme, which provide temporary subsidies to eligible businesses significantly affected by COVID-19. These grants are recognised when there is reasonable certainty that the grant will be received and all grant conditions are met.

###### **Grant revenue**

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligation then the revenue is recognised when control of each performance obligation is satisfied.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligation where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

###### **Donations and bequests**

Donations collected, including cash and goods for resale, are recognised as revenue when the Organisation gains control of the asset.

###### **In-kind donations**

The Organisation receives pro bono goods and services from time to time. The fair value of these goods and services are recognised in the accounts as income with an equivalent expense.

###### **Interest revenue**

Interest revenue is recognised as interest accrues using the effective interest method.



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### Notes to the Financial Statements For the Year Ended 31 December 2020

#### 2 Summary of Significant Accounting Policies (cont'd)

##### (b) Income Tax

The Organisation is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

##### (c) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

##### (d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

##### (e) Leases

At the lease commencement, the Organisation recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Organisation believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Organisation's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured where there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Organisation's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

## Notes to the Financial Statements For the Year Ended 31 December 2020

### 2 Summary of Significant Accounting Policies (cont'd)

#### (f) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

#### (g) Property, plant and equipment

No land or buildings are owned by the Organisation. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of the asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Organisation and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

#### Depreciation

Plant and equipment is depreciated on a straight-line basis over the asset's useful life to the Organisation, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	3-20 years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

The carrying amount of an asset is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Profit or Loss and Other Comprehensive Income.

#### (h) Trade and other payables

These amounts represent liabilities for goods and services provided to the Organisation prior to the end of the financial year and other amounts which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2020**

#### **2 Summary of Significant Accounting Policies (cont'd)**

##### **(i) Employee benefits**

A provision is made for the Organisation's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the Organisation does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

##### **i) Annual leave**

The liability for annual leave expected to be settled within 12 months of the reporting date is recognised in the provisions for employee benefits in respect of services provided by employees up to the reporting date and is measured at the amounts expected to be paid when the liability is settled.

As it is expected that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows, the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

##### **ii) Long service leave**

The liability for long service leave is recognised in the provision for employee benefits and measured at the amounts expected to be paid when the liability is settled in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

##### **iii) Superannuation**

The Organisation makes fixed contributions to superannuation fund(s) and its legal or constructive obligation is limited to these contributions. Contributions are recognised as an expense as they become payable.

##### **(j) Make good provision**

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with exiting the premises. Changes to the estimated future costs are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2020**

#### **2 Summary of Significant Accounting Policies (cont'd)**

##### **(k) Financial instruments**

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Organisation becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

##### **Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

##### *Classification*

On initial recognition, the Organisation classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Financial assets are not reclassified subsequent to their initial recognition unless the Organisation changes its business model for managing financial assets.

##### *Amortised cost*

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Organisation's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

##### *Fair value through other comprehensive income*

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# Notes to the Financial Statements

## For the Year Ended 31 December 2020

### 2 Summary of Significant Accounting Policies (cont'd)

#### (k) Financial instruments (cont'd)

##### Equity instruments

The Organisation has a number of strategic investments in listed and unlisted entities over which they do not have significant influence nor control. The Organisation has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

##### *Financial assets through profit or loss*

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

##### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Organisation considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Organisation's historical experience and informed credit assessment and including forward looking information.

The Organisation uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Organisation uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Organisation in full, without recourse to the Organisation to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Organisation in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2020**

#### **2 Summary of Significant Accounting Policies (cont'd)**

##### **(k) Financial instruments (cont'd)**

###### *Trade receivables*

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Organisation has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Organisation renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

###### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

##### **(l) Foreign currency transactions and balances**

###### **Functional and presentation currency**

Items included in the financial statements of each of the Organisation's operations are measured using the currency of the primary economic environment in which it operates ('the functional currency'). The financial statements are presented in Australian dollars, which is the functional and presentation currency of the Organisation.

###### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the income statement.

#### **3 Critical Accounting Estimates and Judgments**

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

##### **Key judgments - allowance for expected credit losses**

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

## Girl Guides Australia

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### Notes to the Financial Statements For the Year Ended 31 December 2020

#### 4 Revenue and Other Income

##### Revenue from continuing operations

	2020	2019
	\$	\$
<b>Revenue</b>		
Sales revenue	450,616	1,444,860
Services - administration	-	10,909
Services - memberships	415,789	693,365
Event income	29,614	5,715
	<u>896,019</u>	<u>2,154,849</u>
<b>Other income</b>		
Interest	970	1,733
Managed fund income	185,046	210,419
Government grants	218,000	-
Donations and bequests	74,253	21,186
Commissions and rebates	5,914	13,299
Recoupments	319,204	364,290
Other income	300	104,819
In-kind services provided	68,280	8,753
Gain/(loss) on disposal of assets	(4,178)	-
	<u>867,789</u>	<u>724,499</u>
	<u>1,763,808</u>	<u>2,879,348</u>

#### 5 Result for the Year

##### Depreciation

Plant and equipment	5,229	4,620
Right of use asset	44,920	143,057
	<u>50,149</u>	<u>147,677</u>

##### Employee benefits expense

Contributions to defined contribution superannuation funds	<u>42,809</u>	<u>33,817</u>
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#### 6 Cash and Cash Equivalents

Cash at bank and in hand	<u>385,033</u>	<u>519,600</u>
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#### 7 Trade and Other Receivables

Trade receivables	<u>139,576</u>	<u>163,020</u>
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## Girl Guides Australia

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### Notes to the Financial Statements For the Year Ended 31 December 2020

#### 8 Inventories

	2020	2019
	\$	\$
Stock on hand - at cost	<u>28,232</u>	<u>11,692</u>

#### Inventory expense

Inventory purchases recognised as expenses during the year ended 31 December 2020 amount to \$364,870 (2019: \$1,377,511).

#### 9 Financial assets

##### CURRENT

Bank deposits, term deposits etc. with financial institutions	2,640	46,404
Financial assets - fair value through other comprehensive income	<u>200,465</u>	<u>207,587</u>
	<u>203,105</u>	<u>253,991</u>

##### NON-CURRENT

Financial assets - fair value through other comprehensive income	<u>3,186,375</u>	<u>3,268,875</u>
--	------------------	------------------

#### Financial assets - fair value through other comprehensive income

Financial assets - fair value through other comprehensive income comprise listed equities, managed funds & fixed interest securities - at fair value.

Financial assets - fair value through other comprehensive income - current	200,465	207,587
Financial assets - fair value through other comprehensive income - non-current	<u>3,186,375</u>	<u>3,268,875</u>
	<u>3,386,840</u>	<u>3,476,462</u>

#### Financial assets are held on behalf of the following funds

Girl Guides Australia	2,805,860	2,884,223
Irene Fairburn Fund	346,558	351,859
Eleanor Manning Fund	52,308	53,890
Wilma Torney Fund	13,420	13,824
Gregory Fellowship	140,319	143,643
Andrew Thyne Reid Trust	<u>28,375</u>	<u>29,023</u>
	<u>3,386,840</u>	<u>3,476,462</u>



## Girl Guides Australia

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### Notes to the Financial Statements For the Year Ended 31 December 2020

#### 10 Property, plant and equipment

	2020	2019
	\$	\$
Plant and equipment		
At cost	78,420	119,363
Accumulated depreciation	<u>(74,358)</u>	<u>(107,217)</u>
	<u>4,062</u>	<u>12,146</u>

#### Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and equipment \$
<b>Year ended 31 December 2020</b>	
Balance at the beginning of year	12,146
Disposals	(2,855)
Depreciation expense	<u>(5,229)</u>
<b>Balance at the end of the year</b>	<u>4,062</u>

#### 11 Right of Use Asset

Property lease asset		
Market value of lease	191,656	191,656
Accumulated depreciation	<u>(191,656)</u>	<u>(165,023)</u>
	-	26,633
Make good costs		
Cost	80,000	80,000
Accumulated depreciation	<u>(80,000)</u>	<u>(60,000)</u>
	-	20,000
	-	<u>46,633</u>

The Organisation's lease of office premises was terminated on 30 April 2020.

During the 2020 year, the Organisation entered into a licence agreement for the use of a shared office space. The licence agreement meets the definition of a "service contract", which is outside the scope of AASB 16. This results in a nil balance for the year ended 31 December 2020 right-of-use assets, make good provision and lease liabilities.

## Girl Guides Australia

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### Notes to the Financial Statements For the Year Ended 31 December 2020

	2020	2019
	\$	\$
<b>12 Other Assets</b>		
Prepayments	16,632	21,392
Franking credits	26,382	62,364
	<u>43,014</u>	<u>83,756</u>
<b>13 Trade and Other Payables</b>		
Trade payables	86,259	59,000
Accrued expenses	15,003	41,709
	<u>101,262</u>	<u>100,709</u>
<b>14 Lease Liabilities</b>		
CURRENT		
Lease liabilities	-	29,188
	<u>-</u>	<u>29,188</u>
<b>15 Provisions</b>		
Make good provision	-	80,000
	<u>-</u>	<u>80,000</u>
<b>16 Other Liabilities</b>		
Funds for trusts and projects:		
Bushfire relief funds	186,189	-
Stripe AUD	408	-
Received for special purposes	4,842	1,381
International funds	11,450	90,056
Other deferred income	29,877	47,455
	<u>232,766</u>	<u>138,892</u>
<b>17 Employee Benefits</b>		
CURRENT:		
Employee benefits	18,710	27,384
NON-CURRENT:		
Employee benefits	6,422	12,926
	<u>6,422</u>	<u>12,926</u>

## Girl Guides Australia

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### Notes to the Financial Statements For the Year Ended 31 December 2020

	2020	2019
	\$	\$
<b>18 Reserves and accumulated funds</b>		
<b>Other reserves</b>		
The financial assets reserve records fair value movements on financial assets - fair value through other comprehensive income.		
<b>Financial assets reserve</b>		
Balance at the beginning of the financial year	388,042	197,764
Revaluation	(41,656)	190,278
<b>Balance at the end of the financial year</b>	<u>346,386</u>	<u>388,042</u>
<b>Accumulated funds</b>		
Movements in accumulated funds were as follows:		
Balance at the beginning of the financial year	3,582,572	3,529,010
Net surplus / (deficit) for the year	(297,413)	56,342
Transfer to funds for trusts and projects	(1,308)	(2,780)
<b>Balance at the end of the financial year</b>	<u>3,283,851</u>	<u>3,582,572</u>
<b>19 Auditors' Remuneration</b>		
During the year, the following fees were paid or payable for services provided by the auditor of the Organisation:		
- auditing or reviewing the financial statements	<u>11,700</u>	<u>11,700</u>
<b>20 Related Parties</b>		
<b>Key management and personnel compensation</b>		
Key management personnel compensation for the years ended 31 December 2020 and 2019 is set out below. The key management personnel are all of the directors of the Organisation and the executive with the greatest authority for the strategic direction and management of the Organisation.		
Short term employee benefits	200,000	178,062
Honorariums	17,400	17,400
	<u>217,400</u>	<u>195,462</u>

## Girl Guides Australia

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### Notes to the Financial Statements For the Year Ended 31 December 2020

#### 21 Contingencies

No contingent liabilities were noted for disclosure in the financial report.

#### 22 Operating Segments

The Organisation operated predominantly as a community organisation within Australia.

#### 23 Cash Flow Information

	2020	2019
	\$	\$
Reconciliation of net income to net cash provided by operating activities:		
Surplus/(loss) for the year	(328,464)	56,342
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	50,149	147,677
- (gain)/loss on disposal of investments	41,656	(39,667)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	64,186	81,330
- (increase)/decrease in stock on hand	(16,540)	122
- increase/(decrease) in trade & other payables and provisions	(40,192)	73,999
Cashflows from operations	<u>(198,154)</u>	<u>319,803</u>

#### 24 Capital Management

The Board controls the capital of the Organisation in order to maintain a zero gearing ratio and to ensure that the Organisation can fund its operations and continue as a going concern.

The Organisation's capital includes financial liabilities, supported by financial assets.

There are no externally imposed capital requirements.

The Board effectively manages the Organisation's capital by assessing the Organisation's financial risks and adjusting its capital structure in response to changes in these risks and in the market.

There have been no changes in the strategy adopted by the Board to control the capital of the Organisation since the prior year. This strategy is to ensure that there is sufficient cash to meet trade and sundry payables.

## Girl Guides Australia

ACN 070 581 770

# Notes to the Financial Statements

## For the Year Ended 31 December 2020

### 25 Events after the end of the Reporting Period

The Directors Report refers to the COVID-19 impact. No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Organisation, the results of those operations or the state of affairs of the Organisation in future financial years.

### 26 Financial Risk Management

The main risks Girl Guides Australia are exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

The Organisation's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and leases.

The totals for each category of financial instruments are as follows:

	2020	2019
	\$	\$
<b>Financial assets held at amortised cost</b>		
Cash and cash equivalents	385,033	519,600
Loans and receivables	139,576	163,020
Other financial assets	2,640	46,404
<b>Financial assets held at fair value</b>		
Other financial assets	3,386,840	3,476,462
<b>Total financial assets</b>	<u>3,914,089</u>	<u>4,205,486</u>
<b>Financial liabilities held at amortised cost</b>		
Trade and other payables	86,259	59,000
<b>Total financial liabilities</b>	<u>86,259</u>	<u>59,000</u>

### Fair values

For listed financial assets, the fair values have been based on closing quoted bid prices at the end of the reporting period. In determining the fair values of the unlisted financial assets, the directors have used inputs that are observable either directly (as prices) or indirectly (derived from prices).

### 27 Statutory Information

The registered office and principal place of business of the Organisation is:

Girl Guides Australia  
The Hub Hyde Park  
223 Liverpool Street  
Darlinghurst  
NSW, 2010

**Girl Guides Australia**

ACN 070 581 770

**Notes to the Financial Statements**  
**For the Year Ended 31 December 2020**

**28 Additional information to be furnished under the Charitable Fundraising Act, 1991**

**Declaration by Chair of the Board as required by the Charitable Fundraising Act 1991 (NSW)**

I, Janet Torney, Chair of the Board of Girl Guides Australia, declare that to the best of my knowledge:

(a) the accounts for the year ended 31 December 2020, give a true and fair view of all income and expenditure of Girl Guides Australia with respect to fundraising appeals, and

(b) the Statement of Financial Position as at 31 December 2020, gives a true and fair view of the state of affairs with respect to fundraising appeals, and

(c) the provisions of the Charitable Fundraising Act 1991 (NSW), the regulations under the Act and the conditions attached to the authority have been complied with, and

(d) the internal controls exercised by Girl Guides Australia are appropriate and effective in accounting for all income received and applied from any of its fundraising appeals.



Janet Torney

Chair

Date:

## Girl Guides Australia

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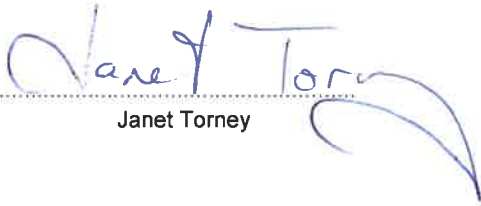
### Directors' Declaration

The directors of the Organisation declare that:

1. The financial statements and notes, as set out on pages 4 to 24, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
  - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position as at 31 December 2020 and of the performance for the year ended on that date of the Organisation.
2. In the directors' opinion, there are reasonable grounds to believe that the Organisation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Chair

  
Janet Torney

Dated

**Girl Guides Australia**

**Independent Audit Report to the members of Girl Guides Australia**

*INSERT HERE*