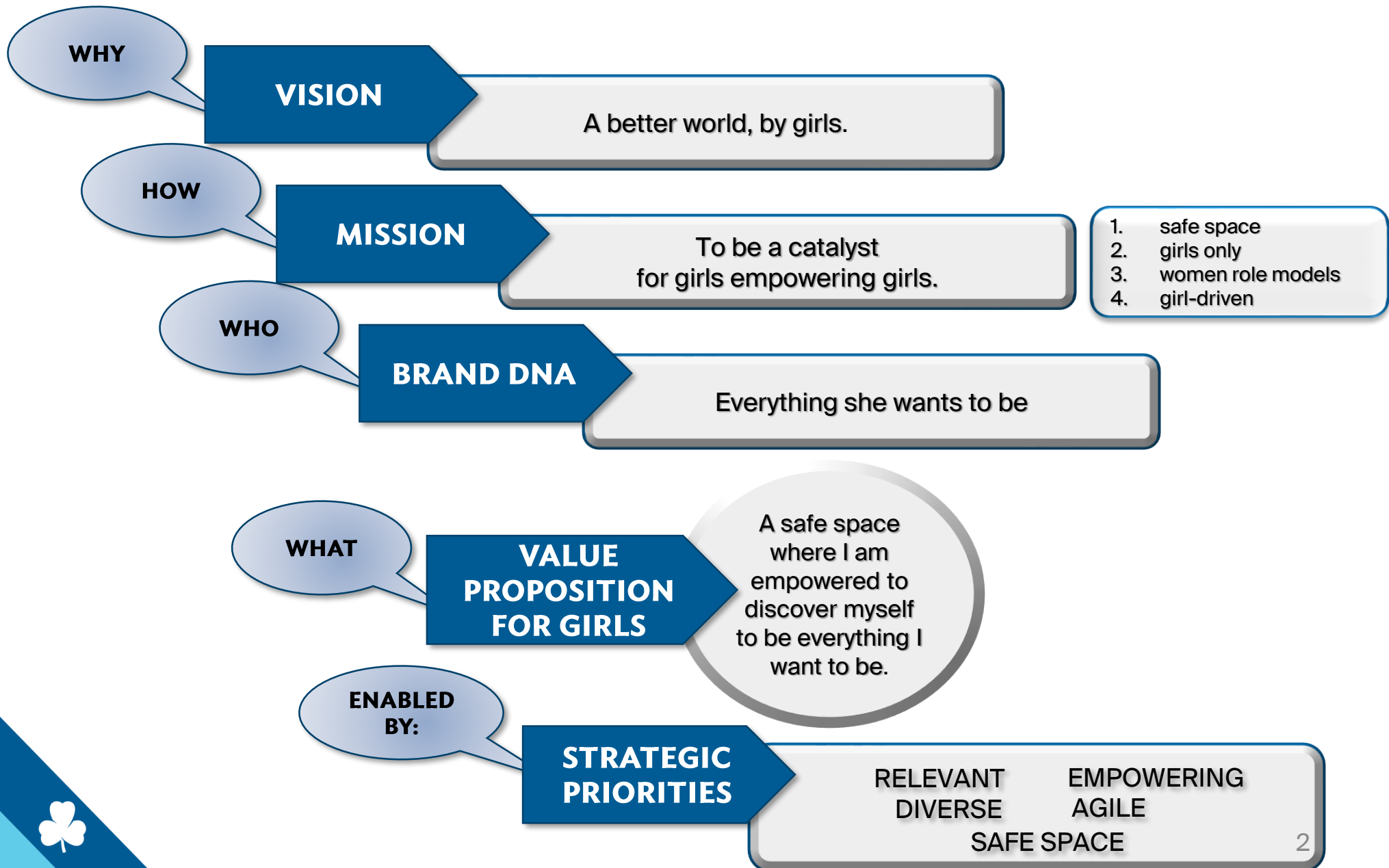
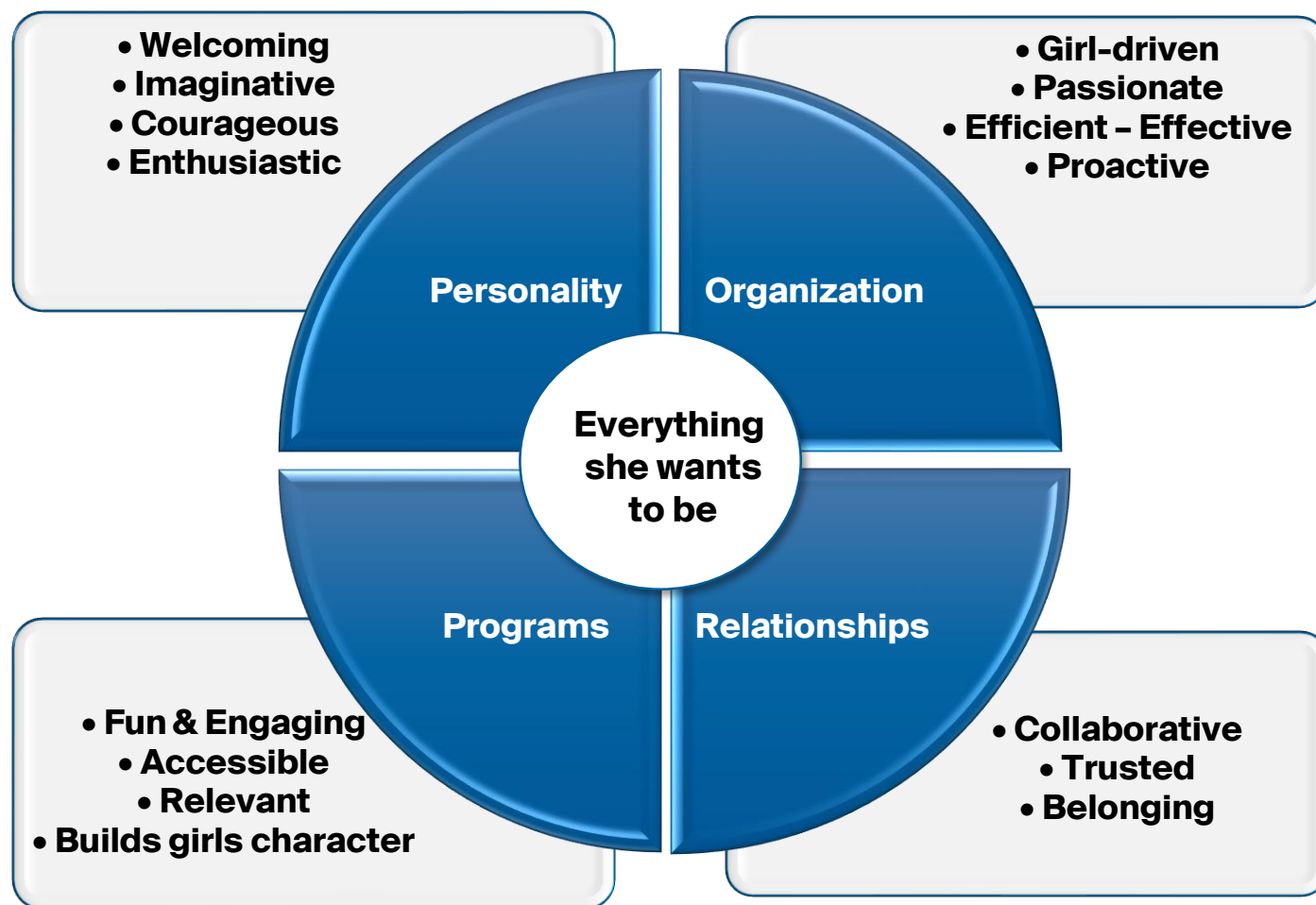


Girl Guides of Canada Foundation 2020

Foundation - Overview



Brand DNA



Brand Story

Girl Guides is a place where Girls have fun, make friends and belong. It's where they get to choose to explore new and unexpected things that they want to do, with the help of amazing Guiders in Girls-only groups.

It's a place free from the stresses of inequality, bullying, peer pressure and technology. A place where Girls can be exactly who they are.

Girl Guides is Girl-driven – chosen by Girls, led by Girls, for Girls – because Girls know their world best.

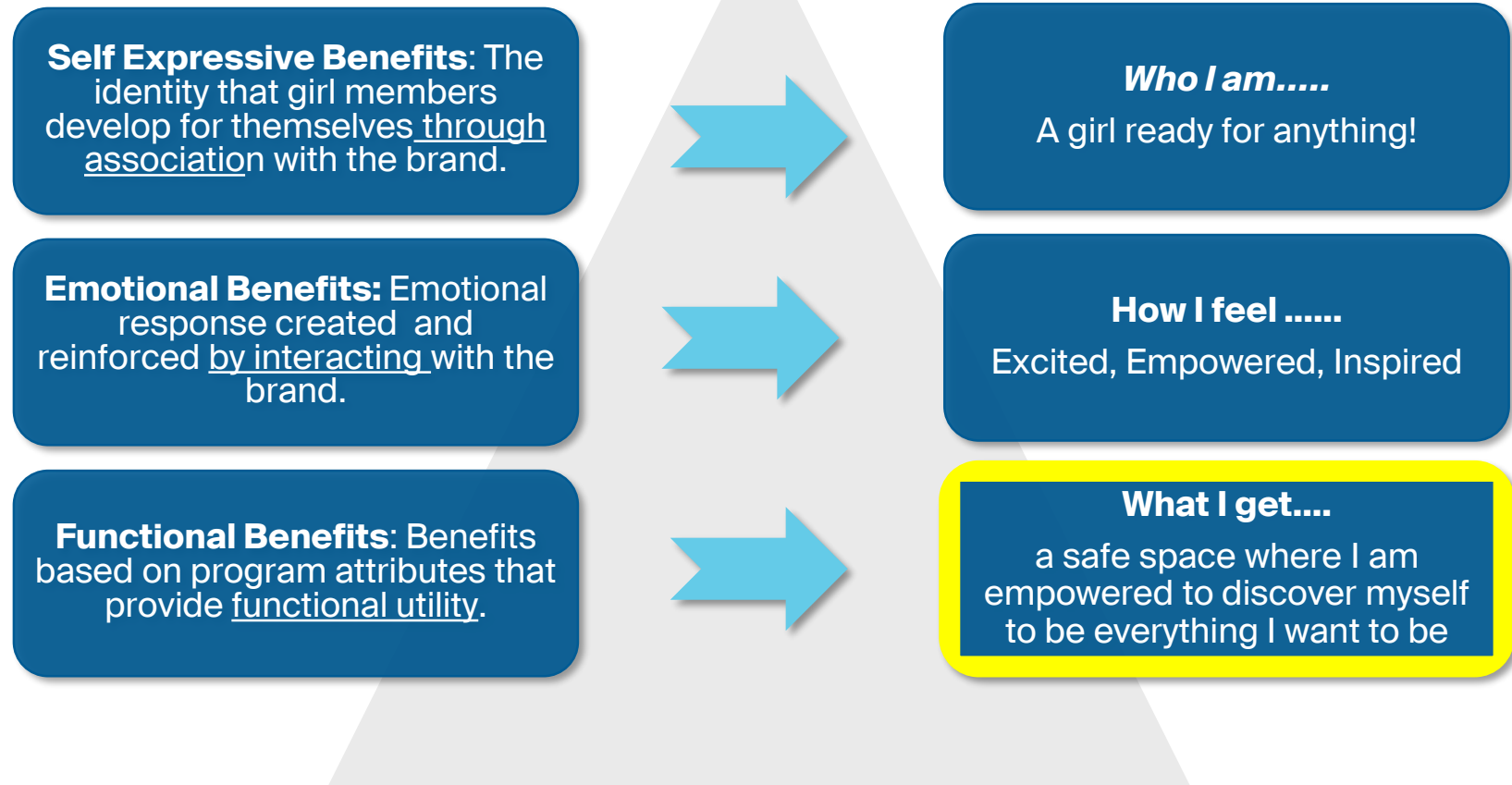
Girl Guides develop attributes that build character to take on any challenge. Girls become confident, resilient, open-minded, independent and fulfilled as defined by them.

Girl Guides create their own story – because it's their journey to navigate.

At Girl Guides, **a Girl will meet the most important person in her life. Herself.** And once she meets herself, there is no limit to what a Girl will become.



Value Proposition



Design 2025

PRIORITIES and ENABLERS of GGC (the organizational attributes GGC has) GGC HAS:	PRIORITY and ENABLER DEFINITIONS (what GGC is) GGC IS:	BENEFITS to GIRLS (the value GGC consistently delivers to its beneficiaries: Girls) A GIRL WILL SAY:
RELEVANCE (GGC delivers what Girls want)	POPULAR and CURRENT	I AM PROUD TO TELL MY FRIENDS ABOUT GIRL GUIDES
AN EMPOWERING PRODUCT (GGC empowers through Program and Delivery)	GIRL-DRIVEN Safe Space Growth Mindset Positive Identity Shared Leadership Engaging Community	I DISCOVER MYSELF and ACHIEVE MY GOALS
INCLUSIVE MEMBERSHIP (Who)	DIVERSE and INCLUSIVE	I BELONG
AGILITY (Infrastructure)	OPERATIONALLY EXCELLENT	I AM SUPPORTED
SAFE SPACE (Secret Sauce)	FOR GIRLS ONLY	I BUILD FRIENDSHIPS



2018-2020 Strategic Plan

Everything she wants to be.

2018-2020 GGC Strategic Plan

Strategic Priorities 2018-2020



Relevance

Grow & retain membership



Empowering

Exceptional, girl-led programming & delivery



Diversity & Inclusion

Represent today's girl & woman



Agile

Become operationally excellent & nimble

Strategies

#1: Member Retention

#2: Member Acquisition

#9: Francophone Strategy

#3: Girl Engagement Strategy (Girls' Voice)

#4: Girls First & Program Feedback

#5: Diversity & Inclusion Framework

#6: Countrywide Optimization

#7: Digital Transformation

#8: Diversify Funding & Partnership Strategy

We will know we are successful when girls say:

“ I am proud to tell my friends about Girl Guides! ”

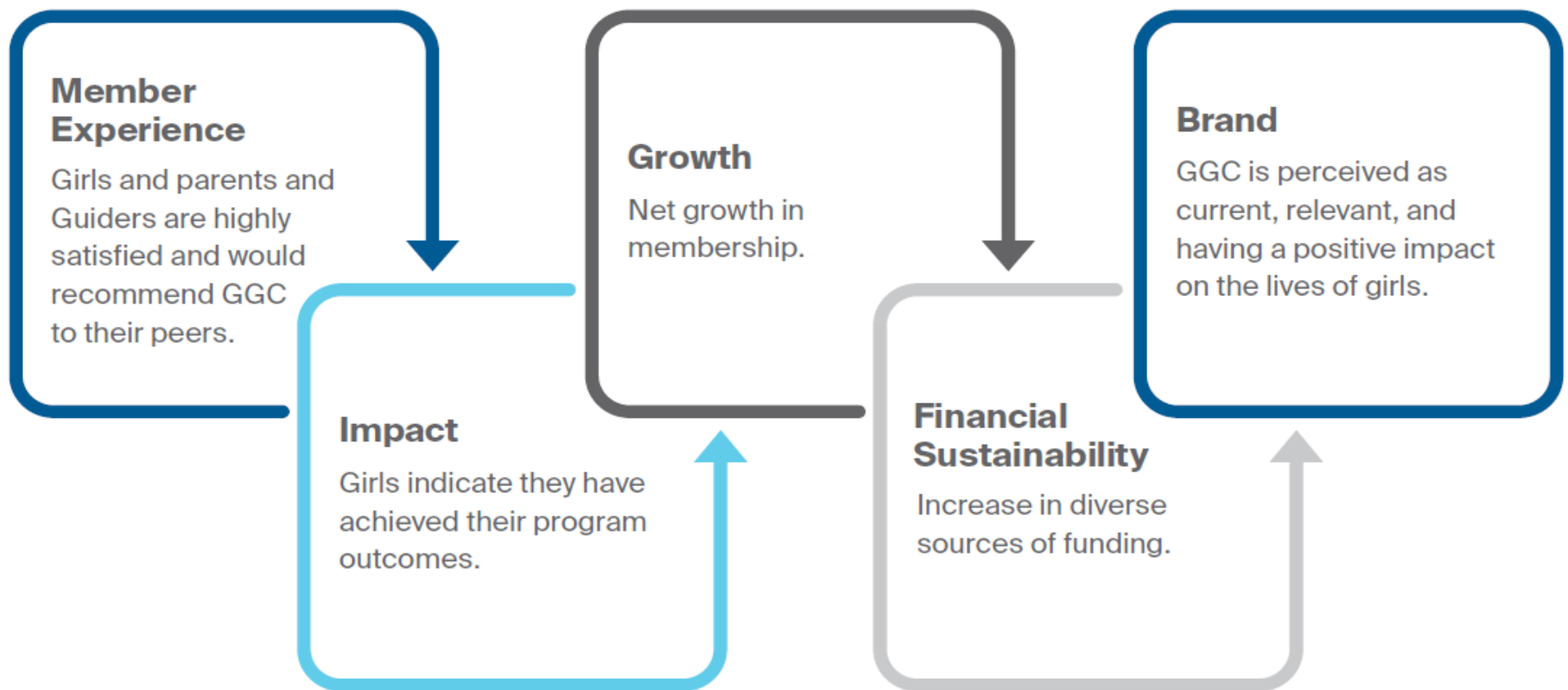
“ I discover myself and achieve my goals! ”

“ I belong! ”

“ I am supported! ”

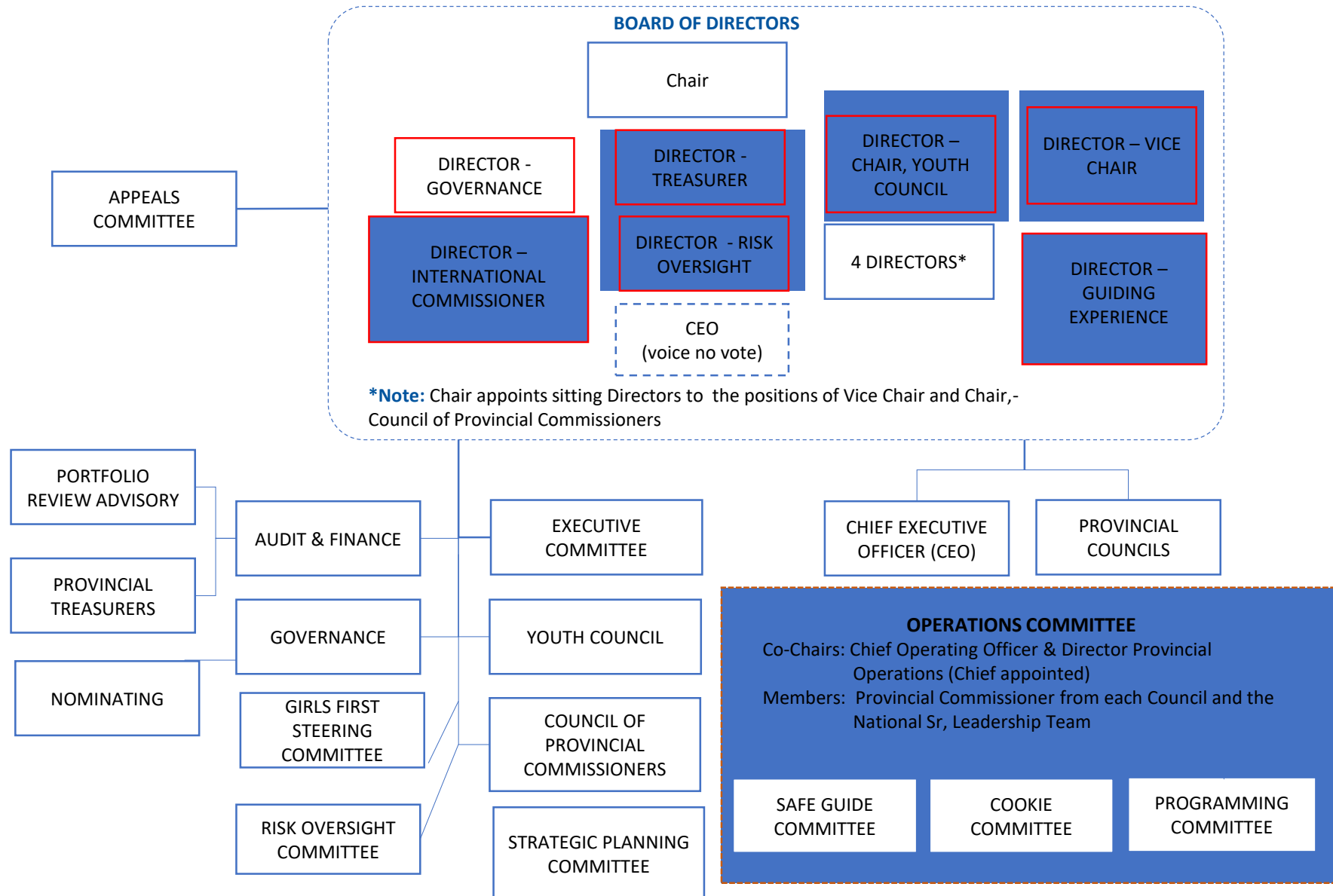


GGC 5 Year Target Outcomes



Girl  Guides

GGC Governing Structure





Everything she wants to be.

2018-2020 Strategic Plan



**Girl
Guides**

Introduction

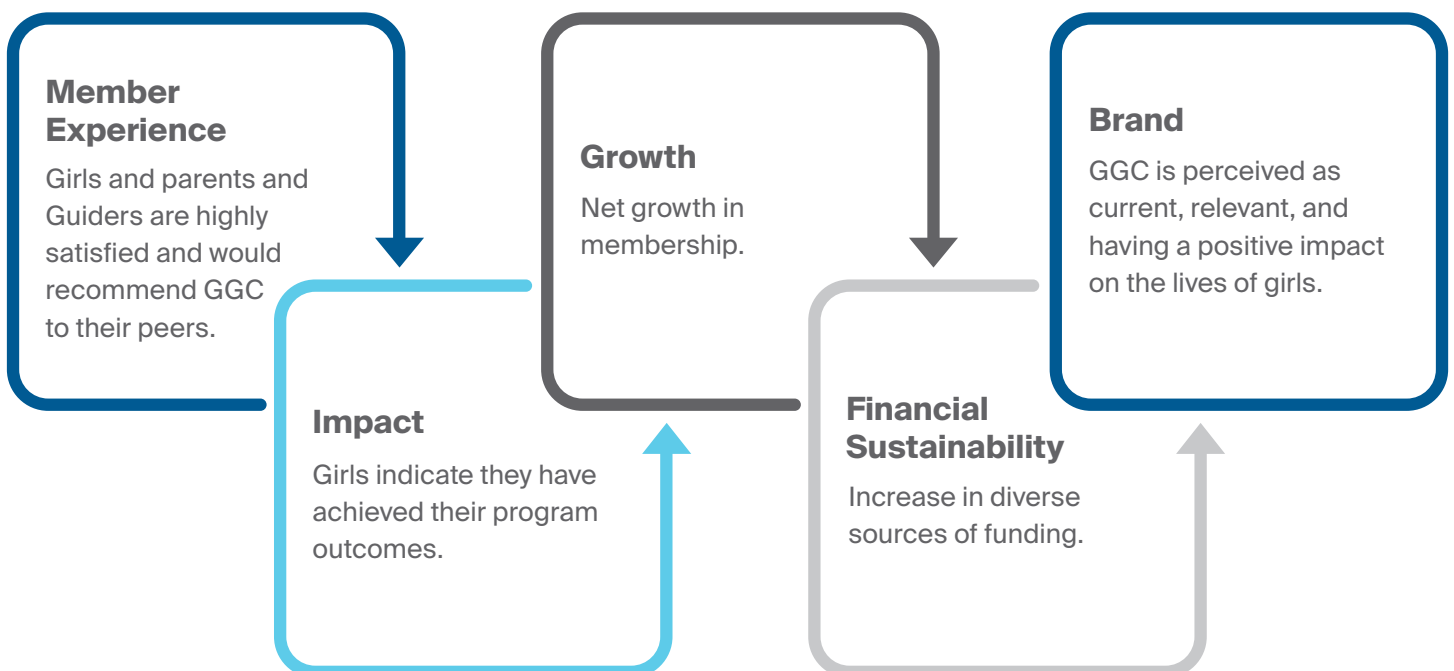
In 2016, Girl Guides of Canada–Guides du Canada (GGC) embarked on a journey, laying the foundation for significant change that will ensure we are relevant today and well into the future. This strategic plan represents an important milestone on the journey, providing the framework to make certain everything we do directly benefits girls.

Over the past 20 months we've talked with thousands of girls and their parents, Guiders, and members of our communities. We've reflected on where we have been as an organization and, more importantly, what we need to do as we move forward. Key to what we have learned is that we can't just sit back, because the world girls live in changes at such a rapid rate. It is imperative that GGC keep pace in order to meet their needs, and to remain sustainable as an organization.

The following strategic plan is built upon four strategic priorities: relevance, empowering, diverse and inclusive, and agile. Supporting these priorities are eight strategies that are actionable and measureable. The goals are ambitious and will ensure GGC is in a position to support girls' voices, Guider excellence, program development, membership growth, and organizational efficiency – and to ultimately empower every girl to be everything she wants to be.



Five-Year Outcomes



Strategic Priorities

Relevance

“ I am proud to tell
my friends about
Girl Guides! ”

Diverse & Inclusive

“ I belong! ”

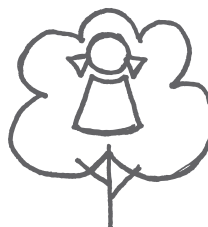
Empowering

“ I discover myself and
achieve my goals! ”

Agile

“ I am supported! ”

Relevance



What this means	Strategies to get us there	What success will look like
<p>A. Girls join because GGC is fun, exciting, and aligns with the world of girls now and in the future</p> <p>B. Girls stay because they make friends and are supported by engaging Guiders</p> <p>C. Parents encourage girls to join because they understand GGC positively impacts their daughters' lives</p> <p>D. Women who seek to make a difference in the lives of girls want to volunteer as Guiders</p> <p>E. Programming is current and aligns with what girls want to do and how they want to do it</p> <p>F. Girls are proud to be members of GGC and recommend it to their friends</p> <p>G. GGC is perceived to be integral to the development of girls in Canada</p>	<p>Strategy #1: Unit Guider Program of Excellence</p> <p>Strategy #2: Membership Growth Strategy</p>	<ul style="list-style-type: none"> • Increase in girl member acquisition – all branches • Increase in Guiders whose skills and experience match the position description • Increase of girls that indicate the program aligns with what they want to learn and do

What girls will say:

I am proud to tell my friends about Girl Guides!

“ I have the opportunity to choose and lead adventures that I otherwise wouldn't and learn about things that are important to me. ”

“ GGC listens to and understands what I need and gives me that. ”

“ Meet-ups are about what girls in my group want to do and how we want to do it. ”

“ My Guiders understand me. ”

“ I am happy when my parent tells me that tonight is my Guiding night. ”

Empowering



What this means	Strategies to get us there	What success will look like
<p>A. Voices of all girls are heard and actioned</p> <p>B. Girls are embedded in the organization and drive change at every level of decision-making</p> <p>C. Girls have choice – discover their passions, set goals, and achieve them</p> <p>D. Girls become confident, resilient, open-minded, independent, and fulfilled as defined by them</p>	<p>Strategy #3: Engagement Strategy (Girls' Voice)</p> <p>Strategy #4: Girls First & Program Feedback</p>	<ul style="list-style-type: none"> • Increase in girls that believe their voices have been heard and believe their ideas have been actioned • Increase of Pathfinders and Rangers that have leadership roles in units other than their own • Increase in compliance of girl representation at all levels of Councils and Committees, as appropriate • Increase of girls that indicate they have achieved their program outcomes

What girls will say:

I discover myself and achieve my goals.

“ I know what is right for me. At Girl Guides, I discover my passions and set goals that matter to me. If I am 5, that might be to make a new friend. If I am 14, that might be to try something I never thought I could do. ”

“ I get help with my goals from creative Guiders who encourage me to take on challenges I might not otherwise consider. Together we laugh, imagine, play and have fun! ”

“ I discover myself by stepping outside my comfort zone to uncover my true passions. ”

Diverse & Inclusive



What this means	Strategies to get us there	What success will look like
<p>A. Attracts and reflects the diverse identities, communities, and lived experiences in Canada</p> <p>B. Values and respects diversity and creates a sense of inclusivity and belonging for all girls</p> <p>C. Recruits and engages girls of diverse backgrounds, and is accessible to all girls</p>	<p>Strategy #5: Diversity & Inclusion Framework</p>	<ul style="list-style-type: none">• Increase in alignment between GGC and the Canadian mosaic



“ I have a place to go where I am accepted. ”

“ I am open to listening to and considering other people's ideas and perspectives that are different than my own. ”

Agile



What this means	Strategies to get us there	What success will look like
<p>A. Operationally excellent, consistently delivers, innovative and rapidly reacts to meet the changing needs of girls</p> <p>B. Lead the market – continuously improve by developing insights, piloting projects, and garnering feedback</p> <p>C. Optimize infrastructure, technology, resources, processes, and training and support</p> <p>D. Leverage technology to connect members and build communities within Guiding</p> <p>E. Financially sustainable and stewards finances in a transparent, efficient and equitable way to maximize the girl experience and outcomes</p>	<p>Strategy #6: Countrywide Optimization</p> <p>Strategy #7: Digital Transformation</p> <p>Strategy #8: Diversify Funding & Partnership Strategy</p>	<ul style="list-style-type: none">• Guiders feeling they are supported by the organization• New content developed and content retired and/or refreshed• Diversification of funding at the National and provincial levels

What girls will say:

I am supported!

“ No matter where I am in Canada, the quality of my experience will be excellent. ”

“ I have all of the information and support I need to be successful. ”



Annual Report 2018



Message from the Chair of the Board and CEO

Everything she wants to be.

Five powerful words that speak volumes about what Girl Guides of Canada—Guides du Canada (GGC) is all about. It's the limitless possibilities that girls find for themselves in Guiding. A place where every girl knows she belongs. Where she is supported. Where she can discover herself, set and achieve her goals. In Guiding, she has her own personal talent and leadership incubator.

This was a remarkable year for Guiding in Canada. With great excitement and fanfare, we launched Girls First, our brand-new program for girls. Girls First is truly an all-access pass to activities and challenges designed with input from the ultimate experts – girls themselves. Whether they're blazing trails in the great outdoors, coding their own micro-robots or planning community service projects, Girls First allows girls to explore the world on their terms.

As we reflect on 2018, we see a year where we took some important steps forward in achieving our strategic priorities. The goals we've set for ourselves are ambitious – but they are critical for ensuring the long-term vitality of GGC as a relevant organization with impact. We've seen first-hand how Guiding is positively influencing girls' lives in every province. The vibrancy of Guiding across Canada is powered by our volunteers, 20,000 passionate women dedicated to our Mission. We're excited to work together with our volunteers, as well as our valued donors, partners, and staff to build on that momentum.

The vibrancy of
Guiding across
Canada is powered
by our volunteers.

Looking ahead, we are committed to reaching even more girls in communities across the country with the unparalleled experience only Girl Guides can offer. In 2019, we'll launch a new streamlined subsidy process and pilot units in underserved communities, ensuring that Guiding is even more accessible and inclusive to girls from every community in Canada. We'll support our volunteers with the creation of more efficient and simpler processes around Unified Banking, safety and risk management. Our adult members will also get to experience an exciting new learning path as well as new networking and mentorship opportunities. We truly look forward to what is certain to be an incredible 2019.



A blue ink signature of Robyn McDonald.

Robyn McDonald
Chair of the Board



A blue ink signature of Jill Zelmanovits.

Jill Zelmanovits
Chief Executive Officer

Board of Directors



The GGC Board of Directors, clockwise from left: Nivitha Sritharan, Brenda Abrams, Madeleine Deschenes, Angela Dawson, Krysta Coyle, Melissa Martin, Kathy McKay, Alexandra Russell, Sarah Govan-Sisk, Danielle Bélanger, Robyn McDonald, Jill Zelmanovits. Missing: Ashita Anand

Welcoming our new Chair, Board of Directors

In June we welcomed Robyn McDonald as our Chair of the Board. Robyn began her Guiding journey as a Brownie and Guide. She has been a Unit Guider in Surrey, B.C. for over 19 years, joining when her daughters entered Sparks, and continuing through each branch to Rangers. In this volunteer role as Chair, Robyn leads our Board of Directors on Girl Guides of Canada's strategic outcomes. Beyond Guiding, Robyn is a Chartered Professional Accountant (CPA, CGA) and an accomplished jazz musician.

"Now more than ever, we want Guiding to propel girls to amazing things as they discover who they are and how they want to make their mark on their world."

— Robyn McDonald,
Chair, Board of Directors

By the numbers



76,449
girl members

20,700
adult members

30
girls and
young women
received scholarships

483
girls and
131
women
took part in travel
experiences

1,950
girls received Chief
Commissioner &
Trailblazer Awards

886,892
badges and crests
awarded

2,762
girls received
Lady Baden-Powell
Awards

19
girls received
Girl Greatness
Awards



6,887,904
boxes of cookies sold

Issues that matter to girls

Amplifying girls' voices has always been an important part of Guiding. In fact, we got our start when a bold group of courageous girls stormed a Boy Scout rally and spoke out for inclusion and recognition for girls. Our ground-breaking research into the issues impacting girls' everyday lives provides families with information they can use to help their daughters and girls they care for succeed. Guiding also provides girls and young women with a platform to speak out on the issues that matter to them. Along the way, we're empowering girls to make the changes they want to see in their world and to advocate for a better world, by girls.

Our major research initiative this year was a nationwide survey on how sexism and gender inequality are impacting girls' lives. Over 230 news outlets published stories as a result, generating more than 26 million media impressions.

What girls are saying about sexism



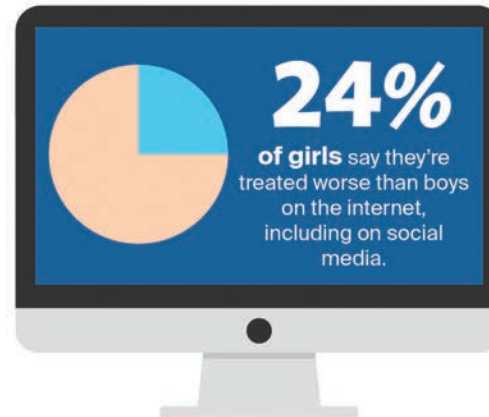
One in three girls (35%) say they have been treated unequally or unfairly because of their gender.

24% of teens say that boys are more capable than girls of doing things in society such as learning math and science, playing sports, and taking on leadership roles.



Teens report noticing gender inequality in their lives for the first time around 11 years of age on average.

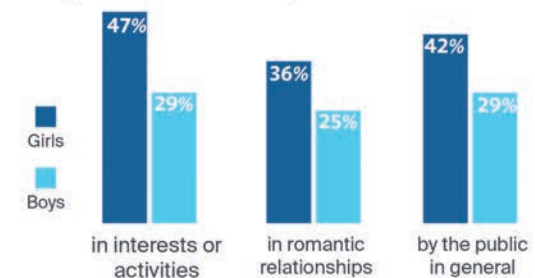
54% of girls say they first noticed it between the ages of 10 and 13.



55% of girls are concerned that when they're 25 years old, they will be treated unequally or unfairly at work because of their gender.



More girls are concerned they will receive unequal treatment:



When asked to share how gender inequality has impacted their life, **one in five girls (20%)** chose to speak about fewer opportunities for girls to play or compete in sports.



Eight in ten girls (81%) say that it is important for girls to have access to spaces dedicated to girls and women – **rising to nine in ten (88%) among girls who identify as Asian, Indigenous or Black.**

For the full report, see *Sexism, Feminism & Equality: What Teens in Canada Really Think* at <https://www.girlguides.ca/letgirlsguide>.



The launch of our new program called for an epic celebration – for girls, and by girls. Girls led the way in planning Girls First Launch Parties across the country, where girls could test drive activities in the new program and discover their favourites.

Girls First: Our new program for all girls

This year marked a powerful evolution for Guiding as we launched Girls First, our brand-new program. Girls First puts every girl in the driver's seat, allowing them to customize their Guiding experience and record their achievements through a digital platform. The program is based on what girls told us they want. From innovative STEM activities to outdoor adventures and discussions on mental health and healthy relationships, girls choose the hands-on experiences that interest them the most, becoming more empowered as they move through the program.



A new way for girls to explore what matters to them

A girl in Guiding will learn how she can challenge stereotypes and contribute in her own way to a better world. In our new Girls First program...

- **A Spark** gets to know women in male dominated fields – and learns how to use a screwdriver.
- **A Brownie** builds houses to protect and nest honey bees.
- **A Guide** leads a shoreline cleanup in her community.
- **A Pathfinder** designs and creates a 3D-printed prosthetic for her pet.
- **A Ranger** makes a stop-motion animation to promote human rights.

Through Girls First, girls discover how they can contribute to a better world, by girls. The result? A greater sense of confidence and the ability to claim every space as one where girls belong – all with the encouragement of women mentors and a peer network that will help them soar.

From innovative STEM activities to outdoor adventures and discussions on mental health and healthy relationships, girls choose the hands-on experiences that interest them the most, becoming more empowered as they move through the program.

What girls are saying about Girl Guides

“Girl Guides is putting girls front and centre, where they should be.”



“Safe spaces for girls to voice their ideas are a rare thing in this world. But that’s exactly what Guiding offers.”



“Thank you for helping me with my confidence. I’m pretty awesome and Brownies helped me see that.”



“In a world where girls are often treated less than fairly, Girl Guides offers a space for us to stand up and speak out about the issues that matter to us, in an environment where we are always supporting one another.”



“The world isn’t always great for girls — but Guiding is a powerhouse of support.”

Destination: outdoor adventure

Outdoor experiences and adventures are a cornerstone of the Girl Guide program. Whether it's Sparks exploring the hidden wonders of an urban park or Pathfinders planning their first overnight canoe trip and learning about local wildlife, our camping and outdoor activities give girls the chance to explore the natural world – and become natural leaders along the way.

From achieving new heights while rock climbing to experiencing firsts like building a shelter or cooking their own meal over an open fire, a Girl Guide outdoor experience can be transformative. It's a chance for girls to experience the thrill of adventure, and sometimes it's her first glimpse of empowering independence away from home where she's encouraged to try new things and discover new insights about herself. Along the way, girls develop crucial leadership skills and build their confidence to reach for bolder and more exciting goals in other areas of their lives. When girls in Guiding get outside, their natural leadership is as boundless as the sky itself.





The impact of our volunteers is infinite

Every unit meeting. Every overnight camp. Every badge earned, scholarship awarded and confidence-building moment for girls. For every accomplishment of every girl in Guiding, our volunteers are right there by their sides. Our volunteers' impact on girls' lives is extraordinary. They are mentors. Role models. Catalysts sparking extraordinary opportunities for girls. Every week, our volunteers help girls unleash their potential and to see themselves as leaders. We thank all of our volunteers for all that they do to bring our Mission to life.

2018–2020 Strategic Plan

This was the first year of our three-year 2018-2020 Strategic Plan. The plan sets an ambitious course to ensure GGC is well positioned to support girls' voices, Guider excellence, program development, membership growth, and organizational efficiency – and to ultimately empower every girl to be everything she wants to be.



Relevance

Retain & grow membership

STRATEGIES

#1:
Member Retention

#2:
Member Acquisition

#9:
Francophone



Empowering

Exceptional girl-led programming & delivery

STRATEGIES

#3:
Engagement (Girls' Voice)

#4:
Girls First & Program Feedback



Diversity & Inclusion

Represent today's girls & women

STRATEGIES

#5:
Diversity & Inclusion Framework



Agile

Become operationally excellent & nimble

STRATEGIES

#6:
Countrywide Optimization

#7:
Digital Transformation

#8:
Diversify Funding & Partnerships

2018–2020 Strategic Plan (continued)

How did we do?

- A significant achievement this year was the **launch of Girls First, our brand-new program for girls ages 5-17**. Girls First reflects what girls told us they wanted – a digital, interactive platform with fun, relevant, girl-driven activities designed to empower every girl in Guiding to navigate her world and the topics that matter to her.
- **2018 was a strong year for member retention** – girls and women who stayed in Guiding year-over-year.
- As a girl-driven organization, **we're particularly proud of the growing number of girls in leadership roles** in units and on councils and committees. Some 55% of Pathfinders and Rangers now have leadership roles in Guiding, beyond the unit level. 78% of these girls feel that they were able to participate in a way that made a real contribution.
- With the launch of our Girls Voice survey in 2018, **we added a new opportunity for girls to share their feedback on how Guiding is supporting them** in having their voices heard and ideas actioned.
Among the highlights:
 - **82%** of girls said they have fun in Guiding
 - **87%** of girls agree with the statement “I can be myself in Guiding”
 - **84%** of girls agree that they feel like they belong in Guiding

For many of our strategies, 2018 was the first year of work and measurement. We'll continue to work towards achieving our goals in areas such as: increasing membership base that reflects the diversity of Canada's population; enhancing our digital tools and organizational framework; and diversifying our sources of funding.



An incubator for girls in STEM

Girl Guides has always been a launch pad for girls to experiment, design, create and imagine as they explore the infinite possibilities of what they can achieve in science, technology, engineering and math (STEM). After all, Aeronautics and Electrician were among our very first badges. Guiding's supportive, girls-only space is the ultimate incubator for girls to take risks, ask curious questions, problem-solve and pivot from potential set backs – invaluable skills for STEM careers and beyond.

This year, we sparked more opportunities than ever for girls to engage in innovative, hands-on activities that inspire them to embrace scientific discovery. For example, the Experiment and Create Program Area in our new Girls First program takes STEM exploration to a whole new level by adding a creative lens to activities – supporting girls to develop the kinds of 21st century skills that will help them succeed. Across the country, girls in Guiding also had the chance to connect with women mentors in science and technology fields and discover all the pathways open to them. Investing in girls as innovators and imagineers and balancing the equation when it comes to opportunities in STEM is just part of our formula for shaping a better world, by girls.





Guiding's supportive, girls-only space is the ultimate incubator for girls to take risks, ask curious questions, problem-solve and pivot from potential set backs — invaluable skills for STEM careers and beyond.

NATIONAL OPERATIONS

The summary financial statements are derived from the complete audited financial statements, prepared in accordance with Canadian accounting standards for not-for-profit organizations as at and for the years ended December 31, 2018, and December 31, 2017.

The complete audited financial statements of Girl Guides of Canada—Guides du Canada National Operations are available online at www.girlguides.ca.

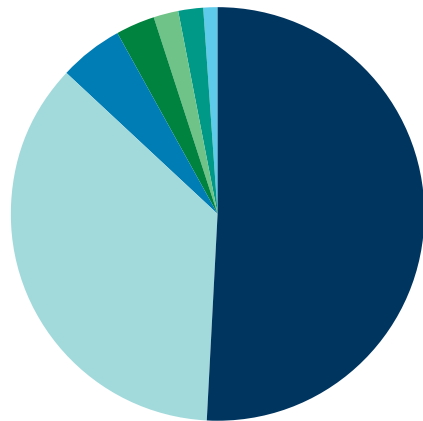
Statements of Operations

Years ended December 31, 2018 and 2017

REVENUE	2018	2017
Membership Fees	\$ 5,812,239	\$ 5,779,800
Fund Development	4,032,850	3,628,177
Net Investment Income	202,783	1,565,757
Sundry	619,903	982,879
Net Merchandising	289,653	848,660
Real Property	109,939	697,680
Canadian World Friendship Fund	234,637	204,110
Total REVENUE	\$ 11,302,004	\$ 13,707,063
EXPENSES		
Girl Empowerment Programs	\$ 4,134,733	\$ 3,142,872
Volunteer Support and Engagement	2,000,600	1,696,789
Strategy, Marketing and Communications	2,951,455	2,327,679
Fund Development	1,436,627	1,210,212
Governance & Administration	1,743,735	2,339,364
Canadian World Friendship Fund	234,637	204,110
World Association of Girl Guides and Girl Scouts	78,708	114,091
Total EXPENSES	\$ 12,580,495	\$ 11,035,117

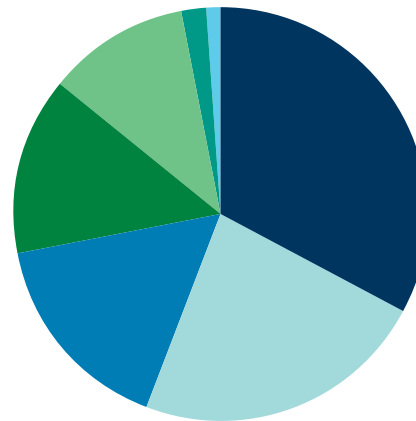
These figures represent solely the expenditures and revenues of GGC's national office. The Guiding experience is offered to girls across Canada through the collaboration of the national office and nine Provincial Councils, each with their own audited financial reports.

Revenue



- 51% Membership Fees
- 36% Fund Development
- 5% Sundry
- 3% Net Merchandising
- 2% Net Investment Income
- 2% Canadian World Friendship Fund
- 1% Real Property

Expenses



- 33% Girl Empowerment Programs
- 23% Strategy, Marketing and Communications
- 16% Volunteer Support and Engagement
- 14% Governance & Administration
- 11% Fund Development
- 2% Canadian World Friendship Fund
- 1% World Association of Girl Guides and Girl Scouts



Donors

Thank you to all who donated to GGC in 2018, whether you gave as an individual, organization or anonymously. Your belief in girls in Canada empowers them to take the lead in their lives – and supports our Vision: a better world, by girls.



Individuals

Honour Circle

Rice Family Foundation

Signature Circle

Christine Burton

Janet P. Mann

Investor's Circle

Susan C. Patten

Pamela Rice

The Barrett Family Foundation

World Friendship Circle

Isabell McDorman

Don Peddle

Chief Commissioner's Circle

Stephanie Dorothy Bryant

Nancy Kelly

Geraldine Kelter

Sheelagh D. McCourt

Jennifer L. Moorlag

Dawn Quast

Joelyn Ragan

Donna Leonard Robb

Rosalyn Schmidt

Laura Walsh

Linda White

Beatrix F. Wilson

C. Joan Woodland

Jill Zelmanovits

Supporter's Circle

Ethel Armitage

Jennifer Ayotte

Tashia E. Batstone

Lorraine Bishop

Susan Arlene Cameron

Jennifer Cessford

Glena Clearwater

Barbara Ann Coish

Barbara J. Cook

Barrie Cotter

Catherine Cotton

Margaret Daugherty

Denise J. Dhalian

Joan Winnifred Ellis

Wendy Fitch

Tara Gaertner

Pamela Glen

Ann Harwood

Elizabeth Hill

Kathleen Kompass

Hilda Rosetta Lawson

Judith Lendon

Ann Lowe

Deirdre MacIntyre

Lyn Mariner

June D. Martin

Margaret Martin

Melissa A. Martin

Judy Maurice

Heather K. McCance

Jan McCaghren

Kim McKenna

Linda Newton

Patricia J. Nykor

Deborah Parker

Siobhan B. Peck

Helen Perry

Lauri Rene Paul

Elizabeth Ann Renfrew

Marina Ghislaine Rispin

Elizabeth Rouw

Alexandra G. Russell

Patricia A. Russell

Cynthia J. Stevenson

Miriam Tees

Madge Twolan

Anna Danielle Vandendries-Barr

Mary Vincent

Dorothea Weiland

Marie E. Wetmore

1910 Society

Christine Burton

Margaret Daugherty

Denise Dhalian

Wendy Fitch

Geraldine Kelter

Barbara Kent

Kathleen Kompass

Donna Leonard Robb

Susan Patten

Helen Perry

Joelyn Ragan

Rosalyn Schmidt

Madge Twolan

C. Joan Woodland

Organizations

Thank you to the organizations who help us ensure that girls have a voice and choice in their daily lives, by connecting them to current programs and dynamic experiences. The following organizations are true catalysts for girls empowering girls.

CN Employees and Pensioners Community Fund

Dalgas Enterprises Inc.

Dare Foods Limited

Ericsson Canada Inc.

IBM Employees' Charitable Fund

LEGO Canada Inc.

Masonic Foundation of Ontario

The Actuarial Foundation of Canada

The Boiler Inspection & Insurance Company of Canada

Wawanesa Insurance

Special thanks to the following Trefoil Guilds

1st Humber Glen Trefoil Guild

1st Kingston Trefoil Guild

Program Partners

Our commitment to girl-driven programming wouldn't be possible without the support of content experts. It was a privilege to partner with the following organizations, foundations and government agencies on program development in 2018.

Canadian Association for the Advancement of Women and Sport (CAAWS)

Canadian Women's Foundation

Engineers Canada

FIRST Robotics Canada

Frontier College

Great Canadian Shoreline Cleanup

Kids Help Phone

LEGO Canada Inc.

MediaSmarts

National Eating Disorder Information Centre (NEDIC)

The 519

The Psychology Foundation of Canada

Youth for Gender Equality



Girl Guides of Canada—Guides du Canada (GGC) empowers every girl in Guiding to discover herself and be everything she wants to be. In Guiding, girls from 5-17 meet with girls their own age in a safe, inclusive space to explore what matters to them. GGC is where girls take the lead, put their ideas into action and jump into awesome activities – all with the support of volunteer Guiders who are committed to positively impacting their lives.

Vision

A better world, by girls.

Mission

To be a catalyst for girls empowering girls.

Financial Statements of

**GIRL GUIDES OF CANADA-
GUIDES DU CANADA,
NATIONAL OPERATIONS**

And Independent Auditors' Report thereon

Year ended December 31, 2018



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INDEPENDENT AUDITORS' REPORT

To the Members of Girl Guides of Canada - Guides du Canada, National Operations

Opinion

We have audited the financial statements of Girl Guides of Canada - Guides du Canada, National Operations (the Entity), which comprise:

- the balance sheet as at December 31, 2018
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2018, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "*Auditors' Responsibilities for the Audit of the Financial Statements*" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Other Information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditors' report thereon, included in Annual Report 2018 document.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditors' report thereon, included in Annual Report 2018 document as at the date of this auditors' report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.



Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.



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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

May 20, 2019

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Balance Sheet

December 31, 2018, with comparative information for 2017

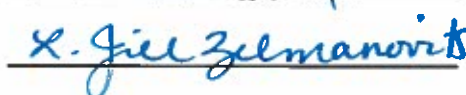
	2018	2017
Assets		
Current assets:		
Cash	\$ 7,005,221	\$ 8,642,436
Accounts receivable (note 9)	1,780,760	848,788
Inventory (note 2)	830,362	495,810
Prepaid expenses	254,996	212,114
	<u>9,871,339</u>	<u>10,199,148</u>
Investments (note 3)	17,243,037	17,192,932
Property and equipment (note 4)	1,776,312	1,631,326
	<u>\$ 28,890,688</u>	<u>\$ 29,023,406</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (notes 5 and 9)	\$ 1,123,762	\$ 844,338
Deferred revenue	4,799,469	4,772,376
	<u>5,923,231</u>	<u>5,616,714</u>
Deferred contributions (note 6)	902,101	950,334
Net assets:		
Unrestricted	16,855,554	17,438,952
Endowment funds (note 7)	1,566,094	1,565,989
Internally restricted (note 8)	1,867,396	1,820,091
Invested in property and equipment	1,776,312	1,631,326
	<u>22,065,356</u>	<u>22,456,358</u>
Commitments and contingencies (note 11)		
	<u>\$ 28,890,688</u>	<u>\$ 29,023,406</u>

See accompanying notes to financial statements.

On behalf of National operations:



Chair of the Board



Chief Executive Officer

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Statement of Operations

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Revenue:		
Membership fees	\$ 5,812,239	\$ 5,779,800
Fund development	4,032,850	3,628,177
Net investment income (note 10)	202,783	1,565,757
Sundry	619,903	982,879
Real property (note 9)	109,939	697,680
Canadian World Friendship Fund	234,637	204,110
	<u>11,012,351</u>	<u>12,858,403</u>
Merchandising (Schedule):		
Sales	3,581,222	4,201,601
Expenses	(3,291,569)	(3,352,941)
	<u>289,653</u>	<u>848,660</u>
	<u>11,302,004</u>	<u>13,707,063</u>
Expenses (note 13):		
Girl empowerment programs	4,134,733	3,142,872
Volunteer support and engagement	2,000,600	1,696,789
Strategy, marketing and communications	2,951,455	2,327,679
Fund development	1,436,627	1,210,212
Governance and administration	1,743,735	2,339,364
Canadian World Friendship Fund	234,637	204,110
World Association of Girl Guides and Girl Scouts	78,708	114,091
	<u>12,580,495</u>	<u>11,035,117</u>
Excess (deficiency) of revenue over expenses	\$ (1,278,491)	\$ 2,671,946

See accompanying notes to financial statements.

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Statement of Changes in Net Assets

Year ended December 31, 2018, with comparative information for 2017

	2018				2017	
	Unrestricted	Endowment funds	Internally restricted (note 8)	Invested in property and equipment	Total	Total
Balance, beginning of year	\$ 17,438,952	\$ 1,565,989	\$ 1,820,091	\$ 1,631,326	\$ 22,456,358	\$ 19,784,412
Excess (deficiency) of revenue over expenses	(833,292)	—	—	(445,199)	(1,278,491)	2,671,946
Interfund transfers:						
Endowment, net investment	(105)	105	—	—	—	—
Girl travel and events	(47,305)	—	47,305	—	—	—
Transfer from Provincial Councils (note 9)	887,489	—	—	—	887,489	—
Purchase of property and equipment	(590,185)	—	—	590,185	—	—
Balance, end of year	\$ 16,855,554	\$ 1,566,094	\$ 1,867,396	\$ 1,776,312	\$ 22,065,356	\$ 22,456,358

See accompanying notes to financial statements.

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Statement of Cash Flows

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	\$ (1,278,491)	\$ 2,671,946
Items not involving cash:		
Amortization of property and equipment	445,199	441,086
Unrealized loss (gain) on investments (note 10)	1,240,375	(590,848)
Deferred contributions realized	(288,637)	(258,110)
Realized investment income	(1,443,158)	(974,909)
Change in non-cash operating working capital:		
Accounts receivable	(931,972)	(465,632)
Inventory	(334,552)	(105,647)
Prepaid expenses	(42,882)	33,160
Accounts payable and accrued liabilities	279,424	(196,724)
Deferred revenue	27,093	67,391
	(2,327,601)	621,713
Financing activities:		
Deferred contributions received	278,957	319,787
Transfer from Provincial Councils	887,489	—
	1,166,446	319,787
Investing activities:		
Net change in investments	114,125	1,222,127
Purchase of property and equipment	(590,185)	(177,898)
	(476,060)	1,044,229
Increase (decrease) in cash	(1,637,215)	1,985,729
Cash, beginning of year	8,642,436	6,656,707
Cash, end of year	\$ 7,005,221	\$ 8,642,436

See accompanying notes to financial statements.

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Notes to Financial Statements

Year ended December 31, 2018

The mission of Girl Guides of Canada-Guides du Canada is to be a catalyst for girls empowering girls.

The governing body of Girl Guides of Canada-Guides du Canada is the Board of Directors (the "Board"). The Board delegates defined authority and responsibility to Provincial Councils, which promote and administer guiding within specific provinces and territories. Similarly, in addition to the Provincial Councils, there are Area and District Councils (collectively, the "Councils") that are responsible for guiding within a designated locality. The Councils are administrative groups under a Commissioner's leadership. Each of the Councils bears the name of Girl Guides of Canada-Guides du Canada, along with its own local identifying name. All of the Councils, regardless of level, are focused on the overall mission of Girl Guides of Canada-Guides du Canada.

Girl Guides of Canada-Guides du Canada is a nationally incorporated charitable organization established by a Special Act of Parliament and is exempt from income taxes under the provision related to charitable organizations, provided certain requirements under the Income Tax Act (Canada) are met. In the opinion of management, these requirements have been met.

1. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the Chartered Professional Accountants of Canada Handbook.

(a) Basis of presentation:

Girl Guides of Canada-Guides du Canada, National Operations (the "Organization") functions through consultation, collaboration and sharing resources. Through the process of cooperation, the Board exercises significant influence rather than direct control over the operations of the Councils. These financial statements do not reflect the assets, liabilities, revenue or expenses of the Councils, each of which prepares separate financial statements.

The Organization has certain economic relationships with the Councils. The Organization collects national membership and registration fees on behalf of certain Councils. The Organization then remits the registration fees to the Councils. For those Councils collecting national membership and registration fees, the national membership fees are remitted to the Organization.

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Notes to Financial Statements (continued)

Year ended December 31, 2018

1. Significant accounting policies (continued):

(b) Revenue recognition:

The Organization follows the deferral method of accounting for contributions. Specified donations, externally restricted monies and event fees that relate to programs to be undertaken in future periods are deferred and recognized as revenue as the related expenditures are incurred or related events take place.

Revenue from members is invoiced for the period from November 1 to October 31. Deferred revenue represents the portion of revenue received from these sources that pertains to the next fiscal year.

Fund development includes cookie management recoveries, cookie fundraising, and donations. Cookie management recoveries represent surplus funds generated from the reconciliation of the costs of manufacturing cookies with the supplier and are recognized when the reconciliation has been completed. Cookie fundraising is recognized on an accrual basis based on the number of cases sold. General donations are recognized when received.

The Canadian World Friendship Fund ("CWFF") contains specified donations and net investment income from the Jean Youngson Fund, as described in note 1(f)(i). This fund helps support international guiding by assisting in travel expenses for international events and supporting girls and young women to attend training programs at a World Centre. The World Centre is a residential development centre where girls and young women acquire leadership and life skills. CWFF revenue is recognized when expenditures for international initiatives are incurred.

The Organization receives a portion of the net proceeds upon sale of real property assets by the Councils. This revenue is recognized when the title of the real property is transferred.

Investment income, which is recorded on the accrual basis, includes interest income and change in net unrealized gains.

Merchandising revenue is recorded when merchandise is shipped to the customer.

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Notes to Financial Statements (continued)

Year ended December 31, 2018

1. Significant accounting policies (continued):

Endowments are recognized as direct increases in net assets, are required to be maintained on a permanent basis and only the revenue derived therefrom is available to support the Organization's activities.

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has elected to carry non-equity investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(d) Inventory:

Merchandise inventory is measured at the lower of cost, determined on a first-in, first-out basis, and net realizable value. Cost includes all purchase costs. Net realizable value is the estimated selling price in the normal course of business less the estimated costs to make the sale. Cost of sales includes all costs of inventory recognized as expenses in the year.

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Notes to Financial Statements (continued)

Year ended December 31, 2018

1. Significant accounting policies (continued):

(e) Property and equipment:

Property and equipment are stated at cost less accumulated amortization. Amortization is based on the estimated useful lives of the assets and is calculated on a straight-line basis as follows:

Building	15 years
Office equipment and furniture	5 - 10 years
Computer equipment	3 years
Computer software	3 years

(f) Endowment funds:

The income from the endowment funds is subject to the following restrictions:

(i) Jean Youngson Fund:

This fund covers the cost of guiders in charge who accompany girls to international events. Any remaining balance is available to augment donation income in the CWFF.

(ii) Joan Fiskén Fund:

This fund assists girls from the Yukon, the Northwest Territories and Newfoundland and Labrador in covering the costs of attending events at Our Cabaña.

(iii) Norma Osler Education Fund:

This fund will provide a scholarship on an annual basis to a young woman who is pursuing a post-secondary degree with particular emphasis in the field of Education.

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Notes to Financial Statements (continued)

Year ended December 31, 2018

1. Significant accounting policies (continued):

(iv) Endowment Fund:

The Endowment Fund was established by the Organization to create a capital reserve to supplement the annual budget. Until the capital in the fund reaches \$1,000,000, all investment income will be reinvested in the fund. Thereafter, until the capital reaches \$2,000,000, up to 50% of the earned income will be available for special purposes. The Board can determine the usage of funds following the fund reaching \$2,000,000.

(g) Internally restricted net assets:

These funds reflect assets designated by the Board to provide funds for operations and special purposes. These amounts are disclosed in note 8.

(h) Donated services:

The Organization's activities include time donated by a substantial number of volunteers. Since no objective basis exists for recording and assigning values to these services, they are not reflected in the financial statements.

(i) Pension plan:

The Organization maintains a defined contribution pension plan for employees. The expense for this plan is equal to the Organization's required contribution for the year. Pension expense for the year was \$138,263 (2017 - \$159,000).

(j) Allocation of general administrative expenses:

The Organization classifies expenses on the statement of operations by function. Certain officers and employees perform a combination of program, volunteer support, marketing, fundraising and administrative functions: as a result, certain salaries and benefits are allocated based on the number of people employed within a function. Other costs, including information management, legal, communications, amortization and facilities costs, have also been allocated based on the number of people employed within a function.

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Notes to Financial Statements (continued)

Year ended December 31, 2018

1. Significant accounting policies (continued):

(k) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to estimates and assumptions include the allocation of expenses. Actual results could differ from those estimates.

2. Inventory:

Inventory expensed to merchandising expenses during the year was \$1,388,323 (2017 - \$1,652,400). During the year, \$221,373 (2017 - \$8,304) was recorded as a write-down from cost to net realizable value to merchandising expenses. There were no reversals of previously recorded inventory write-downs during the year.

3. Investments:

The Organization's investments are held in one pooled fund.

4. Property and equipment:

			2018	2017
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 120,994	\$ –	\$ 120,994	\$ 120,994
Building	3,179,216	2,252,338	926,878	1,009,622
Office equipment and furniture	662,602	504,990	157,612	128,231
Computer equipment	427,017	395,512	31,505	58,682
Computer software	2,060,255	1,520,932	539,323	313,797
	\$ 6,450,084	\$ 4,673,772	\$ 1,776,312	\$ 1,631,326

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Notes to Financial Statements (continued)

Year ended December 31, 2018

4. Property and equipment (continued):

Included in the allocated expenses in the statement of operations is amortization expense of \$445,199 (2017 - \$441,086).

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities as at December 31, 2018 are government remittances payable of \$17,732 (2017 - \$15,339) relating to harmonized sales tax, payroll taxes, health taxes and workers' safety insurance.

6. Deferred contributions:

Deferred contributions related to expenses of future periods represent unspent externally restricted grants and donations for specific programs.

	2018				2017	
	Diversity and inclusivity	CWFF	Scholarship program	Our Cabaña program	Total	Total
Balance, beginning of year	\$ 100,000	\$ 726,181	\$ 113,633	\$ 10,520	\$ 950,334	\$ 869,247
Donations/contributions	-	183,692	55,060	-	238,752	295,541
Investment income (note 10)	-	1,634	-	18	1,652	43,656
Recognized as revenue	-	(234,637)	(54,000)	-	(288,637)	(258,110)
Balance, end of year	\$ 100,000	\$ 676,870	\$ 114,693	\$ 10,538	\$ 902,101	\$ 950,334

7. Endowment funds:

	2018		2017	
Jean Youngson Fund	\$	463,733	\$	463,733
Joan Fiske Fund		5,000		5,000
Norma Osler Education Fund		136,895		140,380
Endowment Fund		960,466		956,876
	\$	1,566,094	\$	1,565,989

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Notes to Financial Statements (continued)

Year ended December 31, 2018

8. Internally restricted net assets:

The Board has internally restricted amounts for future initiatives. The internally restricted amounts are not available without approval of the Board.

	2018	2017
Cookie Stabilization	\$ 1,500,000	\$ 1,500,000
Girl travel and events	367,396	320,091
	<u>\$ 1,867,396</u>	<u>\$ 1,820,091</u>

9. Related party transactions:

The Organization has certain economic relationships with the Councils.

The Organization collected and remitted \$5,260,711 (2017 - \$5,211,455) in registration fees to Provincial Councils and, as such, does not reflect these amounts in these financial statements.

The Organization administers the purchase of cookies on behalf of the Provincial Councils. During the year, the Organization collected and remitted \$15,202,936 (2017 - \$11,802,590) and, as such, does not reflect these amounts in these financial statements.

The Provincial Councils are required to remit to National a portion of net proceeds from the sale of real properties. During the year, \$109,939 (2017 - \$697,680) was received.

Effective January 1, 2018, the Organization administers payroll on behalf of the Councils. During the year, the Organization paid and was reimbursed for \$7,089,431 (2017- nil) on behalf of the Councils.

Included in accounts receivable is \$1,111,945 (2017 - \$766,097) due from Provincial Councils and \$62,769 (2017 - nil) from Area and District Councils relating to membership fees and reimbursement of expenses paid on their behalf.

Included in accounts payable and accrued liabilities is \$65,339 (2017 - \$7,080) due to Provincial Councils for registration fees collected on their behalf.

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Notes to Financial Statements (continued)

Year ended December 31, 2018

9. Related party transactions (continued):

The Organization received \$887,489 (2017 - nil) from Provincial Councils to support National Strategic Priorities.

These transactions are in the normal course of operations and are measured at the exchange amounts, which is the amount of consideration established and agreed to by the related parties.

10. Net investment income:

Net investment income is recorded as follows:

			2018	2017
	Realized investment income	Unrealized investment loss	Total	Total
Revenue in the statement of operations	\$ 1,443,158	\$ (1,240,375)	\$ 202,783	\$ 1,565,757
Deferred contributions (note 6)	40,205	(38,553)	1,652	43,656
	\$ 1,483,363	\$ (1,278,928)	\$ 204,435	\$ 1,609,413

11. Commitments and contingencies:

(a) Commitments:

The Organization is committed to a systems application development project and operating leases expiring with terms extending into 2023 for equipment with the following minimum annual payments:

2019	\$ 314,250
2020	20,250
2021	10,630
2022	5,260
2023	3,950
	\$ 354,340

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Notes to Financial Statements (continued)

Year ended December 31, 2018

11. Commitments and contingencies (continued):

(b) Contingencies:

From time to time, the Organization may be involved in legal actions, the outcomes of which are not within the Organization's complete control and may not be known for prolonged periods of time. The Organization records a liability in the financial statements when the loss is known or considered probable and the amount can be reasonably estimated.

In addition, the Organization guarantees any debt or lease obligation assumed by the Councils.

In the opinion of management, any liability which may arise from such contingencies or guarantees would not have a material effect on the financial statements of the Organization.

12. Banking facilities:

The Organization has a \$463,000 operating line of credit available for use with a Canadian financial institution, bearing interest at prime plus 0.25%. At year end, the Organization had not drawn on this line of credit (2017 - nil). The Organization also has a letter of guarantee outstanding of nil. A general security agreement providing a first charge over all accounts receivable, inventory and equipment is in place for these facilities.

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Notes to Financial Statements (continued)

Year ended December 31, 2018

13. Allocation of expenses:

The following table summarizes direct expenses and allocated expenses which are included in the statement of operations:

			2018	2017
	Direct expenses	Allocated expenses	Total	Total
Girl empowerment programs	\$ 2,639,111	\$ 1,495,622	\$ 4,134,733	\$ 3,142,872
Volunteer support and engagement	1,364,961	635,639	2,000,600	1,696,789
Strategy, marketing and communications	1,941,910	1,009,545	2,951,455	2,327,679
Fund development	1,062,721	373,906	1,436,627	1,210,212
Governance and administration	1,519,392	224,343	1,743,735	2,339,364
Canadian World Friendship Fund	234,637	—	234,637	204,110
World Association of Girl Guides and Girl Scouts	78,708	—	78,708	114,091
	\$ 8,841,440	\$ 3,739,055	\$ 12,580,495	\$ 11,035,117

14. Financial risks:

The Organization manages its investment portfolio to earn investment income and invests according to a Statement of Investment Policy approved by the Board. The Organization is not involved in any hedging relationships through its operations and does not hold or use any derivative financial instruments for trading purposes.

The Organization believes that it is not exposed to significant interest rate, market, credit or cash flow risk arising from its financial instruments.

Additionally, the Organization believes it is not exposed to significant liquidity risk as all investments are held in instruments that are highly liquid and can be disposed of to settle commitments.

There have been no changes to risk exposure from 2017.

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Notes to Financial Statements (continued)

Year ended December 31, 2018

15. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.

GIRL GUIDES OF CANADA-GUIDES DU CANADA, NATIONAL OPERATIONS

Schedule of Merchandising

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Sales	\$ 3,581,222	\$ 4,201,601
Cost of sales	2,656,482	2,783,542
Gross margin	924,740	1,418,059
Expenses:		
Human resources and administration	166,311	167,942
Shipping and postage	468,776	401,457
	635,087	569,399
Net contribution	\$ 289,653	\$ 848,660