

Financial Statements of

**GIRL GUIDES OF CANADA -  
GUIDES DU CANADA**

And Independent Auditor's Report thereon

Year ended August 31, 2025



**KPMG LLP**

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**INDEPENDENT AUDITOR'S REPORT**

To the Members of Girl Guides of Canada - Guides du Canada

***Opinion***

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

- the statement of financial position as at August 31, 2025
- 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 August 31, 2025, 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 "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's 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.



***Emphasis of Matter - Comparative Information***

We draw attention to Note 1(a) to the financial statements ("Note 1(a)"), which explains that certain comparative information presented for the period ended August 31, 2024 has been restated.

Note 1(a) explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect to this matter.

***Other Matter - Comparative information***

The comparative information as at August 31, 2024 and for the period January 1, 2024 to August 31, 2024 is unaudited. Accordingly, we do not express an opinion on it.

***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.

***Auditor's 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 auditor's 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.



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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 auditor's 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 auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

December 12, 2025

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

## Statement of Financial Position

August 31, 2025, with comparative information for 2024

	2025	2024 (Unaudited - note 1(a))
<b>Assets</b>		
Current assets:		
Cash (note 2)	\$ 40,866,254	\$ 37,908,735
Accounts receivable	1,317,382	1,384,376
Investments (note 4)	19,609,478	20,302,741
Inventory (note 3)	5,039,805	4,820,925
Prepays and other assets (note 5)	2,365,300	2,470,692
Total current assets	69,198,219	66,887,469
Investments (note 4)	100,593,367	97,202,965
Capital assets (note 6)	12,446,296	13,129,716
<b>Total assets</b>	<b>\$ 182,237,882</b>	<b>\$ 177,220,150</b>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities (note 7)	\$ 8,640,734	\$ 7,784,116
Investments held on behalf of District Councils (note 4)	—	596,608
Due to District Councils and Units (notes 2 and 13)	15,714,528	15,884,701
Deferred revenue (note 8)	7,415,834	7,579,041
Total current liabilities	31,771,096	31,844,466
Deferred capital contributions (note 9)	967,333	979,021
Deferred contributions - programs/events (note 9)	23,768,022	24,657,372
Lease inducements	—	250,531
<b>Total liabilities</b>	<b>56,506,451</b>	<b>57,731,390</b>
Net assets:		
Unrestricted	94,066,438	90,662,447
Endowment funds (note 10)	2,125,681	2,061,068
Internally restricted (note 12)	18,060,349	14,614,550
Invested in capital assets	11,478,963	12,150,695
Total net assets	125,731,431	119,488,760
Commitments, contractual obligations and contingencies (note 16)		
<b>Total liabilities and net assets</b>	<b>\$ 182,237,882</b>	<b>\$ 177,220,150</b>

See accompanying notes to financial statements.

On behalf of the Organization:



Chair of the Board



Chief Executive Officer

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

## Statement of Operations

Year ended August 31, 2025, with comparative information for the period from January 1, 2024 to August 31, 2024

	2025	2024 (Unaudited – note 1(a))
Revenue:		
Membership fees	\$ 8,862,156	\$ 5,704,125
Cookie fundraising sales	24,696,559	12,471,835
Camping, conference and event fees	5,772,086	2,752,399
Merchandise royalties and sales	763,315	398,105
Net investment income (note 14(a))	6,842,733	2,148,095
Other	3,543,734	1,161,066
Grants (note 15)	1,070,953	513,342
Amortization of deferred capital contributions (note 9)	135,216	57,854
Gain on sale of real property	440,662	29,825
	<u>52,127,414</u>	<u>25,236,646</u>
Less:		
Cookie fundraising expenses	11,426,429	5,576,449
Merchandise expenses	40,653	63,590
	<u>11,467,082</u>	<u>5,640,039</u>
	40,660,332	19,596,607
Expenses:		
Girl and member services:		
Camping, outdoor experience and events	8,651,506	5,973,513
Programming and unit support	4,207,074	2,533,657
Registration and member support	3,511,315	2,392,411
Provincial operations	2,203,545	1,218,680
Girl safety	1,172,652	716,327
	<u>19,746,092</u>	<u>12,834,588</u>
Governance and operations:		
Finance	4,252,941	2,723,807
Marketing and communications	3,576,081	1,889,143
Information technology	2,744,637	1,758,523
Operations	2,680,270	1,994,417
Human resources	1,080,204	899,721
Governance	847,342	428,358
Fundraising	1,004,520	330,754
Amortization	1,300,544	737,546
	<u>17,486,539</u>	<u>10,762,269</u>
	37,232,631	23,596,857
Excess (deficiency) of revenue over expenses before the undernoted	3,427,701	(4,000,250)
Unrealized gain on investments (note 14(b))	2,814,970	6,041,276
Excess of revenue over expenses	<u>\$ 6,242,671</u>	<u>\$ 2,041,026</u>

See accompanying notes to financial statements.

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

## Statement of Changes in Net Assets

Year ended August 31, 2025, with comparative information for the period from January 1, 2024 to August 31, 2024

	2025				2024	
	Unrestricted	Endowment funds (note 10)	Internally restricted (note 12)	Invested in capital assets	Total	Total (Unaudited - note 1(a))
Balance, beginning of period	\$ 90,662,447	\$ 2,061,068	\$ 14,614,550	\$ 12,150,695	\$ 119,488,760	\$ 117,447,734
Excess (deficiency) of revenue over expenses	7,432,206	—	—	(1,189,535)	6,242,671	2,041,026
Deferred capital contributions	123,528	—	—	(123,528)	—	—
Interfund transfers (note 13)	(3,510,412)	64,613	3,445,799	—	—	—
Purchase of capital assets	(641,331)	—	—	641,331	—	—
Balance, end of period	\$ 94,066,438	\$ 2,125,681	\$ 18,060,349	\$ 11,478,963	\$ 125,731,431	\$ 119,488,760

See accompanying notes to financial statements.

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

## Statement of Cash Flows

Year ended August 31, 2025, with comparative information for the period from January 1, 2024 to August 31, 2024

	2025	2024 (Unaudited – note 1(a))
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 6,242,671	\$ 2,041,026
Items not involving cash:		
Amortization of capital assets	1,300,544	737,546
Amortization of deferred capital contributions	(135,216)	(57,854)
Amortization of lease inducement	(250,531)	(15,117)
Unrealized gain on investments	(2,814,970)	(6,041,276)
Reinvested investment income	(5,455,327)	(1,006,110)
Realized loss (gain) on sale of investments	(31,308)	4,997
Deferred contributions realized	(3,133,467)	(1,074,607)
Gain on sale of real property	(440,662)	(29,825)
Write off of capital assets	24,207	24,027
	(4,694,059)	(5,417,193)
Change in non-cash operating working capital:		
Accounts receivable	66,994	(638,998)
Inventory	(218,880)	(2,993,532)
Prepays and other assets	105,392	(476,454)
Accounts payable and accrued liabilities	856,618	3,492,459
Investments held on behalf of District Councils	(596,608)	7,365
Due to District Councils and Units	(170,173)	(538,454)
Deferred capital contributions	123,528	(4,627)
Deferred revenue	(163,207)	1,867,845
Cash used in operating activities	(4,690,395)	(4,701,589)
Financing activities:		
Additions to deferred contributions	2,244,117	1,693,970
Investing activities:		
Net change in investments	5,604,466	(315,748)
Purchase of capital assets	(641,331)	(575,553)
Proceeds on sale of real property	440,662	29,825
Cash provided by (used in) investing activities	5,403,797	(861,476)
Increase (decrease) in cash	2,957,519	(3,869,095)
Cash, beginning of period	37,908,735	41,777,830
Cash, end of period	\$ 40,866,254	\$ 37,908,735

See accompanying notes to financial statements.



# GIRL GUIDES OF CANADA-GUIDES DU CANADA

## Notes to Financial Statements

Year ended August 31, 2025

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

Girl Guides of Canada-Guides du Canada is a nationally incorporated charitable organization established by a Special Act of Parliament. The governing board of the Girl Guides of Canada-Guides du Canada is the Board of Directors (the "Board"). The Board delegates defined authority and responsibility to specific divisions of Girl Guides of Canada-Guides du Canada. Along with Provincial Councils, all Area and District Councils (collectively, "Local Councils") are responsible for delivering guiding within a designated locality. Each Council bears the name of Girl Guides of Canada-Guides du Canada, along with its own local identifying name and all Councils bear certain fiduciary and administrative responsibilities as prescribed by the Board. All Councils, regardless of level, are focused on delivering the overall mission of Girl Guides of Canada-Guides du Canada. The Local and Provincial Councils deliver programs to members through units ("Units"). Units describe groups of age-similar members who participate in program experiences.

Girl Guides of Canada-Guides du Canada 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.

During the prior year, Girl Guides of Canada-Guides du Canada changed its fiscal year end from December 31 to August 31. As a result, the comparative fiscal period covers an eight-month period from January 1, 2024 to August 31, 2024.

### **1. Significant accounting policies:**

The 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 and change in accounting policy**

For the purposes of these financial statements, the defined Organization is comprised of National Operations, Provincial and Area Councils.

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

## 1. Significant accounting policies (continued):

During the year, several Provincial Councils dissolved their Area Councils. As a result of the dissolution of the Area Councils, all real properties, as well as substantially all other net assets of those Area Councils were moved to the respective Provincial Councils. As of August 31, 2025, Area Councils continue to exist in two Provinces.

As a result of these changes, management has changed its accounting policy, retrospectively, with respect to the basis of presentation to include all Area Councils. These financial statements include the assets, liabilities, revenue and expenses of Area Councils for the current year and the prior period. Most of the Area Councils were not previously subject to audit, and therefore, the prior period is marked as unaudited.

The District Councils and Units are comprised of a large number of individually immaterial organizations, and with the exception of cash and investment balances that are held in comingled accounts, the assets, liabilities, revenue, and expenses of the District Councils and Units have not been combined nor reported in these financial statements. The amounts held for District Councils and Units in the commingled cash and investment accounts are reported as liabilities in these financial statements.

The impact of the change in accounting policy is set out in the tables below:

Statement of financial position:

	As previously reported	Adjustments	As restated
Total current assets	\$ 64,138,187	\$ 2,749,282	\$ 66,887,469
Investments	98,702,774	(1,499,809)	97,202,965
Capital assets	9,954,929	3,174,787	13,129,716
Total assets	172,795,890	4,424,260	177,220,150
Total liabilities	65,928,235	(8,196,845)	57,731,390
Unrestricted net assets	82,771,663	7,890,784	90,662,447
Endowment funds net assets	1,996,068	65,000	2,061,068
Internally restricted net assets	12,207,167	2,407,383	14,614,550
Investment in capital assets	9,892,757	2,257,938	12,150,695
Total net assets	106,867,655	12,621,105	119,488,760
Total liabilities and net assets	172,795,890	4,424,260	177,220,150

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

## 1. Significant accounting policies (continued):

Statement of operations:

	As previously reported	Adjustments	As restated
Total revenue	\$ 17,569,836	\$ 2,026,771	\$ 19,596,607
Total expenses	21,389,990	2,206,867	23,596,857
Excess (deficiency) of revenue over expenses before the undernoted	(3,820,154)	(180,096)	(4,000,250)
Unrealized gain on investments	5,933,561	107,715	6,041,276
Excess of revenue over expenses	2,113,407	(72,381)	2,041,026

The change in accounting policy did not result in a material impact to cash or the statement of cash flows.

### (b) Adoption of new accounting standard:

Effective January 1, 2024, the Organization adopted AcG-20, Customer's Accounting for Cloud Computing Arrangements ("AcG-20"). This guideline provides guidance on accounting for expenditures in a cloud computing arrangement. The Organization has chosen not to apply the simplification approach and to capitalize qualifying implementation expenditures relating to a software service. The Organization has applied AcG-20 retrospectively only to expenditures on implementation activities incurred in a cloud computing arrangement on or after January 1, 2023. As a result, the Organization has included these expenditures in the amount of \$29,475 (2024 - \$47,160) as software service implementation costs within prepaids and other assets (note 5) on the statement of financial position.

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

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## 1. Significant accounting policies (continued):

### (c) Revenue recognition:

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

National Operations collects the majority of the membership fees on behalf of Girl Guides of Canada, however only the Organization's portion is included in revenue in these financial statements.

Cookie fundraising revenue is recognized on an accrual basis based on the number of cases sold and is presented on a gross basis. For cases sold by District Councils and Units, the gross amount is revenue based on the amount collected from those related parties.

Royalties earned on the sale of merchandise is recognized in the period of sale. Revenue on the sale of merchandise sold directly to customers is recognized when shipped.

Camp fees are recognized on an accrual basis to the extent that persuasive evidence of an arrangement exists or the services are rendered, the amounts are reasonably estimated and collection is reasonably assured.

Unrestricted donations, included in other income, are recognized when received.

Net investment income includes interest and dividend income net of management fees and realized gains and losses on sale of investments. Restricted net investment income, including income earned on endowments is recorded in deferred contributions until the related expense is incurred. Unrealized gains and losses on investments are recognized as incurred.

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

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## 1. Significant accounting policies (continued):

Grant revenue and government assistance is recorded on the accrual basis. It is recognized as revenue when amounts are reasonably estimated, collection is reasonably assured, and if applicable, the terms of the grant have been met.

External endowments are recognized as direct increases in net assets and are required to be maintained on a permanent basis. Only the revenue derived therefrom is available to support the Organization's activities, unless otherwise set out in the terms of the endowment.

### (d) 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 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 impairment charge.

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

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## 1. Significant accounting policies (continued):

### (e) Inventory:

Inventory consists primarily of cookie inventory related to current fundraising campaigns and is recorded at the lower of cost and net realizable value.

### (f) Capital assets:

Capital assets are stated at cost less accumulated amortization, except for certain capital assets acquired by Area Councils prior to January 1, 2020 where it is impracticable to determine these costs retrospectively. These capital assets could not be recorded at cost as insufficient records existed to determine the purchase cost or costs of development over time. All capital assets acquired after this date are recorded at cost.

Amortization is based on the estimated useful lives of the assets and is calculated on a straight-line basis as follows:

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Land and commemorative rock	Indefinite
Land improvements	15 years
Buildings	10 - 40 years
Leasehold improvements	Over the term of the lease
Equipment and furniture	5 - 10 years
Computer equipment and software	3 - 5 years
Asset retirement obligation	Over the useful life of the underlying asset

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Capital assets are written down to fair value or replacement cost to reflect partial impairments when conditions indicate that the assets no longer contribute to the Organization's ability to provide goods and services.

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

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## 1. Significant accounting policies (continued):

### (g) Asset retirement obligation:

The Organization recognizes a liability for an asset retirement obligation that results from normal operations in the year in which it is incurred and when a reasonable estimate of fair value can be made. In subsequent years, the liability is adjusted for changes resulting from the passage of time and revisions to either the timing or the amount of the original estimate of the undiscounted cash flows.

### (h) Leases and lease inducements:

Leases that the Organization enters into, which transfer substantially all benefits and risks associated with ownership of the property are recorded as capital leases. All other leases are accounted for as operating leases.

The total amount of lease inducements, including rent-free periods, is amortized on the straight-line basis over the term of the respective lease.

### (i) Cloud computing arrangements:

Cloud computing arrangements are reviewed to assess whether the software element is a software intangible asset or a software service. Qualifying implementation expenditures related to a software service are capitalized. Software service implementation costs are stated at cost less accumulated amortization. Amortization is provided on a straight-line basis over the expected period of access to the software. This ranges generally three to five years from the service commencement date. Software implementation costs are not amortized until they are available for use. Capitalized implementation expenditures related to a software service are included in prepaids and other assets and disclosed separately in note 5 prepaids and other assets as software service implementation costs. Software intangible assets are included in capital assets and disclosed separately in note 6 capital assets as computer software.

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

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## 1. Significant accounting policies (continued):

### (j) Net assets:

For financial reporting purposes, the net assets have been classified into the following categories:

#### (i) Unrestricted:

Unrestricted net assets include assets available for use by the Organization for program delivery and administrative activities.

#### (ii) Internally restricted net assets:

These funds reflect assets designated by the Board or Provincial Councils to provide funds for operations and special purposes. These amounts are disclosed in note 12. Investment income earned on internally restricted net assets is recorded as unrestricted investment income when earned and as transfers to the respective programs within internally restricted net assets in accordance with the approved policies.

#### (iii) Endowment funds:

The Organization holds both internal and external endowments. The annual investment income earned from these endowments is used for specific purposes, in a manner consistent with the endowment agreement or the decision of the Board in the case of internal endowment funds. The unspent income amounts are reflected in endowment funds or deferred contributions on the statement of financial position, depending on the endowment agreement requirements.

#### (iv) Invested in capital assets:

Net assets invested in capital assets represent the unamortized portion of capital assets purchased with unrestricted resources, less related deferred capital contributions.



# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

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## 1. Significant accounting policies (continued):

### (k) 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.

### (l) 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 \$356,349 (2024 - \$229,590).

### (m) Funds held for Local Councils and Units and related party transactions:

#### (i) Cash held belonging to Local Councils and Units:

The Organization holds funds for various Local Councils and Units for the purposes of day-to-day cash uses and investing activities (note 2).

The Provincial Councils pool the Local Councils' and Units' operating cash into bank accounts and disburse funds as directed by Local Councils and Units. Aggregate amounts of cash held on behalf of District Councils and Units are recorded as due to District Councils and Units.

#### (ii) Investments held belonging to Local Councils:

Some Provincial Councils hold funds for various Local Councils in their investment accounts. Disbursements, receipts of funds and investment income earned by District Councils are recognized on the statement of financial position with no impact on the statement of operations. Aggregate amounts of investments held on behalf of District Councils are recorded as investments held on behalf of District Councils.

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

## 1. Significant accounting policies (continued):

(n) 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 useful life of capital assets, and net realizable value of inventory. Actual results could differ from those estimates.

## 2. Cash:

Cash includes \$15,714,528 (2024 - \$15,884,701) held on behalf of District Councils and Units (note 13).

In addition, cash includes restricted cash of \$1,219,233 (2024 - \$1,125,501) for use in connection with the Outdoor Experience Fund (note 9) and \$859,165 (2024 - \$928,535) in connection with various grants.

## 3. Inventory:

	2025	2024
		(Unaudited - note 1(a))
Cookies	\$ 4,931,595	\$ 4,707,324
Merchandise	108,210	113,601
	<u>\$ 5,039,805</u>	<u>\$ 4,820,925</u>

During the year, \$119,309 (2024 - \$225,742) was recorded as a write-down from cost to net realizable value and included in cookie fundraising expenses.

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

## 4. Investments:

The Organization's investments are held in multiple types of financial instruments. Certain funds held are restricted for specific uses only. All investments are measured at fair market value as at year end.

	2025	2024
		(Unaudited - note 1(a))
Short-term:		
Guaranteed investment certificate, maturing January 9, 2026, 3.23%	\$ 17,200,000	\$ —
Guaranteed investment certificate, maturing January 29, 2026, 4.73%	1,500,000	1,500,000
Guaranteed investment certificate, maturing December 22, 2025, 3.30%	814,478	—
Guaranteed investment certificate, maturing February 11, 2026, 3.02%	95,000	—
Guaranteed investment certificate, matured December 19, 2024, 4.83%	—	18,000,000
Guaranteed investment certificate, matured December 23, 2024, 5.08%	—	775,000
Guaranteed investment certificate, matured November 12, 2024, 2.40%	—	27,741
	19,609,478	20,302,741
Long-term:		
Segregated and pooled funds	100,208,513	96,843,278
The Winnipeg Foundation managed fund	384,854	359,687
	100,593,367	97,202,965
Total investments	\$ 120,202,845	\$ 117,505,706

Investments include nil (2024 - \$596,608) invested on behalf of District Councils and \$18,700,000 (2024 - \$19,500,000) restricted for use in connection with the Outdoor Experience Fund (note 9).

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

## 5. Prepaids and other assets:

	2025	2024
		(Unaudited - note 1(a))
Other prepaids	\$ 2,335,825	\$ 2,423,532
Software service implementation costs	29,475	47,160
	<b>\$ 2,365,300</b>	<b>\$ 2,470,692</b>

For the year ended August 31, 2025, software service fees of \$1,108,332 (2024 - \$678,868) were expensed and most are included in information technology on the statement of operations.

## 6. Capital assets:

			2025	2024
	Cost	Accumulated amortization	Net book value	Net book value
				(Unaudited - note 1(a))
Land and commemorative rock	\$ 1,081,137	\$ –	\$ 1,081,137	\$ 1,104,637
Land improvements	637,455	327,213	310,242	334,851
Buildings	18,342,428	8,592,113	9,750,315	9,854,844
Leasehold improvements	115,985	83,756	32,229	353,753
Equipment and furniture	2,690,828	2,439,776	251,052	268,182
Computer equipment	1,172,743	1,094,116	78,627	50,782
Computer software	3,984,508	3,118,481	866,027	1,081,000
Asset retirement obligation	100,000	23,333	76,667	81,667
	<b>\$ 28,125,084</b>	<b>\$ 15,678,788</b>	<b>\$ 12,446,296</b>	<b>\$ 13,129,716</b>

## 7. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities as at August 31, 2025 are government remittances payable of \$32,382 (2024 - \$20,466) relating to harmonized sales tax, payroll taxes, employer health taxes and workers' safety insurance.

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

## 8. Deferred revenue:

Deferred revenue consists of the following funds received for membership fees for the following fiscal year and future events which have not yet occurred:

	2025	2024
		(Unaudited - note 1(a))
Membership fees	\$ 7,205,567	\$ 7,072,093
Camping and programs	146,961	483,582
Rent	63,306	23,366
	<b>\$ 7,415,834</b>	<b>\$ 7,579,041</b>

## 9. Deferred contributions:

Deferred contributions include externally restricted funds that relate to specific activities, either capital investment or programs/events of future periods. Deferred contributions as at year end include the following:

	2025		2024	
	Capital investment	Programs/ events	Total	Total
				(Unaudited - note 1(a))
Balance, beginning of year	\$ 979,021	\$ 24,657,372	\$ 25,636,393	\$ 24,954,584
Contributions	123,528	1,152,796	1,276,324	1,040,098
Net proceeds from sale of camp properties	—	169,777	169,777	—
Investment income, inclusive of unrealized gain on investments (note 14)	—	921,544	921,544	774,172
Recognized as revenue	(135,216)	(3,133,467)	(3,268,683)	(1,132,461)
Balance, end of year	<b>\$ 967,333</b>	<b>\$ 23,768,022</b>	<b>\$ 24,735,355</b>	<b>\$ 25,636,393</b>

The Ontario Council's deferred contribution balance includes the Outdoor Experience Fund amounting to \$20,337,648 (2024 - \$21,283,611). These funds are restricted by court orders to be used for camping and other outdoor experiences for members in Ontario and Nunavut.

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

## 10. Endowment funds:

	2025	2024
		(Unaudited - note 1(a))
External endowment funds:		
Norma Osler Education Fund	\$ 171,444	\$ 163,717
Others	118,000	118,000
Internal endowment funds:		
Endowment fund - Capital reserve	1,372,504	1,315,618
Jean Youngson Fund	463,733	463,733
	<u>\$ 2,125,681</u>	<u>\$ 2,061,068</u>

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

(a) External endowment funds:

Norma Osler Education Fund:

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

(b) Internal endowment funds:

(i) Endowment fund - Capital reserve:

The Organization established an internally restricted fund 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. Approximately \$300,000 was donated to this fund, with the balance resulting from investment income reinvested in the fund.

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

## 10. Endowment funds (continued):

### (ii) 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 Canadian World Friendship Fund.

## 11. Endowment funds held by Vancouver Foundation:

The Organization receives contributions from endowed funds controlled by the Vancouver Foundation of \$2,010,267 (2024 - \$1,911,193). As the funds are endowed, the Organization does not have rights to the capital, as such these endowed funds are not recorded in these financial statements. In 2025, distributions of \$91,894 were made to the Organization (2024 - \$44,643).

## 12. Internally restricted net assets:

The Board, Provincial and Area Councils have internally restricted amounts for future initiatives and operational sustainability. The internally restricted amounts are not available without approval of the Board, Provincial or Area Councils.

	2025	2024
		(Unaudited - note 1(a))
National	\$ 8,500,000	\$ 8,500,000
Alberta, Northwest Territories and Yukon	2,360,312	2,327,369
British Columbia	1,726,078	1,674,820
Ontario and Nunavut	990,421	655,918
Saskatchewan	1,073,714	552,360
Nova Scotia	1,159,015	180,270
Manitoba	689,174	683,897
Newfoundland and Labrador	130,225	1,624
New Brunswick and Prince Edward Island	1,431,410	38,292
	<b>\$ 18,060,349</b>	<b>\$ 14,614,550</b>

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

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## 13. Related party transactions:

Local Councils report to their respective Provincial Council. Each Provincial Council bank account is used to collect cash and pay expenses on behalf of the Local Councils and Units. The amount classified as Due to District Councils and Units comprises the cash held within the Provincial Council bank account on behalf of the District Councils and Units.

The Organization manages camp properties which are rented by District Councils and Units and runs events which District Councils and Units may participate in and pay event fees to attend. During the year, the Organization received \$2,516,159 (2024 - \$1,557,240) of camping, conference and event fees from District Councils and Units.

The Organization provides financial support to District Councils and Units and receives funds from disbanded or closed District Councils and Units to support existing and future District Councils and Units. Financial assistance provided to District Councils and Units of \$1,155,886 (2024 - \$816,692) is included in expenses and \$572,462 (2024 - \$85,084) received from disbanded or closed District Councils and Units is included in other income.

During the current year, several Provincial Councils restructured their Local Councils, by dissolving all Area Councils and in some cases, reducing the number and balance of the funds of the District Councils. Cash held for dissolved Area Councils as well as any reduction in the allocation of cash and investments to District Councils in Nova Scotia, New Brunswick and Prince Edward Island, and Saskatchewan of \$3,353,509 has been set aside in internally restricted funds at the respective Provincial Councils to support Units, District Councils and camp properties. The reduction in the allocation to these District Councils of \$1,153,235 has been included in other revenue in the statement of operations and transferred to the internally restricted funds at the respective Provincial Councils.



# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

## 13. Related party transactions (continued):

Cash held within the Provincial Council bank account on behalf of dissolved Area Councils in Newfoundland and Labrador of \$161,775 was allocated to their District Councils and has been included in operations expense in the statement of operations. During the prior period, the Manitoba Provincial Council completed a similar restructuring. The remaining cash held for the dissolved Area Councils in Newfoundland and Labrador of \$128,539 has been set aside in internally restricted funds to support Unit, District Councils and camp properties. In 2024, the reduction in cash allocated to District Councils of \$39,991 is included in other revenue in the statement of operations and transferred to an internally restricted at the Manitoba Provincial Council.

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.

## 14. Net investment income:

(a) Net investment income:

	2025	2024
		(Unaudited - note 1(a))
Dividends and interest	\$ 8,116,478	\$ 3,061,731
Realized losses on sale of investments	(30,744)	(4,702)
Management fees	(324,299)	(211,317)
Net realized investment income	7,761,435	2,845,712
Allocated to deferred contributions (note 9)	(883,608)	(692,267)
Allocated to District Councils not included in these financial statements	(35,094)	(5,350)
Net realized investment income recognized in the statement of operations	\$ 6,842,733	\$ 2,148,095

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

## 14. Net investment income (continued):

(b) Unrealized gain on investments:

	2025	2024
		(Unaudited - note 1(a))
Unrealized gain on investments	\$ 2,870,885	\$ 6,162,498
Allocated to deferred contributions (note 9)	(37,936)	(81,903)
Allocated to District Councils not included in these financial statements	(17,979)	(39,319)
Unrealized gain on investments recognized in the statement of operations	\$ 2,814,970	\$ 6,041,276

## 15. Grants:

	2025	2024
		(Unaudited - note 1(a))
Federal government departments	\$ 432,512	\$ 43,224
Provincial government agencies	332,676	254,602
Foundations and community programs	305,765	215,516
	\$ 1,070,953	\$ 513,342

The Organization has recognized revenue related to various grants during the year, including SPAR Alberta Government Grant, Saskatchewan Lotteries Trust Fund Grant, Government of Canada under the Community Services Recovery Fund, General Motors Foundation Grant, McCall MacBain Foundation Grant, Alberta Gaming, Liquor and Cannabis Commission and Government of Canada's Women and Gender Equality Grant.

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

## 16. Commitments, contractual obligations and contingencies:

### (a) Commitments:

The Organization is committed to various operating leases for office space and office equipment as well as other long-term contracts for software and other services with the following minimum annual payments:

2026	\$ 538,000
2027	410,000
2028	360,000
2029	364,000
2030	318,000
Thereafter	1,835,000
	<hr/>
	\$ 3,825,000

### (b) Contractual obligations:

The Organization has entered into obligations related to the purchase, storage and distribution of cookies in the amount of approximately \$5,700,000 (2024 - \$5,700,000).

### (c) 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 Local 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.

# GIRL GUIDES OF CANADA-GUIDES DU CANADA

Notes to Financial Statements (continued)

Year ended August 31, 2025

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## **17. 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.

## **18. Non-monetary transaction:**

During the period ended August 31, 2024, the Organization completed the transfer of a non-consumptive water license to a municipality in exchange for the provision of water and wastewater servicing to the Organization's camp property located within the municipality. The provision of water and wastewater servicing includes both the construction of the required water and wastewater infrastructure to provide servicing and the provision of services for a specified period, up to 100 years. Comparable market transactions did not exist at the time of the transaction and the fair values of both the water license given up and the provision of water and wastewater servicing to be received were determined not to be reliably measurable due to significant variability in estimates. As such, the transaction has been measured at the carrying amount of the water license given up, which was nil. No gain or loss was recognized on the transaction.