

# **The Girls & Boys Brigade**

*(A Company Limited by Guarantee)*

**ABN 40 409 258 077**

Annual Report for the Financial Year Ended

31 December 2022

**THE GIRLS & BOYS BRIGADE**

**ABN 40 409 258 077**

**GENERAL PURPOSE FINANCIAL REPORT  
FOR THE FINANCIAL YEAR ENDED  
31 DECEMBER 2022**

**CONTENTS**

	<b>Page</b>
Directors' Report	2-5
Auditor's Independence Declaration	6
Independent Audit Report	6-8
Directors' Declaration (including the Directors' Declaration under the Charitable Fundraising Act)	9
Statement of Profit or Loss and Other Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes in Equity	12
Statement of Cash Flows	13
Notes to the Financial Statements	14-25
Supplementary Financial Information	26

## **THE GIRLS & BOYS BRIGADE DIRECTORS' REPORT**

The Directors of The Girls & Boys Brigade (the Brigade) submit herewith the annual financial report of the company for the financial year ended 31 December 2022. In order to comply with the provisions of the Australian Charities and Not-for-profits Commission Act 2012, the Directors report as follows:

### **DIRECTORS**

The names and particulars of the members of the Board of the company during or since the end of the financial year are:

#### **John Brehmer Fairfax, AO**

President of the Brigade. Appointed to the Board in 1979 and elected President in June 1993. Director of Marinya Capital Pty Limited. Chairman of Jibb Foundation.

#### **Cam Neville Gower Smith**

Chairman of the Brigade, appointed to the Board in 1995. Stockbroker with RBS Morgans Limited. Retired June 2022.

#### **Graham Douglas Bates**

Appointed to the Board in 1987. Retired solicitor and former partner and consultant to the legal firm King & Wood Mallesons. Retired August 2022.

#### **Ruth Armytage, AM**

Appointed to the Board in 1990. Director of the Vincent Fairfax Family Foundation.

#### **Paul Masi**

Appointed to the Board in February 2010. Non-Executive Director of Shaw and Partners Ltd, President and Chairman of the Cerebral Palsy Alliance, Chairman of Greenwich Capital Partners Pty Ltd and Non-Executive Director of Argus Property Partners Pty Ltd.

Chairman of The Girls & Boys Brigade Foundation, member of The Girls & Boys Brigade Finance Committee.

#### **Michael James Forsdick**

Appointed to the Board September 2013. Treasurer of the Brigade from January 2014. Chartered Accountant (former partner of PricewaterhouseCoopers). Chairman of Fauna & Flora International Australia. Director of The Girls & Boys Brigade Foundation, Chairman of The Girls & Boys Brigade Finance Committee.

#### **Antony Paul Strutt**

Chairman of the Brigade, appointed to the Board May 2015. Director of The Girls & Boys Brigade Foundation, member of The Girls & Boys Brigade Finance Committee. Paul was a former Director and Treasurer for ING Bank NV and ING Real Estate Finance in Australia with over 30 years' experience in the Financial Markets.

#### **Samantha Jill Anderson Dunlop**

Appointed to the Board in August 2022. Member of The Girls & Boys Brigade Finance Committee. Chartered Accountant. Senior Finance Analyst at Sydney Airport.

#### **Joshua Edon O'Rourke**

Appointed to the Board in August 2022. Director of The Girls & Boys Brigade Foundation. Joshua is the Philanthropy Group Manager at The Smith Family and brings 20 years' experience in the not-for-profit sector. Joshua holds a Bachelor degree in Law and a Graduate Diploma in Legal Professional Practice.

#### **Fiona Louise Ratcliffe**

Appointed to the Board May 2011. Director at JBWere Wealth Management and on the Development Committee for Bell Shakespeare.

#### **Kylie Jane Macdonald**

Appointed to the Board June 2016. Principal/Investment & Philanthropy Adviser Morgans Financial Ltd – Mona Vale. Director - Light Earth Foundation. Retired June 2022.

#### **Andrew Vincent Fairfax**

Appointed to the Board in May 2020. Company Director. Director of Vincent Fairfax Family Foundation and Jibb Foundation.



## THE GIRLS & BOYS BRIGADE DIRECTORS' REPORT (Continued)

### MEETING OF DIRECTORS

The following sets out the number of Directors' meetings held during the financial year and the number of meetings attended by each Director.

	Board Meetings Held	Attended
John Brehmer Fairfax, AO	7	2
Cam Neville Gower Smith (retired June 2022)	4	4
Graham Douglas Bates (retired August 2022)	5	2
Ruth Armytage, AM	7	6
Paul Masi	7	6
Fiona Louise Ratcliffe	7	3
Michael James Forsdick	7	5
Antony Paul Strutt	7	7
Kylie Jane Macdonald (retired June 2022)	4	3
Andrew Vincent Fairfax	7	6
Samantha Jill Anderson Dunlop (appt June 2022)	3	3
Joshua Edon O'Rourke (appt June 2022)	3	3

### STRATEGIC OBJECTIVES

The company's mission is to support children and youth in need by providing education and recreation that build life skills as a foundation for a brighter future. The strategic objectives for the company are outlined in the Yearly Review 2022, available on the company website ([www.girlsandboysbrigade.org.au](http://www.girlsandboysbrigade.org.au)).

### PRINCIPAL ACTIVITIES

The company's principal activities in the course of the financial year were the provision of recreational, educational and development activities for children and youth between the ages of 5 to 18 years old.

During the year, the company substantially renovated its Riley Street property, and moved to temporary accommodation in Darlinghurst to continue to deliver the programs that enable the mission and purpose of the company, including;

- Homework Programs; providing access to computers, stationery, books and one on one support to break down educational barriers. The program had 979 attendances in the year, delivering 310 hours of homework support, 2,100 books read by volunteers and 145 school projects completed.
- Family Support Programs; including crisis management assistance, educational workshops, advocacy, trauma informed care and referrals to other agencies where required. Supporting families of which 55% live in community/social housing from Surry Hills, Redfern and Waterloo, 55% are single parent families, 27% from non-English speaking backgrounds, 22% Aboriginal and Torres Strait Islander and 9% children and youth diagnosed with special needs.
- School Holiday Programs; excursions, incursions and camps aimed at providing social skills and entertainment for youth, while relieving the financial burden for parents. 1,920 children and youth attended 93 excursions and incursions. While 4 camps were delivered to 45 children and youths.
- Food program: delivering essential food items for families. 65 families supported with 925 essential pantry pack, 1,575 fresh takeaway meals, 85 Christmas hampers, 3 family meals delivering 180 plates of food.
- Youth program: connecting a number of youths with employment, counselling, and recreational opportunities. Servicing 1,151 attendances, 287 sports night attendances, 205 dinner night attendances and creating 12 Youth Ambassadors.

We continue to work in close co-operation with the City of Sydney Council in providing our premises for use by the Surry Hills Children's Program. We are registered under the Charitable Fundraising Act 1991.

## **DIRECTORS' REPORT (Continued)**

### **REVIEW OF OPERATIONS**

The surplus from ordinary activities after income tax for the year ended 31 December 2022 amounted to \$1,419,064 (2021: \$92,778 surplus)

In 2022 total aggregate attendances for the Children's Vacation Care, Homework Program, Outdoor Recreation Program, Youth Program and Family Services were 4,451 covering 210 operative days.

During the year an additional \$500,000 was received to specifically fund capital works on the company's premises. The majority of the work was completed in 2022 at a cost of \$1,443,895. As at December 2022, \$365,196 has been deferred (included within Note 7 in the notes of the financial statement) and will be recognised in the 2023 financial year.

### **CHANGES IN STATE OF AFFAIRS**

During the financial year there was no significant change in the state of affairs of the company other than that referred to in the financial statements or notes thereto.

### **SUBSEQUENT EVENTS**

No matters or circumstances have arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

### **FUTURE DEVELOPMENTS**

There are no likely developments in the operations of the company, which would affect the expected results in subsequent financial years, to which Directors wish to bring attention.

### **ENVIRONMENT REGULATIONS**

The company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation.

### **DIVIDENDS**

The company has no share capital, as it is a company limited by guarantee. This means it is precluded from paying a dividend to its members, and no dividends have been declared, recommended or paid since the close of the last financial year.

### **INDEMNIFICATION OF OFFICERS AND AUDITORS**

During the financial year the company paid a premium in respect of a contract insuring the Directors of the company (as named above), the Company Secretary and all Executive Officers of the company against a liability incurred as such a Director, Secretary or Executive Officer to the extent permitted by the Australian Charities and Not-for-profits Commission Act 2012. The contract of insurance prohibits disclosure of the nature of the liability and amount of the premium.

The company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the company against a liability incurred as such an officer or auditor.

## **THE GIRLS & BOYS BRIGADE DIRECTORS' REPORT (Continued)**

### **DIRECTORS' BENEFITS**

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit by reason of any contract made by the company with any Director or with a firm of which the Director is a member or with an entity in which the Director has a substantial financial interest.

### **CHANGE IN AUDITOR AND AUDITOR'S INDEPENDENCE DECLARATION**

The company has changed its auditors from Deloitte to PricewaterhouseCoopers. The Directors would like to express their gratitude to Deloitte for their years of service delivered on a pro bono basis.

The auditor's independence declaration is included on page 6.

Signed in accordance with a resolution of the Directors.

On behalf of the Directors



Director

Sydney

Date:

21/6/2023





## Auditor's Independence Declaration

As lead auditor for the audit of The Girls & Boys Brigade for the year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'James McElvogue'.

James McElvogue  
Partner  
PricewaterhouseCoopers

Sydney  
21 June 2023

PricewaterhouseCoopers, ABN 52 780 433 757  
One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001  
T: +61 2 8266 0000, F: +61 2 8266 9999, [www.pwc.com.au](http://www.pwc.com.au)  
Level 11, 1PSQ, 169 Macquarie Street, Parramatta NSW 2150, PO Box 1155 Parramatta NSW 2124  
T: +61 2 9659 2476, F: +61 2 8266 9999, [www.pwc.com.au](http://www.pwc.com.au)

Liability limited by a scheme approved under Professional Standards Legislation.



## Independent auditor's report

To the members of The Girls & Boys Brigade

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### Our opinion

In our opinion:

The accompanying financial report of The Girls & Boys Brigade (the Company) is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2022 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

### What we have audited

The financial report comprises:

- the statement of financial position as at 31 December 2022
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the statement of profit or loss and other comprehensive income for the year then ended
- the notes to the financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

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### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

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

### Independence

We are independent of the Company in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 31 December 2022, but does not include the financial report and our auditor's report thereon.

PricewaterhouseCoopers, ABN 52 780 433 757  
One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001  
T: +61 2 8266 0000, F: +61 2 8266 9999  
Level 11, 1PSQ, 169 Macquarie Street, Parramatta NSW 2150, PO Box 1155 Parramatta NSW 2124  
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Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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### **Responsibilities of management and the directors for the financial report**

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, Management is responsible for assessing the ability of the Company 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 intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

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### **Auditor's responsibilities for the audit of the financial report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian 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 report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

A stylized signature in grey ink, likely representing the PricewaterhouseCoopers firm.

PricewaterhouseCoopers

A stylized signature in grey ink, likely representing James McElvogue.

James McElvogue  
Partner

Sydney  
21 June 2023

## THE GIRLS & BOYS BRIGADE

### DIRECTORS' DECLARATION

The Directors declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and,
- (b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including compliance with accounting standards and giving a true and fair value of the financial position and performance of the company.

### INFORMATION AND DECLARATION TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991

#### Declaration

In respect of fundraising appeals in accordance with the Charitable Fundraising Act 1991.

The Directors declare that:

- a) the financial statements give a true and fair view of all income and expenditure of The Girls & Boys Brigade organisation with respect to fundraising appeals for the financial year ended 31 December 2022;
- b) the statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeals as at 31 December 2022;
- c) the provisions of the Act, the regulations under the Act and the conditions attached to the Authority have been complied with; and
- d) the internal controls exercised by The Girls & Boys Brigade are appropriate and effective in accounting for all income received and applied from any fundraising appeals.

Signed in accordance with a resolution of the directors.

On behalf of the Directors



Director

Sydney

Date: 21/6/2023

# THE GIRLS & BOYS BRIGADE

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Notes	2022 S	2021 S
Revenue	2	3,165,208	1,613,320
Supervision, instructional & recreational activities		(881,445)	(773,797)
Administration		(373,383)	(269,279)
Portfolio Management Fees		(9,221)	(9,023)
Fundraising expenses		(482,095)	(468,443)
<b>Surplus before income tax expense</b>		<b>1,419,064</b>	<b>92,778</b>
Income tax expense	1(b)	-	-
<b>Surplus for the year</b>		<b>1,419,064</b>	<b>92,778</b>
<b>Total comprehensive surplus for the year</b>		<b>1,419,064</b>	<b>92,778</b>

Notes to the financial statements are included on pages 14 to 25.

# THE GIRLS & BOYS BRIGADE

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

		2022 \$	2021 \$
<b>CURRENT ASSETS</b>	<b>Notes</b>		
Cash and cash equivalents	14 (a)	608,804	1,530,730
Other assets	4	<u>239,591</u>	<u>54,605</u>
<b>TOTAL CURRENT ASSETS</b>		<u>848,395</u>	<u>1,585,335</u>
<b>NON-CURRENT ASSETS</b>			
Financial assets	3	837,514	872,620
Property, plant and equipment	8	<u>1,587,436</u>	<u>244,920</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>2,424,950</u>	<u>1,117,540</u>
<b>TOTAL ASSETS</b>		<u>3,273,345</u>	<u>2,702,875</u>
<b>CURRENT LIABILITIES</b>			
Payables	5	47,721	32,858
Provisions	6	9,865	75,607
Other liabilities	7	586,564	1,380,207
Lease liabilities	9	<u>7,587</u>	<u>7,954</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>651,737</u>	<u>1,496,626</u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	6	56,618	52,736
Lease Liabilities	9	<u>20,285</u>	<u>27,872</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>76,903</u>	<u>80,608</u>
<b>TOTAL LIABILITIES</b>		<u>728,640</u>	<u>1,577,234</u>
<b>NET ASSETS</b>		<u>2,544,705</u>	<u>1,125,641</u>
<b>RETAINED SURPLUS</b>	10	2,544,705	1,125,641
		<u>2,544,705</u>	<u>1,125,641</u>

Notes to the financial statements are included on pages 14 to 25.



**THE GIRLS & BOYS BRIGADE**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	Retained Surplus
	\$
<b>Balance at 1 January 2021</b>	1,032,863
Surplus for the year, representing total comprehensive surplus for the year	<u>92,778</u>
<b>Balance at 31 December 2021</b>	<u>1,125,641</u>
 <b>Balance at 1 January 2022</b>	 1,125,641
Surplus for the year, representing total comprehensive surplus for the year	<u>1,419,064</u>
<b>Balance at 31 December 2022</b>	<u>2,544,705</u>

Notes to the financial statements are included on pages 14 to 25.

# THE GIRLS & BOYS BRIGADE

## STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Notes	2022 \$	2021 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from donors/supporters		2,026,310	2,733,926
Payments to suppliers and employees		(1,635,544)	(1,472,783)
Interest received		<u>2,474</u>	<u>115</u>
<b>Net cash provided/(used) by operating activities</b>	14 (b)	<u>393,240</u>	<u>1,261,258</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of Shares		(46,839)	(148,916)
Sale of Shares		29,890	147,091
Income from investments, net of portfolio management fees		(23,758)	20,088
Purchase of property, plant & equipment		<u>(1,266,895)</u>	<u>(43,793)</u>
<b>Net cash (used)/provided by investing activities</b>		<u>(1,307,602)</u>	<u>(25,530)</u>
<b>CASH FLOWS FROM FINANCING ACITIVIES</b>			
Repayment of lease liabilities		<u>(7,573)</u>	<u>(9,700)</u>
<b>Net cash used in financing activities</b>		<u>(7,573)</u>	<u>(9,700)</u>
<b>Net increase in cash and cash equivalents</b>		(921,926)	1,226,028
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>		<u>1,530,730</u>	<u>304,702</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	14 (a)	<u>608,804</u>	<u>1,530,730</u>

Notes to the financial statements are included on pages 14 to 25.

**THE GIRLS & BOYS BRIGADE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Statement of Compliance**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards Simplified Disclosures (including Australian Accounting Interpretations), the Australian Charities and Not-for-Profits Commission Act 2012 and its associated regulations.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions.

Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets and financial assets.

*Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollar (\$), which is PCFA's functional and presentation currency and are rounded to the nearest dollar.

**Basis of Preparation**

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

**(a) Property, Plant and Equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Depreciation is provided on property, plant and equipment. Depreciation is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life. The following estimated useful lives are used in the calculation of depreciation:

- |                                    |            |
|------------------------------------|------------|
| • Land and Buildings               | 15 years   |
| • Equipment                        | 5-10 years |
| • Computer Equipment               | 2-2½ years |
| • Camping and Recreation Equipment | 5-10 years |

Any property, plant and equipment with a cost of less than \$3,000 will be immediately expensed.

**(b) Taxation**

The Girls & Boys Brigade has been granted exemption from income tax under Section 50-5 of the Income Tax Assessment Act 1997.



# THE GIRLS & BOYS BRIGADE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (c) Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits which are expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the company in respect of services provided by employees up to the reporting date.

Contributions to defined contribution superannuation plans are expensed when incurred.

#### (d) Financial Liabilities

Trade payables are recognised when the company becomes obliged to make future payments resulting from the purchase of goods and services. Income received in advance is recognised when the full recognition criteria of the monies received from donors have not been met.

#### (e) Revenue Recognition

##### Donations and contributions

Revenue in the form of bequests, donations, contributions and 'in kind' sponsorships that have no conditions or performance obligations attached are recognised when the company is legally entitled to the income.

Donations requiring the completion of specific performance obligations are recognised as income over the periods the related delivery of performance obligations are delivered.

##### Government grants

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are deferred and recognised as revenue on a straight-line basis over the expected lives of the related assets.

##### Interest revenue

Interest revenue is recognised as it accrues.



# THE GIRLS & BOYS BRIGADE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (f) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- (i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- (ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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

#### (g) Financial Instruments

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss.

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

At initial recognition, the Group measures a financial asset at its cost. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets measured at fair value through the profit and loss ("FVTPL") are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. For listed equities fair value is determined at year end based on quoted market price, level 1 input in the fair value hierarchy.

Dividend or interest earned on the financial asset is recorded in the profit and loss on an accruals basis or when legal entitlement to the dividend or interest passes to the company.

#### (h) Going Concern

In accordance with their responsibilities, the directors have considered the appropriateness of the going concern basis, which has been used in the preparation of these financial statements. The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of The Girls & Boys Brigade to continue as a going concern.

On the basis of their assessment of the Company's financial position and of the enquires made, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

# THE GIRLS & BOYS BRIGADE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (i) Leases

The Company assesses at the contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### *The Company as a lessee*

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Brigade recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### *Right-of-use assets*

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

##### *Lease liabilities*

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

##### *Short-term leases and lease of low-value assets*

The Company applies the short-term lease recognition exemption to its short-term leases (defined as leases with a lease term of 12 months or less). It also applies the lease of low-value assets recognition exemption to leases of assets to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

#### (j) Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position include cash at bank, cash on hand, short-term deposits held with banks with an original maturity of six months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, other short-term highly liquid investments and bank overdrafts.

For the purposes of the statement of cash flow, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any outstanding bank overdrafts.



# THE GIRLS & BOYS BRIGADE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (k) Critical accounting judgement and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgments, estimates and assumptions about carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### (l) Standards and Interpretations in issue not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective:

(i) Standard/Interpretation	(ii) Effective for annual reporting periods beginning on or after	(iii) Expected to be initially applied in the financial year ending
<i>AASB 2020-1 Amendments to AASs – Classification of Liabilities as Current or Non-Current</i>	1 January 2023	31 December 2023
<i>2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates</i>	1 January 2023	31 December 2023

The Directors of the Brigade anticipate that the adoption of the Standards and Interpretations in future periods will have no material financial impact on the financial statements of the Brigade.

# THE GIRLS & BOYS BRIGADE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

### 2. SURPLUS FROM ORDINARY ACTIVITIES

The operating surplus includes the following items of revenue and expense:

	2022 \$	2021 \$
<b>OPERATING REVENUE</b>		
Donations	1,151,549	925,727
Charity Events	250,959	272,161
Donation for the Building Works	1,443,895	43,793
Income from Investments	45,841	30,848
Net unrealised gain/(loss) on Investments	(59,316)	66,958
Net realised gain on Investments	7,261	19,703
GBB Foundation Distribution	320,000	240,000
Interest	2,474	115
Paid Parental Leave	-	13,570
Rent Received	2,545	200
Workers Compensation Payment	-	245
<b>TOTAL OPERATING REVENUE</b>	<b>3,165,208</b>	<b>1,613,320</b>
<b>EXPENSES</b>		
Operating expenses	405,657	348,522
Depreciation and amortisation	26,615	36,261
Loss on disposal of plant and equipment	74,864	12,410
Employee Benefit Expenses	1,239,008	1,123,349

### 3. FINANCIAL ASSETS

Opening Investment Portfolio at cost	872,620	784,134
Purchases at cost	46,839	148,916
Sales at cost	(29,890)	(147,091)
Net unrealised gain/(loss) on Investments	(59,316)	66,958
Net realised gain on Investments	7,261	19,703
<b>Market Value of Investment Portfolio</b>	<b>837,514</b>	<b>872,620</b>

The funds are in diversified portfolios of various asset classes managed by professional fund managers recommended by the Board.

### 4. OTHER CURRENT ASSETS

Other assets	68,859	11,437
Accrued Income	9,882	8,102
Prepayments	160,850	35,066
	<b>239,591</b>	<b>54,605</b>

### 5. CURRENT PAYABLES

Trade Payables	47,721	32,858
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# THE GIRLS & BOYS BRIGADE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

### 6. PROVISIONS

	2022 \$	2021 \$
<b>Employee Benefits</b>		
<b>Current Provision</b>		
Annual Leave	920	66,952
Long Service Leave	8,945	8,655
	<u>9,865</u>	<u>75,607</u>
<b>Non-Current Provision</b>		
Long Service Leave	56,618	52,736

### 7. OTHER CURRENT LIABILITIES

Income Received in Advance	<u>586,564</u>	<u>1,380,207</u>
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### 8. PROPERTY, PLANT & EQUIPMENT

	Land and Buildings \$	Computers \$	Camping & Recreation Equipment \$	Equipment \$	Right- of-use asset \$	Total \$
<b>Cost</b>						
Balances as at 1st January 2021	519,005	49,634	10,419	24,468	33,073	636,599
Additions	43,793	-	-	-	39,285	83,078
Disposals	(6,924)	(18,138)	(10,419)	(10,543)	(33,073)	(79,097)
Balances as at 31st December 2021	<u>555,874</u>	<u>31,496</u>	<u>-</u>	<u>13,925</u>	<u>39,285</u>	<u>640,580</u>
Balances as at 1st January 2022	555,874	31,496	-	13,925	39,285	640,580
Additions	1,443,895	-	-	-	-	1,443,895
Disposals	(250,571)	(31,496)	-	(3,168)	-	(285,235)
Balances as at 31st December 2022	<u>1,749,198</u>	<u>-</u>	<u>-</u>	<u>10,757</u>	<u>39,285</u>	<u>1,799,240</u>
<b>Accumulated Depreciation</b>						
Balances as at 1st January 2021	(329,898)	(43,524)	(10,026)	(15,607)	(9,449)	(408,504)
Disposal of Assets	4,085	12,028	10,026	7,218	15,748	49,105
Depreciation Expense	(24,636)	-	-	(2,052)	(9,573)	(36,261)
Balances as at 31st December 2021	<u>(350,449)</u>	<u>(31,496)</u>	<u>-</u>	<u>(10,441)</u>	<u>(3,274)</u>	<u>(395,660)</u>
Balances as at 1st January 2022	(350,449)	(31,496)	-	(10,441)	(3,274)	(395,660)
Disposal of Assets	175,707	31,496	-	3,168	-	210,371
Depreciation Expense	(17,192)	-	-	(1,466)	(7,857)	(26,515)
Balances as at 31st December 2022	<u>(191,934)</u>	<u>-</u>	<u>-</u>	<u>(8,739)</u>	<u>(11,131)</u>	<u>(211,804)</u>
<b>Net Book Value</b>						
As at 31st December 2021	<u>205,425</u>	<u>-</u>	<u>-</u>	<u>3,484</u>	<u>36,011</u>	<u>244,920</u>
As at 31st December 2022	<u>1,557,264</u>	<u>-</u>	<u>-</u>	<u>2,018</u>	<u>28,154</u>	<u>1,587,436</u>

# THE GIRLS & BOYS BRIGADE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

### 9. LEASE LIABILITIES

	2022	2021
	\$	\$
Current	7,587	7,954
Non-current	20,285	27,872
	<u>27,872</u>	<u>35,826</u>

### 10. RETAINED SURPLUS

Balance at beginning of financial year	1,125,641	1,032,863
Net surplus	1,419,064	92,778
Balance at end of financial year	<u>2,544,705</u>	<u>1,125,641</u>

### 12. AUDITORS' REMUNERATION

The auditors delivered their services on a pro bono basis.

### 13. SEGMENTAL INFORMATION

The Brigade operates wholly within Australia for the provision of recreational, educational and several activities to children and youth in the 5 to 18 year range.

### 14. NOTES TO CASH FLOW STATEMENT

#### (a) Reconciliation of cash

For the purpose of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

	2022	2021
	\$	\$
Westpac – Cash at bank	174,516	343,574
Westpac – Maxi-I Direct Account	367,592	1,127,150
Macquarie Bank - Cash Management Account	66,696	60,006
	<u>608,804</u>	<u>1,530,730</u>

# THE GIRLS & BOYS BRIGADE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

### 14. NOTES TO CASH FLOW STATEMENT (CONTINUED)

#### (b) Reconciliation of net cash provided by operating activities to operating surplus for the year

	2022 \$	2021 \$
Operating surplus	1,419,064	92,778
Adjustment for:		
Depreciation	26,515	36,261
Income from Investments	(36,620)	(21,825)
Net unrealised loss/ (gain) on investments	59,316	(66,958)
Net realised (gain) on investments	(7,261)	(19,703)
Loss on disposal of plant and equipment	74,864	12,410
Donation in kind – plant and equipment	(117,000)	-
Changes in net assets and liabilities:		
(Decrease) /Increase in employee entitlements	(61,870)	34,840
Decrease in other current assets	(184,986)	(31,622)
Increase/ (Decrease) in trade and other payables	14,863	(4,130)
(Decrease) /Increase in income received in advance	(793,644)	1,229,207
Net cash provided by operating activities	393,240	1,261,258

### 15. MEMBERS GUARANTEE

The company is limited by guarantee. In the event of a winding up, the 9 members are limited in their liability to the amount of \$1 to meet outstanding obligations as per the company's Articles of Association.

### 16. ADDITIONAL COMPANY INFORMATION

The Girls and Boys Brigade is a public company limited by guarantee, incorporated and operating in Australia.

Registered Office and Principal Place of Business:

404 Riley Street

Surry Hills NSW 2010

### 17. RELATED PARTY DISCLOSURES

Related party transaction in the year included the following;

	2022 \$	2021 \$
Donations from directors and director related entities	801,951	1,435,813
Key Management Personnel	544,572	512,613

No directors had service or supply contracts or other financial dealings with the Company nor received remuneration from the Company. There were no other related party transactions during the financial year.



# THE GIRLS & BOYS BRIGADE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

### 18. FINANCIAL INSTRUMENTS

#### (a) Significant Accounting Policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 1 to the financial statements.

#### (b) Interest Rate Risk

Interest rate risk represents the amount that would be recognised if interest rates changed in respect of the company's interest bearing assets and/or liabilities. The change in interest rates could have either a positive or negative impact on the company. The Girls and Boys Brigade seeks to manage its cash position to meet its day-to-day operating needs and maximise net interest income.

The following table details the company's exposure to interest rate risk as at the 31 December 2022 and 31 December 2021:

	Note	Weighted Average Interest Rate %	Amount of Asset Held or Liability Incurred at Floating Interest Rate \$	Non Interest Bearing \$	Total \$
<b>31 December 2022</b>					
<b>Financial Assets</b>					
Cash at bank	14	0.21	608,804	-	608,804
Investments (current)	3	-	-	-	-
Other	4	-	-	239,591	239,591
Investments (non current)	3	-	-	837,514	837,514
<b>Financial Liabilities</b>					
Payables	5	-	-	47,721	47,721
Lease liabilities	9	2.18	27,872	-	27,872
<b>31 December 2021</b>					
<b>Financial Assets</b>					
Cash at bank	14	0.10	1,530,730	-	1,530,730
Investments (current)	3	-	-	-	-
Other	4	-	-	54,605	54,605
Investments (non current)	3	-	-	872,620	872,620
<b>Financial Liabilities</b>					
Payables	5	-	-	32,858	32,858
Lease liabilities	9	2.16	35,826	-	35,826

#### (c) Fair Value of Financial Instruments

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

#### (d) Other Price Risk

The Girls & Boys Brigade is exposed to market risks arising from investments. Investments are held for long term gain rather than trading purposes.



# THE GIRLS & BOYS BRIGADE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

### 19. ADDITIONAL INFORMATION TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991

#### (a) Details of aggregate gross income and direct expenses of Fundraising Strategies

	Gross Proceeds \$	Cost \$	Net surplus (deficit) \$
<b>2022</b>			
Direct mail donor appeals	623,332	-	623,332
Donations for Operational Expenditure	528,217	-	528,217
Donations from The Girls & Boys Brigade Foundation	320,000	-	320,000
Donations for Building Works	1,443,895	-	1,443,895
Charity Events	250,959	63,612	187,347
General Fundraising Expenses	-	418,483	(418,483)
	<u>3,166,403</u>	<u>482,095</u>	<u>2,684,308</u>
<b>2021</b>			
Direct mail donor appeals	449,764	-	449,764
Donations for Operational Expenditure	519,756	-	519,756
Donations from The Girls & Boys Brigade Foundation	240,000	-	240,000
Charity Events	272,161	81,419	190,742
General Fundraising Expenses	-	387,023	(387,023)
	<u>1,481,681</u>	<u>468,442</u>	<u>1,013,239</u>

#### (b) Statement Showing How Funds Were Applied for Charitable Purposes:

	2022 \$	2021 \$
Net surplus from fundraising	1,722,508	1,013,239

This was applied to charitable purposes as funds were incorporated into operational income to meet operational expenditure and capital works in relation to the refurbishment of the property of the company from which charitable services are delivered.

# THE GIRLS & BOYS BRIGADE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

### 19. ADDITIONAL INFORMATION TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991 (continued)

#### (c) Comparisons of certain monetary figures and percentages

The total cost of fundraising expressed as a percentage of gross proceeds:

	2022	2021
Total Cost	482,095	468,442
Gross Proceeds	1,722,508	1,481,681
Percentage	27.99%	31.62%

The net surplus from fundraising appeals expressed as a percentage of gross proceeds from fundraising is:

	2022	2021
Net surplus from fundraising	1,240,413	1,013,239
Gross Proceeds	1,722,508	1,481,681
Percentage	72.01%	68.38%

The total cost of services provided by the holder of the authority to the total expenditure excluding fundraising expenses:

	2022	2021
Total Cost of Service	881,445	773,797
Net Expenditure	1,254,828	1,043,077
Percentage	70.24%	74.18%

The total cost of services provided by the holder of the authority to the net fundraising surplus:

	2022	2021
Total Cost of Service	881,445	773,797
Net surplus from fundraising	1,240,413	1,013,239
Percentage	71.06%	76.37%

### 20. SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

# THE GIRLS & BOYS BRIGADE

## SUPPLEMENTARY FINANCIAL INFORMATION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 DETAILED INCOME STATEMENT

	2022 \$	2021 \$
<b>Income</b>		
Fundraising Income		
Donations	623,193	441,264
Funding from Charitable Trusts & Foundations, Corporations & Community	1,795,112	519,756
Bequests	139	8,500
GBB Foundation Donation	320,000	240,000
Donations in kind	177,000	-
Charity Events	250,959	272,161
Total Income from Fundraising	<u>3,166,403</u>	<u>1,481,681</u>
Other Income		
Rent	2,545	200
Interest Received	2,474	115
Paid Parental Leave	-	13,570
Workers Compensation Payment	-	245
Total Other Income	<u>5,019</u>	<u>14,130</u>
Investment Income		
Net Income from Investments	33,876	22,816
Imputation Credits	11,965	8,032
Net unrealised gain on Investments	(59,316)	66,958
Net realised gain /(loss) on Investments	7,261	19,703
Total Investment Income	<u>(6,214)</u>	<u>117,509</u>
Total Income	<u>3,165,208</u>	<u>1,613,320</u>
<b>Expenses</b>		
Administration	272,004	220,608
Depreciation and asset write offs	101,379	48,671
Portfolio Management Fees	9,221	9,023
Program & Service Expenses:		
Children's Program	427,163	394,924
Youth Program	266,130	166,583
Family Support	188,152	212,290
Total Program & Service Expenses	<u>881,445</u>	<u>773,797</u>
Fundraising Expenses:		
Charity Events	63,612	81,419
General Fundraising Expenses including wages	418,483	387,024
Total Fundraising Expenses	<u>482,095</u>	<u>468,443</u>
Total Expenses	<u>1,746,144</u>	<u>1,520,542</u>
Net operating surplus	<u>1,419,064</u>	<u>92,778</u>