

**THE BOYS' BRIGADE IN SINGAPORE**  
**FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**31 AUGUST 2017**

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**BAKER TILLY**  
**TFW**

Baker Tilly TFW LLP  
Chartered Accountants of Singapore

An independent member of Baker Tilly International

## THE BOYS' BRIGADE IN SINGAPORE

### STATEMENT BY THE BRIGADE EXECUTIVE

On behalf of the Brigade Executive, we, Mr Poh Leong Berg and Mr Eric Teo Thiam Chye, we do hereby state that in our opinion, the financial statements of The Boys' Brigade in Singapore as set out on pages 5 to 21 are properly drawn up in accordance with the Singapore Societies Act, Chapter 311, Charities Act, Chapter 37 and other relevant regulations and the Financial Reporting Standards in Singapore so as to present fairly, in all material respects, the financial position of the Society as at 31 August 2017 and the financial performance, changes in accumulated fund and other funds and cash flows of the Society for the financial year ended on that date.



Poh Leong Berg  
President

24 November 2017



Eric Teo Thiam Chye  
Treasurer



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## INDEPENDENT AUDITOR'S REPORT TO THE BRIGADE COUNCIL OF THE BOYS' BRIGADE IN SINGAPORE

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of The Boys' Brigade in Singapore (the "Society") as set out on pages 5 to 21, which comprise the balance sheet as at 31 August 2017, and the statement of comprehensive income, statement of changes in accumulated fund and other funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the financial position of the Society as at 31 August 2017 and the financial performance, changes in accumulated funds and other funds and cash flows of the Society for the year ended on that date.

#### *Basis for Opinion*

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Other Information*

The Brigade Executive of the Society is responsible for the other information. The other information comprises statement by the Brigade Executive set out on pages 1 and the information included in the Annual Report for the financial year but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

**INDEPENDENT AUDITOR'S REPORT TO THE BRIGADE COUNCIL OF  
THE BOYS' BRIGADE IN SINGAPORE (cont'd)**

**Report on the Audit of the Financial Statements (cont'd)**

***Responsibilities of the Brigade Executive and Those Charged with Governance for the Financial Statements***

The Brigade Executive of the Society is responsible for the preparation and fair presentation of these financial statements in accordance with the Societies Act, Charities Act and Regulations and FRSs, and for such internal control as the Brigade Executive 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, the Brigade Executive of the Society is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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 SSAs 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 these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Brigade Executive.

**INDEPENDENT AUDITOR'S REPORT TO THE BRIGADE COUNCIL OF  
THE BOYS' BRIGADE IN SINGAPORE (cont'd)**

**Report on the Audit of the Financial Statements (cont'd)**

***Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)***

- Conclude on the appropriateness of Brigade Executive'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 Society'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 Society 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.

We 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.

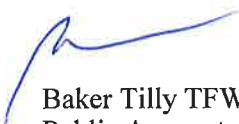
**Report on Other Legal and Regulatory Requirements**

In our opinion,

- (i) the accounting and other records required by the Societies Regulations enacted under the Societies Act to be kept by the Society have been properly kept in accordance with those regulations; and
- (ii) the fund raising appeal held during the financial year ended 31 August 2017 has been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal.

During the course of our audit, nothing has come to our attention that causes us to believe that during the financial year:

- (i) the Society has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (ii) the Society has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



Baker Tilly TFW LLP  
Public Accountants and  
Chartered Accountants  
Singapore

24 November 2017

THE BOYS' BRIGADE IN SINGAPORE

STATEMENT OF COMPREHENSIVE INCOME  
For the financial year ended 31 August 2017

		1.9.2016 to 31.8.2017 \$	1.10.2015 to 31.8.2016 \$
<b>Income</b>			
Boys' Brigade Week - donations		1,626,558	1,597,057
Government grants		488,724	643,413
Donations		135,193	234,567
BB campus income		214,444	177,467
Event and program related fees		76,586	112,999
Sales from BB shop	4	231,617	256,297
Interest income		3,630	2,152
Other income		228,665	162,991
		<b>3,005,417</b>	<b>3,186,943</b>
<b>Less expenditure</b>			
BB news		13,027	8,012
Cost of BB merchandise sold and BB shop expenses	4	229,018	250,229
Junior programme		27,033	27,209
Senior programme		122,028	132,417
Primers programme		41,697	48,824
Officers training		97,999	111,262
Adventure activities		2,465	1,996
Common programme		60,358	40,961
Companies activities		574,610	873,148
Audit fees		22,470	22,470
BB campus expenses		52,976	40,354
BB Week expenses		19,465	18,757
Credit card charges		20,000	17,940
Depreciation of property, plant and equipment	7	39,348	71,262
Finance costs - Reinstatement costs		3,501	-
Gifts and wreath		2,117	741
Insurance		25,913	25,349
Medical fees		1,366	1,891
Office sundries and others		3,890	25,068
Printing, postages and stationery		18,921	15,861
Professional fees		31,635	36,003
Promotion and marketing expenses		49,027	18,389
Salaries, bonus, CPF and SDF	5	951,592	861,051
Staff development		31,585	20,167
Telephone and website		3,842	3,909
Utilities/TOL		286,872	262,023
		<b>2,732,755</b>	<b>2,935,293</b>
<b>Surplus from operation</b>	6	<b>272,662</b>	<b>251,650</b>
<b>Net surplus/(deficit) from:</b>			
BB/GB Campsite Fund		68,324	71,899
BB21 Development Fund		-	-
BB Share-A-Gift Fund		(180,151)	266,830
Community Services Fund		(37,047)	34,167
Overseas Extension Fund		(122,136)	7,126
BB Asia Fund		-	(213,468)
Jimmy Koh Memorial Fund		(300)	(300)
BB Alumni Grant		(14,330)	32,100
<b>Total comprehensive (loss)/income for the year/period</b>		<b>(12,978)</b>	<b>450,004</b>

The accompanying notes form an integral part of these financial statements.

**THE BOYS' BRIGADE IN SINGAPORE**

**BALANCE SHEET**

**At 31 August 2017**

	Note	2017 \$	2016 \$
<b>Non-current assets</b>			
Property, plant and equipment	7	<b>21,878</b>	41,810
<b>Current assets</b>			
Inventories		<b>192,155</b>	144,305
Trade receivables		<b>43,469</b>	28,178
Sundry receivables and prepayments	8	<b>105,035</b>	121,635
Fixed deposits	9	<b>907,151</b>	904,835
Cash and bank balances		<b>4,487,010</b>	4,707,090
		<b>5,734,820</b>	5,906,043
<b>Total assets</b>		<b>5,756,698</b>	5,947,853
<b>Non-current liabilities</b>			
Provision	11	<b>30,650</b>	—
<b>Current liabilities</b>			
Trade payables		<b>2,440</b>	6,198
Sundry payables and accruals	10	<b>311,120</b>	516,189
		<b>313,560</b>	522,387
<b>Total liabilities</b>		<b>344,210</b>	522,387
<b>Net assets</b>		<b>5,412,488</b>	5,425,466
<b>Accumulated Fund</b>			
		<b>4,375,041</b>	4,102,379
<b>Other funds</b>			
Building Fund	12	<b>9,564</b>	9,564
BB/GB Campsite Fund	12	<b>274,799</b>	206,475
BB Share-A-Gift Fund	12	<b>536,039</b>	716,190
Community Services Fund	12	<b>88,279</b>	125,326
Overseas Extension Fund	12	—	122,136
Jimmy Koh Memorial Fund	12	<b>72,696</b>	72,996
BB Alumni Grant	12	<b>56,070</b>	70,400
		<b>1,037,447</b>	1,323,087
		<b>5,412,488</b>	5,425,466

The accompanying notes form an integral part of these financial statements.

## THE BOYS' BRIGADE IN SINGAPORE

### STATEMENT OF CHANGES IN ACCUMULATED FUND AND OTHER FUNDS For the financial year ended 31 August 2017

	Accumulated Fund \$	Building Fund \$	BB/GB Campsite Fund \$	BB21 Share- A-Gift Fund \$	BB Community Services Fund \$	Overseas Extension Fund \$	BB Asia Fund \$	Jimmy Koh Memorial Fund \$	BB Alumni Grant \$	Total \$
Balance at 1.10.2015	3,733,866	9,564	262,139	449,360	91,159	104,310	213,468	73,296	38,300	4,975,462
Net surplus/(deficit) and total comprehensive income/(loss) for the period	251,650	—	71,899	266,830	34,167	7,126	(213,468)	(300)	32,100	450,004
Transfer between funds	116,863	—	(127,563)	—	—	10,700	—	—	—	—
Balance at 31.8.2016	4,102,379	9,564	206,475	716,190	125,326	122,136	—	72,996	70,400	5,425,466
Net surplus/(deficit) and total comprehensive income/(loss) for the year	272,662	—	68,324	(180,151)	(37,047)	(122,136)	—	(300)	(14,330)	(12,978)
<b>Balance at 31.8.2017</b>	<b>4,375,041</b>	<b>9,564</b>	<b>274,799</b>	<b>536,039</b>	<b>88,279</b>	<b>—</b>	<b>—</b>	<b>72,696</b>	<b>56,070</b>	<b>5,412,488</b>

The accompanying notes form an integral part of these financial statements.



**THE BOYS' BRIGADE IN SINGAPORE**

**STATEMENT OF CASH FLOWS**

**For the financial year ended 31 August 2017**

	<b>1.9.2016 to 31.8.2017 \$</b>	1.10.2015 to 31.8.2016 \$
<b>Cash flows from operating activities</b>		
Net surplus for the year/period	272,662	251,650
Adjustment for non cash items:		
Depreciation of property, plant and equipment	39,348	78,563
Interest income	(3,630)	(2,152)
Operating surplus before working capital changes	<b>308,380</b>	328,061
Inventories	(47,850)	(15,114)
Receivables	1,309	144,686
Payables	(205,326)	104,183
Cash from operations	<b>56,513</b>	561,816
<b>Net receipts/(payments) from other funds:</b>		
BB/GB Campsite Fund	79,802	71,899
BB Share-A-Gift Fund	(180,151)	266,830
Community Services Fund	(37,047)	34,167
Overseas Extension Fund	(122,136)	7,126
BB Asia Fund	—	(213,468)
Jimmy Koh Memorial Fund	(300)	(300)
BB Alumni Grant	(14,330)	32,100
<b>Net cash (used in)/from operating activities</b>	<b>(217,649)</b>	760,170
<b>Cash flows from investing activities</b>		
Interest income	3,630	2,152
Purchase of property, plant and equipment	(3,745)	(81,172)
<b>Net cash used in investing activities</b>	<b>(115)</b>	(79,020)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(217,764)</b>	681,150
<b>Cash and cash equivalents at beginning of financial year/period</b>	<b>5,611,925</b>	4,930,775
<b>Cash and cash equivalents at end of financial year/period</b>	<b>5,394,161</b>	5,611,925
<b>Cash and cash equivalents comprises of:</b>		
Fixed deposits	907,151	904,835
Cash and bank balances	4,487,010	4,707,090
	<b>5,394,161</b>	5,611,925

The accompanying notes form an integral part of these financial statements.

## **THE BOYS' BRIGADE IN SINGAPORE**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the financial year ended 31 August 2017**

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

#### **1. General information**

The principal activities of The Boys' Brigade in Singapore ("the Society") is to organise uniformed youth work for educational institutions. The Society's principal place of activities is at BB Campus, 105 Ganges Avenue, Singapore 169695.

#### **2. Significant accounting policies**

##### **a) Basis of preparation**

The financial statements, expressed in Singapore dollar, which is the functional currency of the Society, have been prepared in accordance with the Societies Act, Chapter 311, the Charities Act, Chapter 37 and other relevant regulations, and Financial Reporting Standards in Singapore (FRSs). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on Brigade Executive's best knowledge of current events and actions, actual results may ultimately differ from those 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. There were no significant judgments and estimates made during the year.

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including receivables, fixed deposits and cash balances, and payables) which are stated at cost, are assumed to approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

In the current financial year, the Society has adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective for the current financial year. The adoption of these new/revised FRSs did not have any material effect on the financial results or position of the Society.

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 31 August 2017 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Society.

## 2. Significant accounting policies (cont'd)

### b) Income recognition

Income are recognised on the following basis:

Donations	-	when received in cash/cheque.
Interest income	-	on a time proportion basis.
Event and programme related fees	-	in the period when the events and programme are conducted.
Sales of BB merchandise	-	when the Society has delivered the merchandise to the customer and significant risks and rewards of ownership of the goods have been passed to the customer.
BB campus income	-	when services are rendered.
Dividend income	-	when the right to receive payment is established.
Rental income from campsite and canoes	-	over the period of use.

### c) Employee benefits

#### *Employee leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for employees' unutilised annual leave as at the balance sheet date.

#### *Defined contribution plans*

The Society contributes to the Central Provident Fund (CPF), a defined contribution plan regulated and managed by the Singapore Government. The Society's contributions to CPF are charged to profit or loss in the period in which the contributions relate.

### d) Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

When the grant relates to an expense item, it is recognised in profit or loss over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.

### e) Taxation

The Society is registered as a charity under the Charities Act and is exempted from income tax under the provisions of the Income Tax Act Cap. 134.

## 2. Significant accounting policies (cont'd)

### f) Property, plant and equipment

Property, plant and equipment are shown at cost less accumulated depreciation and any impairment loss. Depreciation is charged so as to write-off the cost of property, plant and equipment over their estimated useful lives using the straight-line method as follows:

	Number of years
Office equipment	2
Computer	1
Campsite equipment and canoes	2
Air-conditioners	2
Renovation	3
Furniture and fittings	3

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

On disposal of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the profit or loss.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

### g) Interest in BB/GB Campsite

The BB/GB Campsite is administered jointly on an equal sharing basis by the Society and the Girls' Brigade Singapore.

The principal activities of BB/GB Campsite consist of the maintenance and letting of camp amenities and related facilities. Its principal place of operations is located at 1200 Sembawang Road, Singapore 758526.

As the BB/GB Campsite is a jointly controlled operations, the Society recognises in its financial statements, its share of the jointly controlled assets of the campsite, the share of any liabilities incurred jointly with the other venturer in relation to the campsite and its share of income earned by the campsite together with its share of expenses incurred by the campsite.

### h) Financial assets

The Society classifies its financial assets in the following categories: loans and receivables. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

#### *Loans and receivables*

Loans and receivables which comprise receivables (excluding prepayments and advance received from sundry receivables), sundry deposits, fixed deposits, cash and bank balances are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method. The Society assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. When such evidence exists, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in profit or loss.

## 2. Significant accounting policies (cont'd)

### i) Impairment of non-financial assets

Non-financial assets are reviewed for impairment at each balance sheet date or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in profit or loss or treated as a revaluation decrease for assets carried at revalued amount to the extent that the impairment loss does not exceed the amount held in the revaluation surplus for that same asset.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is recorded in income or as a revaluation increase. However, the increased carrying amount of an asset due to a reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for that asset in prior years.

### j) Inventories

Inventories, which comprise BB merchandise and uniforms, are stated at the lower of cost and net realisable value. Cost is determined on a weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of selling expenses.

### k) Financial liabilities

Financial liabilities include trade and other payables (excluding deferred grants). Financial liabilities are recognised on the balance sheet when, and only when, the Society becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

### l) Provisions

Provisions are recognised when the Society has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where the Society expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

The Society recognises the estimated costs of dismantlement, removal or restoration items of property, plant and equipment arising from the acquisition or use of assets (Note 11). This provision is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration time value.

### m) Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

2. **Significant accounting policies (cont'd)**

n) **Funds**

Accumulated Fund refers to the accumulated fund of The Boys' Brigade Headquarters. Other Funds are disclosed in Note 12.

Unless specifically indicated, fund balances are not represented by any specific accounts, but are represented by all assets of the Society.

3. **Tax-deductible donations**

Tax-deductible donations totalling \$1,225,324 (2016: \$1,704,774) were received during the financial year.

4. **Net profit from BB Shop**

	<b>1.9.2016 to 31.8.2017 \$</b>	1.10.2015 to 31.8.2016 \$
Sales of BB merchandise	<b>231,617</b>	256,297
Less: Costs of merchandise	<b>(175,579)</b>	(180,842)
Staff and related costs (Note 5)	<b>(33,249)</b>	(50,602)
Repair and maintenance	<b>(13,373)</b>	(11,481)
Others	<b>(6,817)</b>	(7,304)
	<b>(229,018)</b>	(250,229)
Net profit	<b>2,599</b>	6,068

5. **Salaries, bonus, CPF and SDF**

	<b>1.9.2016 to 31.8.2017 \$</b>	1.10.2015 to 31.8.2016 \$
<i>Society</i>		
Salaries and related costs:		
- Key management personnel	<b>234,897</b>	206,062
- Staff	<b>759,751</b>	679,302
CPF:		
- Key management personnel	<b>32,645</b>	29,324
- Staff	<b>119,588</b>	105,202
	<b>1,146,881</b>	1,019,890
<i>Campsite</i>		
Share of salaries and related costs	-	47,023
	<b>1,146,881</b>	1,066,913

**5. Salaries, bonus, CPF and SDF (cont'd)**

Represented by staff costs charged to:

		<b>1.9.2016 to 31.8.2017 \$</b>	<b>1.10.2015 to 31.8.2016 \$</b>
	Note		
Accumulated Fund		<b>951,592</b>	861,051
BB/GB Campsite Fund	12(ii)	–	47,023
BB Share-A-Gift Fund	12(iii)	<b>150,600</b>	108,237
Community Services Fund	12(iv)	<b>11,440</b>	–
BB Shop	4	<b>33,249</b>	50,602
		<b>1,146,881</b>	<b>1,066,913</b>

The remuneration of key management personnel of the Society shown in salary bands are as follows:

	<b>Number of executives 2017 \$</b>	<b>2016 \$</b>
<i>Salaries and benefits bands for key management personnel of the Brigade Office</i>		
Between \$100,001 - \$150,000	<b>2</b>	<b>2</b>

**6. Surplus/(deficit) from operation**

This is arrived at after charging:

	<b>1.9.2016 to 31.8.2017 \$</b>	<b>1.10.2015 to 31.8.2016 \$</b>
Temporary operating license	<b>267,470</b>	267,470

**7. Property, plant and equipment**

	<b>Society \$</b>	<b>BB/GB Campsite \$</b>	<b>Total 2017 \$</b>	<b>2016 \$</b>
Cost	245,775	177,460	<b>423,235</b>	400,068
Accumulated depreciation	(231,793)	(169,564)	<b>(401,357)</b>	(358,258)
	<b>13,982</b>	<b>7,896</b>	<b>21,878</b>	<b>41,810</b>

**7. Property, plant and equipment (cont'd)**

	Office equipment \$	Computer \$	Air- conditioner \$	Renovation \$	Total \$
<b>Society</b>					
<b>2017</b>					
<b>Cost</b>					
Balance at 1.9.16	31,188	70,858	38,302	90,860	231,208
Additions	—	2,666	1,080	19,349	23,095
Written off	—	(8,528)	—	—	(8,528)
<b>Balance at 31.8.17</b>	<b>31,188</b>	<b>64,996</b>	<b>39,382</b>	<b>110,209</b>	<b>245,775</b>
<b>Accumulated depreciation</b>					
Balance at 1.9.16	28,833	70,858	33,202	68,080	200,973
Depreciation charge	2,355	2,666	5,640	28,687	39,348
Written off	—	(8,528)	—	—	(8,528)
<b>Balance at 31.8.17</b>	<b>31,188</b>	<b>64,996</b>	<b>38,842</b>	<b>96,767</b>	<b>231,793</b>
<b>Net carrying value</b> As at 31.8.17	<b>—</b>	<b>—</b>	<b>540</b>	<b>13,442</b>	<b>13,982</b>
<b>2016</b>					
<b>Cost</b>					
Balance at 1.10.15	26,478	40,148	31,525	76,336	174,487
Additions	4,710	34,999	10,200	14,524	64,433
Written off	—	(4,289)	(3,423)	—	(7,712)
<b>Balance at 31.8.16</b>	<b>31,188</b>	<b>70,858</b>	<b>38,302</b>	<b>90,860</b>	<b>231,208</b>
<b>Accumulated depreciation</b>					
Balance at 1.10.15	26,478	40,148	27,455	43,342	137,423
Depreciation charge	2,355	34,999	9,170	24,738	71,262
Written off	—	(4,289)	(3,423)	—	(7,712)
<b>Balance at 31.8.16</b>	<b>28,833</b>	<b>70,858</b>	<b>33,202</b>	<b>68,080</b>	<b>200,973</b>
<b>Net carrying value</b> As at 31.8.16	<b>2,355</b>	<b>—</b>	<b>5,100</b>	<b>22,780</b>	<b>30,235</b>

Depreciation charge is taken to the funds as follows:

	2017 \$	2016 \$
Accumulated Fund	<b>39,348</b>	71,262



## 7. Property, plant and equipment (cont'd)

	Office equipment \$	Campsite equipment and canoes \$	Furniture and fittings \$	Renovation \$	Total \$
<b>BB/GB</b>					
<b>Campsite</b>					
<b>2017</b>					
<b>Cost</b>					
Balance at 1.9.16	1,007	60,956	19,126	87,771	168,860
Additions	—	800	—	7,800	8,600
Written off	—	—	—	—	—
Balance at 31.8.17	1,007	61,756	19,126	95,571	177,460
<b>Accumulated depreciation</b>					
Balance at 1.9.16	913	53,466	15,135	87,771	157,285
Depreciation charge (note 12)	94	7,037	2,548	2,600	12,279
Written off	—	—	—	—	—
Balance at 31.8.17	1007	60,503	17,683	90,371	169,564
<b>Net carrying value</b> As at 31.8.17	—	<b>1,253</b>	<b>1,443</b>	<b>5,200</b>	<b>7,896</b>
<b>2016</b>					
<b>Cost</b>					
Balance at 1.10.15	7,158	87,530	43,669	305,454	443,811
Additions	—	11,642	5,097	—	16,739
Written off	(6,151)	(38,216)	(29,640)	(217,683)	(291,690)
Balance at 31.8.16	1,007	60,956	19,126	87,771	168,860
<b>Accumulated depreciation</b>					
Balance at 1.10.15	6,603	85,948	43,669	305,454	441,674
Depreciation charge (note 12)	461	5,734	1,106	—	7,301
Written off	(6,151)	(38,216)	(29,640)	(217,683)	(291,690)
Balance at 31.8.16	913	53,466	15,135	87,771	157,285
<b>Net carrying value</b> As at 31.8.16	94	7,490	3,991	—	11,575

**8. Sundry receivables and prepayments**

	2017	2016
	\$	\$
Advances	3,000	4,000
Sundry deposits	95,503	89,708
Prepayments	6,532	2,770
Sundry receivables	—	25,157
	<u>105,035</u>	<u>121,635</u>

**9. Fixed deposits**

Fixed deposits earned interest at rates ranging from 0.05% to 0.9% (2016: 0.05% to 0.9%) per annum at the balance sheet date and mature within 9 months (2016: 18 months) from the balance sheet date.

**10. Sundry payables and accruals**

	2017	2016
	\$	\$
Accrued operating expenses	249,139	242,717
Sundry payables	55,259	223,522
MOE deferred grants	6,722	49,950
	<u>311,120</u>	<u>516,189</u>

**11. Provision**

	2017	2016
	\$	\$
Provision for reinstatement costs	<u>30,650</u>	—

The provision for reinstatement costs represents the present value of Brigade Executive's best estimate of the future outflow of economic benefits that will be required to remove leasehold improvements from leased properties. The estimate has been made on the basis of quotes obtained from external contractors. The unexpired term of the lease is 16 months.

## 12. Other funds

	Building Fund (i) \$	BB/GB Campsite Fund (ii) \$	BB Share- A-Gift Fund (iii) \$	Community Services Fund (iv) \$	Overseas Extension Fund (v) \$	BB Asia Fund (vi) \$	Jimmy Koh Memorial Fund (vii) \$	BB Alumni Grant (viii) \$
<b>2017</b>								
Cash donations	—	—	209,573	5,000	—	—	—	10,870
Grants	—	103,587	—	—	—	—	—	—
Rental income	—	174,039	—	—	—	—	—	—
Other income	—	36,957	—	—	—	—	—	—
<b>Total income</b>	<b>—</b>	<b>314,583</b>	<b>209,573</b>	<b>5,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>10,870</b>
Less: expenditure								
Staff costs (note 5)	—	—	150,600	11,440	—	—	—	—
Charity Golf expenses	—	—	—	—	—	—	—	—
Depreciation (note 7)	—	12,279	—	—	—	—	—	—
Land rent	—	103,587	—	—	—	—	—	—
Office supplies	—	122	953	2	—	—	—	—
Programme related expenses	—	—	141,018	30,605	—	—	—	—
Promotion and marketing expenses	—	—	—	—	—	—	—	—
Public wish fulfilment purchases	—	—	76,571	—	—	—	—	—
Others	—	130,271	20,582	—	122,136	—	300	25,200
	<b>—</b>	<b>246,259</b>	<b>389,724</b>	<b>42,047</b>	<b>122,136</b>	<b>—</b>	<b>300</b>	<b>25,200</b>
<b>Net surplus/(deficit) for the year</b>	<b>—</b>	<b>68,324</b>	<b>(180,151)</b>	<b>(37,047)</b>	<b>(122,136)</b>	<b>—</b>	<b>(300)</b>	<b>(14,330)</b>
Transfer between funds	—	—	—	—	—	—	—	—
Balance at 1 September 2016	9,564	206,475	716,190	125,326	122,136	—	72,996	70,400
<b>Balance at 31 August 2017</b>	<b>9,564</b>	<b>274,799</b>	<b>536,039</b>	<b>88,279</b>	<b>—</b>	<b>—</b>	<b>72,696</b>	<b>56,070</b>

- (i) This fund is for major renovations to the Society's Headquarters.
- (ii) The fund represents the Society's interest in the BB/GB Campsite.
- (iii) This fund is used to help the poor and needy.
- (iv) This fund is for community outreach and service purposes.
- (v) This fund is used to establish The Boys' Brigade in third world countries.
- (vi) The Fund is used to establish The Boys' Brigade work in Asia.
- (vii) The Fund was set up in memorial of late Mr. Jimmy Koh who was a former Boys' Brigade member.
- (viii) The Fund is set up to help the poor and needy boys of the Society.

### 13. Related party transactions

In addition to information disclosed elsewhere in the financial statements, the following transactions took place between the Society and related parties during the financial year/period on terms agreed by the parties concerned:

	1.9.2016 to 31.8.2017 \$	1.10.2015 to 31.8.2016 \$
Instructor's fee expense	6,870	25,207
Printing and stationery expense	785	2,054
Purchases	—	5,445
Company's training and course expenses	5,447	—

Related parties represent corporations in which certain of the Brigade Executive members, officers of the Society or their close family members have financial interest or significant influence over these corporations in financial and operating decisions.

### 14. Operating lease commitments

Commitments in relation to non-cancellable operating leases contracted for rental of land for office premise, but not recognised as liabilities, are payable as follows:

	2017 \$	2016 \$
Within 1 financial year	267,470	267,470
Within 2 to 5 financial years	89,157	356,627
	<u>356,627</u>	<u>624,097</u>

The lease has remaining non-cancellable lease terms of 16 months (2016: 28 months) at the balance sheet date.

### 15. Financial instruments

#### a) Categories of financial instruments

Financial instruments as at the balance sheet are as follows:

	2017 \$	2016 \$
<i>Financial assets</i>		
Trade receivables	43,469	28,178
Sundry receivables	95,503	114,865
Fixed deposits	907,151	904,835
Cash and bank balances	4,487,010	4,707,090
	<u>5,533,133</u>	<u>5,754,968</u>
<i>Financial liabilities</i>		
Trade payables	2,440	6,198
Sundry payables and accruals	229,703	400,263
	<u>232,143</u>	<u>406,461</u>
Financial liabilities at amortised cost		

## 15. Financial instruments (cont'd)

### b) Financial risk management

The Society's charitable activities expose it to minimal financial risks and overall risk management is determined and carried out by the Brigade Executive on an informal basis.

#### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Society's financial instruments will fluctuate because of the changes in market interest rates.

The Society's income and operating cash flows are substantially independent of changes in market interest rates as it has no significant interest bearing liabilities. Its exposure to market risk for changes in interest rates relates primarily to its interest bearing fixed deposits where interest income is not significant.

Sensitivity analysis for changes in market interest rate is not presented as the effect of changes in interest rates on the Society's surplus is not significant.

#### *Credit risk*

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Society. Management has credit policies in place and the exposure to credit risk is monitored on an ongoing basis by the Brigade Executive. The Society's exposure to credit risk arises primarily from cash and cash equivalents and receivables. Cash deposits are placed with reputable banks in Singapore. Receivables are substantially with entities with good collection track record with the Society.

The Society does not have any significant concentration of credit risk exposure. The maximum exposure to credit risk is represented by the carrying value of each class of financial assets recognised on the balance sheet.

The age analysis of trade receivables past due but not impaired is as follows:

	2017	2016
	\$	\$
Past due 0 to 1 month	1,299	14,449
Past due 1 to 3 months	1,509	7,361
Past due over 3 months	18,053	6,368
	<hr/> <b>20,861</b>	<hr/> <b>28,178</b>

The Society has no financial assets that are impaired.

#### *Foreign exchange risk*

The Society has minimal exposure to foreign exchange rate fluctuations as its transactions are mainly carried out in Singapore dollar.

#### *Liquidity and cash flow risk*

The Brigade Executive exercises prudent liquidity and cash flow risk management policies and aims to maintain a sufficient level of liquidity and cash flow at all times.

**16. Fair values of financial instruments**

The carrying amounts of financial assets and liabilities recorded in the financial statements of the Society approximate their fair values at the balance sheet date.

**17. Fund management**

The Society's objectives when managing its funds are to safeguard and to maintain adequate working capital to continue as going concern and to develop its principal activities over the longer term through significant support in the form of donations, grants and events and program related fees.

The Society's fund management remains unchanged from 2016.

**18. Comparative figures**

The comparative financial statements covered the period from 1 October 2015 to 31 August 2016. The financial statements for the current financial year covered the year from 1 September 2016 to 31 August 2017. As such, the statement of comprehensive income, statement of changes in accumulated fund and other funds, statement of cash flows and related notes for the current financial period and the previous financial year are not comparable.

**19. Authorisation of financial statements**

The financial statements of the Society for the financial year ended 31 August 2017 were authorised for issue in accordance with a resolution of the Brigade Executive dated 24 November 2017.