

**THE GIRLS' BRIGADE - SINGAPORE**

UNIQUE ENTITY NUMBER: S61SS0001A

**REPORT AND  
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2016

# **The Girls' Brigade - Singapore**

(Registered under the Societies Act, Chapter 311)

## **Table Of Contents**

	<u>Page</u>
Statement by the Brigade Executive Committee	1
Independent Auditors' Report	2
Statement of Income and Expenditure	5
Statement of Financial Position	6
Statement of Changes in Funds	7
Statement of Cash Flows	8
Notes to the Financial Statements	9

## THE GIRLS' BRIGADE - SINGAPORE

(Registered under the Societies Act, Chapter 311)

### STATEMENT BY THE BRIGADE EXECUTIVE COMMITTEE

In our opinion, the financial statements set out on pages 5 to 33 are properly drawn up in accordance with the provisions of the Charities Act, Chapter 37, Societies Act, Chapter 311 and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of The Girls' Brigade - Singapore (the "Brigade") as at 31 December 2016 and of the financial performance, changes in funds and cash flows of the Brigade for the year ended on that date.

On behalf of the Brigade Executive Committee



---

MS EVANGELINE CHEW WHYE CHENG  
BRIGADE COMMISSIONER



---

MS JANE SOH LIN CHU  
HONORARY TREASURER

Singapore, 9 March 2017

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF****THE GIRLS' BRIGADE - SINGAPORE**

( Registered under the Societies Act, Chapter 311 )

**Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of The Girls' Brigade - Singapore (the "Brigade") set out on pages 5 to 33, which comprise the following:

- statement of financial position (balance sheet) as at 31 December 2016;
- statement of income and expenditure for the year then ended;
- statement of changes in funds for the year then ended;
- statement of cash flows for the 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 provisions of the Charities Act, Chapter 37, Societies Act, Chapter 311 and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Brigade as at 31 December 2016 and of the financial performance, changes in funds and cash flows of the Brigade 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 Brigade in accordance with the Accounting and Corporate Regulatory Authority *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.

**Responsibilities of Management and the Brigade Executive Committee for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Charities Act, Chapter 37, Societies Act, Chapter 311 and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Brigade'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 Brigade or to cease operations, or has no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF****THE GIRLS' BRIGADE - SINGAPORE**

(Registered under the Societies Act, Chapter 311)

**Continued****Responsibilities of Management and the Brigade Executive Committee for the Financial Statements (Continued)**

The Brigade Executive Committee's (the "Committee") responsibilities include overseeing the Brigade's financial reporting process.

**Auditors' Responsibilities for the Audit of the Financial Statements**

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

**THE GIRLS' BRIGADE - SINGAPORE**

(Registered under the Societies Act, Chapter 311)

**Continued**

**Auditors' Responsibilities for the Audit of the Financial Statements (Continued)**

We communicate with the Committee 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,

- (a) the accounting and other records required by the regulations enacted under the Societies Act to be kept by the Brigade have been properly kept in accordance with those regulations; and
- (b) the fund-raising appeals held during the year has been carried out in accordance with regulation 6 of the Societies Regulations issued under the Societies Act, Chapter 311 and proper accounts and other records have been kept of the fund raising appeals.

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

- (i) the use of the donation monies was not in accordance with the objectives of the Brigade as required under regulation 16 of the Charities (Institutions of a Public Character) Regulations; and
- (ii) the Brigade has not complied with the requirements of regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

Singapore, 9 March 2017

  
LO HOCK LING & CO.  
PUBLIC ACCOUNTANTS AND  
CHARTERED ACCOUNTANTS SINGAPORE

# THE GIRLS' BRIGADE - SINGAPORE

( Registered under the Societies Act, Chapter 311 )

## Statement of Income and Expenditure for the year ended 31 December 2016

	<u>Notes</u>	<u>2016</u>	<u>2015</u> (Restated)
		\$	\$
<u>Income</u>			
Brigade fortnight collections	3	615,023	636,964
Donations/contributions	4	423,851	504,935
Grant income	5	634,811	553,576
Interest income		65,588	56,706
Income from GB shop	6	25,176	22,150
Sundry income	7	81,083	46,296
		1,845,532	1,820,627
<u>Less: Expenditure</u>			
Training and development programmes	8	142,116	101,662
Brigade activities	9	80,283	71,550
Corporate communication		7,062	7,300
Extension programmes	10	150,599	144,587
Company programme expenses		328,741	295,558
GB company care support costs	11	12,490	15,532
GB headquarters expenses	12	767,353	686,057
		1,488,644	1,322,246
Surplus from operations		356,888	498,381
Net surplus/(deficit) from:			
BB/GB Campsite fund	20	72,569	92,127
GB HQ building fund	23	13,947	15,003
Special funds		( 65,304 )	4,706
Total surplus for the year		378,100	610,217

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

# THE GIRLS' BRIGADE - SINGAPORE

( Registered under the Societies Act, Chapter 311 )

## Statement of Financial Position as at 31 December 2016

	<u>Notes</u>	<u>31.12.2016</u>	<u>31.12.2015</u> (Restated)	<u>01.01.2015</u> (Restated)
		\$	\$	\$
<b><u>ASSETS</u></b>				
<b><u>Non-Current Assets</u></b>				
Property, plant and equipment	13	168,278	116,470	123,157
Investment property	14	<u>67,011</u>	<u>68,276</u>	<u>69,540</u>
		<u>235,289</u>	<u>184,746</u>	<u>192,697</u>
<b><u>Current Assets</u></b>				
Inventories	15	183,641	163,219	161,089
Trade and other receivables	16	259,457	246,761	270,595
Other current assets	17	234,068	152,679	170,698
Fixed deposits	18	7,602,676	7,224,999	5,728,261
Cash and bank balances	18	<u>1,051,888</u>	<u>1,263,002</u>	<u>1,787,770</u>
		<u>9,331,730</u>	<u>9,050,660</u>	<u>8,118,413</u>
<b>Total Assets</b>		<u><b>9,567,019</b></u>	<u><b>9,235,406</b></u>	<u><b>8,311,110</b></u>
<b><u>FUNDS AND LIABILITIES</u></b>				
<b><u>Funds</u></b>				
General accumulated fund:				
- General fund		5,040,880	4,579,205	4,048,265
- GB companies programme fund	19	<u>1,109,393</u>	<u>1,086,616</u>	<u>1,019,175</u>
		6,150,273	5,665,821	5,067,440
BB/GB Campsite fund	20	207,145	262,140	270,013
Capital fund	21	171,963	171,963	171,963
Development fund	22	572,249	572,249	572,249
GB HQ building fund	23	1,323,468	1,309,521	1,294,518
Special funds	24	<u>430,896</u>	<u>496,200</u>	<u>491,494</u>
<b>Total Funds</b>		<u><b>8,855,994</b></u>	<u><b>8,477,894</b></u>	<u><b>7,867,677</b></u>
<b><u>Current Liabilities</u></b>				
Accounts payable	25	133,607	283,209	254,456
Deferred grant income	28	539,737	438,300	156,649
Other current liabilities	17	<u>37,681</u>	<u>36,003</u>	<u>32,328</u>
<b>Total Liabilities</b>		<u><b>711,025</b></u>	<u><b>757,512</b></u>	<u><b>443,433</b></u>
<b>Total Funds And Liabilities</b>		<u><b>9,567,019</b></u>	<u><b>9,235,406</b></u>	<u><b>8,311,110</b></u>

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



# THE GIRLS' BRIGADE - SINGAPORE

(Registered under the Societies Act, Chapter 311)

## Statement of Changes in Funds for the year ended 31 December 2016

	General accumulated fund	GB companies programme fund	BB/GB Campsite fund	Capital fund	Development fund	GB HQ building fund	Special funds	Total funds
	\$	\$	\$	\$	\$	\$	\$	\$
Balance as at 1 January 2015 as previously reported	4,048,265	1,019,175	-	171,963	572,249	1,294,518	491,494	7,597,664
Prior period adjustment (note 36)	-	-	270,013	-	-	-	-	270,013
Balance as at 1 January 2015 restated	4,048,265	1,019,175	270,013	171,963	572,249	1,294,518	491,494	7,867,677
Surplus for the year 2015 as previously reported	598,381	-	-	-	-	15,003	4,706	618,090
Prior year adjustment	( 100,000 )	-	92,127	-	-	-	-	( 7,873 )
Surplus for the year 2015 restated	498,381	-	92,127	-	-	15,003	4,706	610,217
Transfer of funds (note 20)	100,000	-	( 100,000 )	-	-	-	-	-
Transfer of funds (note 19)	( 67,441 )	67,441	-	-	-	-	-	-
Balance as at 31 December 2015 restated	4,579,205	1,086,616	262,140	171,963	572,249	1,309,521	496,200	8,477,894
Surplus/(deficit) for the year	356,888	-	72,569	-	-	13,947	( 65,304 )	378,100
Transfer of funds (note 20)	127,564	-	( 127,564 )	-	-	-	-	-
Transfer of funds (note 19)	( 22,777 )	22,777	-	-	-	-	-	-
Balance as at 31 December 2016	5,040,880	1,109,393	207,145	171,963	572,249	1,323,468	430,896	8,855,994

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

# THE GIRLS' BRIGADE - SINGAPORE

( Registered under the Societies Act, Chapter 311 )

## Statement of Cash Flows for the year ended 31 December 2016

	<u>Notes</u>	<u>2016</u>	<u>2015</u> (Restated)
		\$	\$
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES:</u></b>			
Surplus from operations		356,888	498,381
Adjustments for:			
Depreciation expenses	27	51,917	56,404
Deferred grant amortised to income	28(a)	( 817 )	( 1,187 )
Interest income		( 65,588 )	( 56,706 )
Operating surplus before changes in working capital		342,400	496,892
Increase in inventories		( 20,422 )	( 2,130 )
(Increase)/decrease in receivables		( 27,285 )	32,606
(Decrease)/increase in payables		( 149,602 )	28,753
Cash generated from operations		145,091	556,121
Interest received		80,177	47,934
Net cash from/(used in) other funds:			
- BB/GB Campsite fund		977	121,233
- GB HQ building fund		13,947	15,003
- Special funds		( 65,304 )	4,706
Net cash from operating activities		174,888	744,997
<b><u>CASH FLOW FROM INVESTING ACTIVITY:</u></b>			
Purchase of property, plant and equipment	13	( 110,579 )	( 55,865 )
Net cash used in investing activity		( 110,579 )	( 55,865 )
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES:</u></b>			
Decrease in MOE Grants for special projects	28(b)&(c)	( 20,252 )	( 4,032 )
Increase in MOE Officers' Training Grant	28(d)	20,128	44,435
Increase in MSF Care and Share Grant	28(e)	102,378	242,435
Decrease/(increase) in fixed deposits held as custodian for The Girls' Brigade - BB/GB Campsite	18	151,250	( 26,250 )
Increase in fixed deposits with original maturities over 3 months	18	( 2,180,177 )	( 347,629 )
Net cash used in financing activities		( 1,926,673 )	( 91,041 )
Net (decrease)/increase in cash and cash equivalents		( 1,862,364 )	598,091
Cash and cash equivalents at beginning of the year		2,914,252	2,316,161
Cash and cash equivalents at end of the year	18	<u>1,051,888</u>	<u>2,914,252</u>

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

# THE GIRLS' BRIGADE - SINGAPORE

(Registered under the Societies Act, Chapter 311)

---

## NOTES TO THE FINANCIAL STATEMENTS - 31 December 2016

The following notes form an integral part of the financial statements.

### 1. GENERAL INFORMATION

- (a) The Girls' Brigade - Singapore (the "Brigade") is registered in the Republic of Singapore under the Societies Act, Chapter 311. It is also a charity registered under the Charities Act, Chapter 37, and an Institution of a Public Character registered with the Ministry of Education. Its registered office is located at 795 Upper Serangoon Road, Singapore 534667.
- (b) The principal activities of the Brigade are to organise activities designed to help girls attain physical, mental and spiritual maturity, and encourage girls to express what they learn through practical service to homes, churches, the community and the world.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Preparation

The Brigade presents its financial statements in Singapore dollars ("S\$"), which is also its functional currency. These financial statements are prepared in accordance with the historical cost convention and comply with Singapore Financial Reporting Standards (FRS), including related Interpretations promulgated by the Accounting Standards Council.

During the financial year, the Brigade adopted all the applicable new/revised FRSs which are effective on or before 1 January 2016. The adoption of these new/revised FRSs did not have any material effect on the company's financial statements and did not result in substantial changes to the company's accounting policies.

#### (b) Significant Accounting Estimates and Judgments

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Brigade's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### (A) *Key Sources of Estimation Uncertainty*

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

##### (i) *Depreciation on Property, Plant and Equipment and Investment Property*

The costs of property, plant and equipment and investment property are depreciated on a straight-line basis over their estimated useful lives. Management's estimates of the useful lives of these assets are disclosed in notes 2(h) and 2(i). Changes in the expected usage and technological developments could impact the economic useful lives and the residual values of these assets. Therefore, future depreciation charges could be revised. The carrying amounts of property, plant and equipment and investment property and their respective depreciation charge for the year are disclosed in notes 13 and 14 to the financial statements.

# THE GIRLS' BRIGADE - SINGAPORE

(Registered under the Societies Act, Chapter 311)

## 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

### (b) Significant Accounting Estimates and Judgments (continued)

#### (A) *Key Sources of Estimation Uncertainty* (continued)

##### (ii) *Impairment of Trade Receivables*

The impairment policy for bad and doubtful debts of the Brigade is based on the evaluation of collectibility and ageing analysis of the accounts receivables and on management's judgment. At the balance sheet date, trade receivables amounting to \$14,637 (2015: \$33,037) were past due but regarded as not impaired. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current credit worthiness and the past collection history of each customer. If the financial condition of these customers were to deteriorate, resulting in an impairment of their ability to make payment, allowance for impairment will be required.

##### (iii) *Net Realisable Value of Inventories*

Net realisable value of inventories, which consist mainly of books and uniform accessories, is the estimated selling price in the ordinary course of business, less estimated selling expenses. These estimates are based on the current market condition and historical experience of selling products of similar nature. Management will reassess the estimations at the balance sheet date. The carrying amount of inventories is stated in note 15 to the financial statements.

#### (B) *Critical Judgments Made in Applying Accounting Policies*

In the process of applying the Brigade's accounting policies, the management has made certain judgments, apart from those involving estimations, which have significant effect on the amounts recognised in the financial statements.

##### *Impairment of Non-Financial Assets*

The carrying amounts of the Brigade's non-financial assets subject to impairment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated based on the higher of the value in use and the asset's fair value less cost of disposal. Estimating the value in use requires critical judgement on the part of the management to make an estimate of the expected future cash flows from the continuing use of the assets and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

### (c) FRS and INT FRS not yet effective

The Brigade has not applied any new FRS that has been issued but is not yet effective. The Executive Committee plans to adopt these FRSs in the financial year commencing on or after their respective effective dates.

Except for the FRS mentioned below which is relevant to the Brigade's financial statements, the Executive Committee does not expect the adoption of the other new FRSs that have been issued but not yet effective to have material impact on the financial statements in the period of initial application.

The Executive Committee is currently assessing the impact of FRS 116 Leases (effective for annual periods beginning on or after 1 January 2019) that is relevant to the financial statements of the Brigade in the period of initial application.

# THE GIRLS' BRIGADE - SINGAPORE

( Registered under the Societies Act, Chapter 311 )

## 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

### (c) FRS and INT FRS not yet effective (continued)

#### FRS 116 Leases

FRS 116, which replaces *FRS 17 Leases* and the related Interpretations when it becomes effective, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

Lessor accounting requirements under FRS 116 are substantially the same as the current FRS 17. A lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

### (d) Revenue Recognition

- (i) Brigade fortnight collections, donations and contributions are recognised as income upon receipt.
- (ii) Government grants are recognised when there is reasonable assurance that the Brigade will comply with the conditions attaching to the grants and that the grants will be received.

Government grants related to assets are recognised as deferred income in the balance sheet, and are amortised to income over the useful life of the assets to match the depreciation of the property, plant and equipment purchased with the related grants.

Grants related to income are recognised in the statement of income and expenditure on a systematic basis over the periods in which the Brigade recognises as expenses the related costs for which the grant is intended to compensate.

- (iii) Interest on fixed deposits and savings accounts are recognised as income on a time proportion basis.
- (iv) Revenue from sale of goods is recognised upon delivery of the goods and acceptance by the customer.
- (v) Rental income from operating lease is recognised on a straight line basis over the lease period.

### (e) Employee Benefits

#### (i) *Defined Contribution Plans*

The Brigade makes contributions to the state provident fund (Central Provident Fund). Such contributions are recognised as compensation expenses in the same period as the employment that gave rise to the contributions.

#### (ii) *Short-term Compensated Absences*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for employee entitlements to annual leave as a result of services rendered by employees up to the balance sheet date.

# THE GIRLS' BRIGADE - SINGAPORE

(Registered under the Societies Act, Chapter 311)

## 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

### (f) Leases

#### *Operating Leases*

Leases whereby the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases.

When the Brigade is the lessor, assets leased out under operating leases are included in investment property. Income arising from such operating lease is recognised on a straight line basis over the lease term.

When the Brigade is the lessee, operating lease payments are recognised as an expense on a straight line basis over the lease term.

### (g) Income Taxes

As a registered charity under the Charities Act, Chapter 37, the Brigade's income is exempt from income tax under Section 13(1)(zm) of the Income Tax Act, Chapter 134.

### (h) Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Brigade and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

Any estimated costs of dismantling and removing the property, plant and equipment and reinstating the site to its original condition (reinstatement costs) are capitalised as part of the cost of the property, plant and equipment.

Depreciation is calculated on the straight line basis so as to write off the cost, less the residual value, of the assets over their estimated useful lives. The estimated useful lives are as follows:

Campsite equipment and canoes	2 years
Computers	3 years
Office equipment	2 to 5 years
Furniture and fittings	2 to 10 years
Renovation	2 to 3 years

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

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed and adjusted as appropriate, at each financial year end.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the assets is recognised in profit or loss in the year the asset is derecognised.

# THE GIRLS' BRIGADE - SINGAPORE

(Registered under the Societies Act, Chapter 311)

---

## 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

### (i) Investment Property

The investment property which is held on a long term basis for investment potential and rental income is stated at cost less accumulated depreciation and any impairment loss. Depreciation is calculated on the straight line basis so as to write off the cost, less residual value, of the leasehold property over the remaining lease period which expires in 2069.

### (j) Interest in BB/GB Campsite

The Girls' Brigade - BB/GB Campsite (the "Campsite") is administered jointly on an equal sharing basis by the Brigade and The Boys' Brigade in Singapore. They have equal rights to the assets and obligations for the liabilities relating to the Campsite.

As the Campsite is a jointly controlled asset, the Brigade recognises in its financial statements, its share of assets and liabilities of the Campsite held or incurred jointly with the other joint operator and its share of income and expenditure earned or incurred by the Campsite.

### (k) Inventories

Inventories are stated at lower of cost and net realisable value after adequate allowance has been made for deteriorated, damaged, obsolete or slow-moving inventories. Cost is determined on the weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

### (l) Trade and Other Receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. Receivables with a short duration are not discounted.

When there is objective evidence that the Brigade will not be able to collect all amounts due according to the original terms of the receivables, an impairment loss is recognised. The amount of the impairment loss is measured as the difference between the carrying value of the receivable and the present value of the estimated future cash flows discounted at the original effective interest rate. The carrying amount of the receivable is reduced directly or through the use of an allowance account. The amount of the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss shall be reversed either directly or by adjusting an allowance account. The amount of the reversal shall be recognised in profit or loss.

### (m) Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand, cash at bank and bank deposits that are readily convertible to known amounts of cash and which are subject to insignificant risks of changes in value and with maturity of three months or less from the date of acquisition.

# THE GIRLS' BRIGADE - SINGAPORE

( Registered under the Societies Act, Chapter 311 )

---

## 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

### (n) Impairment of Non-Financial Assets

The carrying amounts of the Brigade's non-financial assets subject to impairment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less cost of disposal and its value in use. The value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

An impairment loss on a non-revalued asset is recognised in profit or loss. An impairment loss on a revalued asset is recognised in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

### (o) Funds

General accumulated fund refers to general fund and GB companies programme fund as disclosed in note 19. Other funds are disclosed in notes 20 to 24 of the financial statements. Unless specifically indicated, fund balances are not represented by any specific assets but are represented by the total net assets of the Brigade.

### (p) Financial Liabilities

Financial liabilities include trade and other payables, payables to related parties, and interest-bearing loans and borrowings.

Financial liabilities are recognised on the balance sheet when the Brigade becomes a party to the contractual provisions of the financial instrument.

Financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method, except for financial liabilities at fair value through profit or loss, including derivatives, which are measured at fair value. Financial liabilities with a short duration are not discounted.

A financial liability is derecognised when the contractual obligation is discharged or cancelled or expires. For financial liabilities other than derivatives, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. Any gains or losses arising from changes in fair value of derivatives are recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

### (q) Provisions

Provisions are recognised when the Brigade has a present 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.



# THE GIRLS' BRIGADE - SINGAPORE

(Registered under the Societies Act, Chapter 311)

---

## 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

### (r) Related Parties

A related party is defined as follows:

- (A) A person or a close member of that person's family is related to the Brigade if that person:
  - (i) Has control or joint control over the Brigade;
  - (ii) Has significant influence over the Brigade; or
  - (iii) Is a member of the key management personnel of the Brigade or of a parent of the Brigade.
  
- (B) An entity is related to the Brigade if any of the following conditions applies:
  - (i) The entity and the Brigade are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to each other).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Brigade or an entity related to the Brigade. If the Brigade is itself such a plan, the sponsoring employers are also related to the Brigade.
  - (vi) The entity is controlled or jointly controlled by a person identified in (A).
  - (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Brigade or to the parent of the Brigade.

# THE GIRLS' BRIGADE - SINGAPORE

(Registered under the Societies Act, Chapter 311)

## 3. BRIGADE FORTNIGHT COLLECTIONS

	<u>2016</u>	<u>2015</u>
	\$	\$
Brigade fortnight collections		
- tax exempt	308,111	342,299
- non-tax exempt	348,619	337,628
	656,730	679,927
Less: Allocation of funding		
Transfer to GB HQ Building Fund (note 23)	13,947	15,003
Transfer to Extension Programmes	25,297	25,531
Office expenses	2,463	2,429
	41,707	42,963
	615,023	636,964

## 4. DONATIONS/CONTRIBUTIONS

	<u>2016</u>	<u>2015</u>
	\$	\$
General donations		
- tax exempt	50,673	66,030
- non-tax exempt	29,702	45,751
Contributions from users of GB Centre	343,476	393,154
	423,851	504,935

## 5. GRANT INCOME

	<u>2016</u>	<u>2015</u>
	\$	\$
Grants from Ministry of Education		
- Capitation Grant	84,308	46,272
- Singapore Land Authority Grant	338,719	338,719
- Uniformed Group Training Grant [note 28(d)]	39,872	15,565
- Other grants	28,421	15,318
Grant from Ministry of Social and Family Development		
- Care and Share Grant [note 28(e)]	143,491	137,702
	634,811	553,576

# THE GIRLS' BRIGADE - SINGAPORE

( Registered under the Societies Act, Chapter 311 )

## 6. INCOME FROM GB SHOP

	<u>2016</u>	<u>2015</u>
	\$	\$
Sales	199,165	158,545
Less: Cost of sales		
Inventories at beginning of the year	163,219	161,089
Purchases	157,030	117,663
Inventories at end of the year (note 15)	( 183,641 )	( 163,219 )
	136,608	115,533
Surplus from sales	62,557	43,012
Less:		
Support staff costs (note 26)	37,381	20,854
General expenses	-	8
	37,381	20,862
Net surplus	25,176	22,150

## 7. SUNDRY INCOME

	<u>2016</u>	<u>2015</u> (Restated)
	\$	\$
Allowance for doubtful debts written back - non-trade (note 16)	-	557
Gain in exchange	14	-
Government grant:		
- special employment credit	10,465	11,955
- temporary employment credit	4,046	2,022
- wage credit scheme	26,069	18,070
Membership dues	9,496	9,338
Miscellaneous income	6,176	1,167
MOE maintenance grant [note 28(a)]	817	1,187
Rental income	24,000	2,000
	81,083	46,296

# THE GIRLS' BRIGADE - SINGAPORE

( Registered under the Societies Act, Chapter 311 )

## 8. TRAINING AND DEVELOPMENT PROGRAMMES

	<u>Support/ fees received</u>	<u>Expenses incurred</u>	<u>Net expenditure</u>
	\$	\$	\$
<u>2016</u>			
<u>Junior, Secondary &amp; Post-Secondary</u>			
Training conferences, course and activities	49,645	72,079	22,434
Support staff costs (note 26)	-	41,921	41,921
	49,645	114,000	64,355
<u>Officers' Development</u>			
Training seminars, workshops and courses	20,902	41,777	20,875
Other activities	17,665	56,307	38,642
Support staff costs (note 26)	-	18,244	18,244
	38,567	116,328	77,761
<b>Total</b>	<b>88,212</b>	<b>230,328</b>	<b>142,116</b>
<u>2015</u>			
<u>Junior, Secondary &amp; Post-Secondary</u>			
Training conferences, course and activities	59,146	60,857	1,711
Support staff costs (note 26)	-	53,225	53,225
	59,146	114,082	54,936
<u>Officers' Development</u>			
Training seminars, workshops and courses	6,200	28,547	22,347
Other activities	16,839	29,186	12,347
Support staff costs (note 26)	-	12,032	12,032
	23,039	69,765	46,726
<b>Total</b>	<b>82,185</b>	<b>183,847</b>	<b>101,662</b>

## 9. BRIGADE ACTIVITIES

	<u>Support/ fees received</u>	<u>Expenses incurred</u>	<u>Net (surplus)/ expenditure</u>
	\$	\$	\$
<u>2016</u>			
Exco retreats	1,180	7,734	6,554
Ceremony and meeting expenses	-	17,187	17,187
Other activities	229	79	( 150 )
Support staff costs (note 26)	-	56,692	56,692
	1,409	81,692	80,283
<b>Total</b>	<b>1,409</b>	<b>81,692</b>	<b>80,283</b>
<u>2015</u>			
Exco retreats	-	1,725	1,725
Ceremony and meeting expenses	800	26,007	25,207
Other activities	358	3,622	3,264
Support staff costs (note 26)	-	41,354	41,354
	1,158	72,708	71,550
<b>Total</b>	<b>1,158</b>	<b>72,708</b>	<b>71,550</b>

# THE GIRLS' BRIGADE - SINGAPORE

(Registered under the Societies Act, Chapter 311)

## 10. EXTENSION PROGRAMMES

	<u>2016</u>	<u>2015</u>
	\$	\$
Donations received		
- tax exempt	500	18,900
- non-tax exempt	38,959	38,184
	39,459	57,084
Less:		
Extension expenses	38,558	37,782
GB Friendship Day	84,467	88,452
Support staff costs (note 26)	67,033	75,437
	190,058	201,671
	150,599	144,587

## 11. GB COMPANY CARE SUPPORT COSTS

	<u>2016</u>	<u>2015</u>
	\$	\$
Support fee received	-	-
Less:		
Salaries and related costs (note 26)	12,490	15,265
Company care support expenses	-	267
	12,490	15,532
	12,490	15,532

## 12. GB HEADQUARTERS EXPENSES

	<u>2016</u>	<u>2015</u>
	\$	\$
Bad debts written off - trade	112	-
Bank charges	7,763	7,642
Computer maintenance	5,000	6,380
Conference and seminars expenses	1,423	1,525
Depreciation expenses (note 27)	51,917	56,404
Foreign worker levy	13,066	4,287
ICGB expenses	-	3,305
Insurance	19,346	17,953
Medical expense and staff welfare	380	1,296
Miscellaneous expenses	9,867	5,049
Office expenses	17,586	17,790
Operating lease expense	338,719	338,719
Professional fees	8,632	6,913
Repairs and maintenance	56,786	33,301
Salaries, related costs and CPF contributions (note 26)	166,723	131,044
Stationery, postage and telephone	5,170	4,654
Subcontract services	32,410	28,212
Subscription and membership fees	4,801	-
Transport	354	60
Utilities and conservancy charges	27,298	21,523
	767,353	686,057

## THE GIRLS' BRIGADE - SINGAPORE

(Registered under the Societies Act, Chapter 311)

### 13. PROPERTY, PLANT AND EQUIPMENT

	<u>The Brigade</u>	<u>The Campsite</u>	<u>Total</u>
	\$	\$	\$
<u>31 December 2016</u>			
Cost	488,385	168,861	657,246
Accumulated depreciation	( 330,865 )	( 158,103 )	( 488,968 )
Carrying amount	<u>157,520</u>	<u>10,758</u>	<u>168,278</u>
<u>31 December 2015</u>			
Cost	394,545	443,811	838,356
Accumulated depreciation	( 280,213 )	( 441,673 )	( 721,886 )
Carrying amount	<u>114,332</u>	<u>2,138</u>	<u>116,470</u>

	<u>Computers</u>	<u>Office equipment</u>	<u>Furniture and fittings</u>	<u>Renovation</u>	<u>Total</u>
	\$	\$	\$	\$	\$
<b>The Brigade</b>					
<u>Cost</u>					
At 1 January 2015	25,152	33,844	59,462	223,129	341,587
Additions	<u>10,554</u>	<u>27,180</u>	<u>2,100</u>	<u>13,124</u>	<u>52,958</u>
At 31 December 2015 and 1 January 2016	35,706	61,024	61,562	236,253	394,545
Additions	<u>65,236</u>	<u>3,845</u>	<u>15,759</u>	<u>9,000</u>	<u>93,840</u>
At 31 December 2016	<u>100,942</u>	<u>64,869</u>	<u>77,321</u>	<u>245,253</u>	<u>488,385</u>
<u>Accumulated depreciation</u>					
At 1 January 2015	18,844	20,574	51,609	134,046	225,073
Charge for the year	<u>5,290</u>	<u>7,931</u>	<u>2,153</u>	<u>39,766</u>	<u>55,140</u>
At 31 December 2015 and 1 January 2016	24,134	28,505	53,762	173,812	280,213
Charge for the year	<u>5,088</u>	<u>10,623</u>	<u>2,457</u>	<u>32,484</u>	<u>50,652</u>
At 31 December 2016	<u>29,222</u>	<u>39,128</u>	<u>56,219</u>	<u>206,296</u>	<u>330,865</u>
<u>Carrying amount</u>					
At 31 December 2016	<u>71,720</u>	<u>25,741</u>	<u>21,102</u>	<u>38,957</u>	<u>157,520</u>
At 31 December 2015	<u>11,572</u>	<u>32,519</u>	<u>7,800</u>	<u>62,441</u>	<u>114,332</u>

## THE GIRLS' BRIGADE - SINGAPORE

(Registered under the Societies Act, Chapter 311)

### 13. PROPERTY, PLANT AND EQUIPMENT (continued)

	<u>Renovation</u>	<u>Campsite equipment and canoes</u>	<u>Furniture and fittings</u>	<u>Office equipment</u>	<u>Total</u>
	\$	\$	\$	\$	\$
<b>The Campsite</b>					
<u>Cost</u>					
At 1 January 2015	305,454	85,630	43,669	6,151	440,904
Additions	-	1,900	-	1,007	2,907
At 31 December 2015 and 1 January 2016	305,454	87,530	43,669	7,158	443,811
Additions	-	11,642	5,097	-	16,739
Written off	( 217,683 )	( 38,215 )	( 29,640 )	( 6,151 )	( 291,689 )
At 31 December 2016	<u>87,771</u>	<u>60,957</u>	<u>19,126</u>	<u>1,007</u>	<u>168,861</u>
<u>Accumulated depreciation</u>					
At 1 January 2015	301,322	84,556	42,232	6,151	434,261
Charge for the year	4,132	1,391	1,437	452	7,412
At 31 December 2015 and 1 January 2016	305,454	85,947	43,669	6,603	441,673
Charge for the year	-	6,298	1,318	503	8,119
Written off	( 217,683 )	( 38,215 )	( 29,640 )	( 6,151 )	( 291,689 )
At 31 December 2016	<u>87,771</u>	<u>54,030</u>	<u>15,347</u>	<u>955</u>	<u>158,103</u>
<u>Carrying amount</u>					
At 31 December 2016	<u>-</u>	<u>6,927</u>	<u>3,779</u>	<u>52</u>	<u>10,758</u>
At 31 December 2015	<u>-</u>	<u>1,583</u>	<u>-</u>	<u>555</u>	<u>2,138</u>

### 14. INVESTMENT PROPERTY

	<u>2016</u>	<u>2015</u>
	\$	\$
Leasehold office premises - at cost	110,000	110,000
Less: Accumulated depreciation		
Balance as at 1 January	41,724	40,460
Charge for the year	1,265	1,264
Balance as at 31 December	<u>42,989</u>	<u>41,724</u>
	<u>67,011</u>	<u>68,276</u>

The fair values of the above investment property as at 31 December 2016, determined by the Brigade Executive Committee on the basis of comparable sales by reference to market evidence of transaction prices for similar properties, is approximately \$816,000. In the Brigade Executive Committee's opinion, there is no impairment in the carrying amount of the above property.

Direct operating expenses arising from the above income generating investment property during the year amount to \$5,971 (2015: \$3,392).

## THE GIRLS' BRIGADE - SINGAPORE

( Registered under the Societies Act, Chapter 311 )

### 15. INVENTORIES

	<u>2016</u>	<u>2015</u>
	\$	\$
Inventories at GB Shop, carried at cost	239,907	251,232
Less: Amounts written down to net realisable value		
Balance at beginning of the year	88,013	82,782
Write-down in current year	-	5,231
* Reversal of write-down in current year	( 31,747 )	-
Balance at end of the year	56,266	88,013
Total carrying amount of inventories at lower of cost and net realisable value	183,641	163,219

The cost of inventories recognised as an expense and included as cost of sales (note 6) amounted to \$136,608 (2015: \$115,533).

- \* The reversal on the written down of inventories amounting to \$31,747 (2015: nil) was due to changes in estimates used to mark down slow moving items and items sold in the current year.

### 16. TRADE AND OTHER RECEIVABLES

	<u>2016</u>	<u>2015</u> (Restated)
	\$	\$
Trade receivables:		
- due from GB Companies	14,397	27,037
- due from others	240	6,000
Sundry receivables		
- due from The Girls' Brigade - BB/GB Campsite	-	7,924
- due from others	91,725	115,089
	106,362	156,050
Less: Allowance for doubtful debts		
Balance at beginning of the year	-	557
Allowance written back (note 7)	-	( 557 )
Balance at end of the year	-	-
	106,362	156,050
Deposits	81,220	82,910
Prepayments	71,875	7,801
	259,457	246,761

Trade and sundry receivables are unsecured, non-interest bearing and expected to be repayable within 90 days or on demand.



## THE GIRLS' BRIGADE - SINGAPORE

( Registered under the Societies Act, Chapter 311 )

### 17. OTHER CURRENT ASSETS AND LIABILITIES

Other current assets and liabilities represent the Brigade's share of the current assets and current liabilities of the Campsite as follows:

	<u>2016</u>	<u>2015</u>
	\$	\$
<u>Current assets</u>		
Receivables	38,965	37,048
Cash and bank balances	<u>195,103</u>	<u>115,631</u>
	<u>234,068</u>	<u>152,679</u>
<u>Current liabilities</u>		
Payables	<u>37,681</u>	<u>36,003</u>

### 18. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of cash flows comprise the following balance sheet amounts:

	<u>2016</u>	<u>2015</u> (Restated)
	\$	\$
Fixed deposits	7,602,676	7,224,999
Cash and bank balances	<u>1,051,888</u>	<u>1,263,002</u>
	8,654,564	8,488,001
Less:		
Fixed deposits held as custodian for The Girls' Brigade - BB/GB Campsite	-	( 151,250 )
Fixed deposits with original maturities over 3 months	( 7,602,676 )	( 5,422,499 )
	<u>( 7,602,676 )</u>	<u>( 5,573,749 )</u>
Cash and cash equivalents in statement of cash flows	<u>1,051,888</u>	<u>2,914,252</u>

The fixed deposits of the Brigade mature within 12 months (2015: 9 months) from the balance sheet date and earn interest at rates ranging from 0.28% to 1.50% (2015: 0.25% to 1.80%) per annum.

## THE GIRLS' BRIGADE - SINGAPORE

( Registered under the Societies Act, Chapter 311 )

### 19. GB COMPANIES PROGRAMME FUND

	<u>2016</u>	<u>2015</u>
	\$	\$
Balance at beginning of the year	1,086,616	1,019,175
Transfer of funds from General Fund:		
Donations received	31,683	14,078
Allocation of GB Fortnight collections	338,519	348,921
Company programme expenses	( 328,741 )	( 295,558 )
GB companies in recess	( 18,684 )	-
	<u>22,777</u>	<u>67,441</u>
Balance at end of the year	<u>1,109,393</u>	<u>1,086,616</u>

This fund is part of the general accumulated fund, designated to fund the activities of GB companies.

### 20. BB/GB CAMPSITE FUND

	<u>2016</u>	<u>2015</u>
	\$	\$
<u>Income</u>		
Rental income	172,333	179,363
Grant income	103,382	104,402
Interest income	1,078	1,337
Other income	<u>36,620</u>	<u>36,513</u>
	313,413	321,615
<u>Less: Expenditure</u>		
Depreciation on property, plant and equipment	8,119	7,412
Land rent	103,382	102,765
Management fee	45,000	-
Employee benefits expense (note 26)	47,022	81,418
Other expenditure	37,321	37,893
	<u>240,844</u>	<u>229,488</u>
Surplus for the year	72,569	92,127
Balance at beginning of the year	262,140	270,013
Transfer to general fund	( 127,564 )	( 100,000 )
Balance at end of the year	<u>207,145</u>	<u>262,140</u>

This fund represents the Brigade's interest in the Campsite.

# THE GIRLS' BRIGADE - SINGAPORE

( Registered under the Societies Act, Chapter 311 )

## 21. CAPITAL FUND

	<u>2016</u>	<u>2015</u>
	\$	\$
Capital fund	<u>171,963</u>	<u>171,963</u>

This represents the initial fund set up for establishing The Girls' Brigade - Singapore.

## 22. DEVELOPMENT FUND

	<u>2016</u>	<u>2015</u>
	\$	\$
Development fund	<u>572,249</u>	<u>572,249</u>

This fund was set up for the purpose of financing the development and expansion of facilities, including the purchase of a premise.

## 23. GB HQ BUILDING FUND

	<u>2016</u>	<u>2015</u>
	\$	\$
Balance at beginning of the year	1,309,521	1,294,518
GB fortnight donations (note 3)	<u>13,947</u>	<u>15,003</u>
Balance at end of the year	<u>1,323,468</u>	<u>1,309,521</u>

This represents funds raised to finance the purchase of a headquarter.

## 24. SPECIAL FUNDS

	Balance as at 1 January	Funds received	Funds utilised	Balance as at 31 December
	\$	\$	\$	\$
<u>2016</u>				
Bible fund (a)	9,252	-	( 1,000 )	8,252
GB Club (b)	4,058	-	-	4,058
Elsie Lyne Scholarship Fund (c)	48,059	-	( 465 )	47,594
LGT Challenge and One Chance project - Cambodia (d)	132,760	875	( 62,876 )	70,759
Florence Ko fund (e)	<u>302,071</u>	<u>-</u>	<u>( 1,838 )</u>	<u>300,233</u>
	<u>496,200</u>	<u>875</u>	<u>( 66,179 )</u>	<u>430,896</u>
<u>2015</u>				
Bible fund (a)	9,252	-	-	9,252
GB Club (b)	4,058	-	-	4,058
Elsie Lyne Scholarship Fund (c)	52,984	-	( 4,925 )	48,059
LGT Challenge and One Chance project - Cambodia (d)	123,129	9,631	-	132,760
Florence Ko fund (e)	<u>302,071</u>	<u>-</u>	<u>-</u>	<u>302,071</u>
	<u>491,494</u>	<u>9,631</u>	<u>( 4,925 )</u>	<u>496,200</u>

# THE GIRLS' BRIGADE - SINGAPORE

( Registered under the Societies Act, Chapter 311 )

## 24. SPECIAL FUNDS (continued)

The above funds are to be used for the following designated purposes, according to the intentions of the donors:

- (a) Bible fund: To finance the printing or buying of bibles for resale or free distribution for extension programmes.
- (b) GB Club: To finance Girls' Brigade alumni activities.
- (c) Elsie Lyne Scholarship Fund: To provide financial assistance to deserving GB girls in the area of education and leadership training.
- (d) LGT Challenge and One Chance project - Cambodia: To provide financial assistance for needy children and community projects in Cambodia.
- (e) Florence Ko fund: To provide funding for extension of God's Kingdom among girls and women overseas and the Brigade's mission of developing women.

## 25. ACCOUNTS PAYABLE

	<u>2016</u>	<u>2015</u> (Restated)
	\$	\$
Accrued operating expenses	60,545	40,656
Due to The Girls' Brigade - BB/GB Campsite	-	151,250
Deposits received	19,584	36,444
Sundry payables	<u>53,478</u>	<u>54,859</u>
	<u>133,607</u>	<u>283,209</u>

Accounts payable are unsecured, non-interest bearing and are normally settled within 30 days or on demand.

## 26. EMPLOYEE BENEFITS EXPENSE

Employee benefits expense charged to the income and expenditure statement is as follows:

	<u>2016</u>	<u>2015</u>
	\$	\$
<u>The Brigade</u>		
Salaries and related costs	353,564	304,755
Employer's contributions to Central Provident Fund	<u>46,920</u>	<u>44,456</u>
	400,484	349,211
<u>The Campsite</u>		
Share of employee benefits expense (note 20)	<u>47,022</u>	<u>81,418</u>
	<u>447,506</u>	<u>430,629</u>

# THE GIRLS' BRIGADE - SINGAPORE

( Registered under the Societies Act, Chapter 311 )

## 26. EMPLOYEE BENEFITS EXPENSE (continued)

The above employee benefits expenses are represented by staff costs charged to:

	<u>2016</u>	<u>2015</u>
	\$	\$
<u>General fund</u>		
GB shop (note 6)	37,381	20,854
Training and development programmes		
- Junior, Secondary and Post-Secondary (note 8)	41,921	53,225
- Officers' Development (note 8)	18,244	12,032
Brigade activities (note 9)	56,692	41,354
Extension programmes (note 10)	67,033	75,437
GB company care support costs (note 11)	12,490	15,265
GB HQ expenses (note 12)	<u>166,723</u>	<u>131,044</u>
	400,484	349,211
<u>BB/GB Campsite fund</u>		
Employee benefits expense (note 20)	<u>47,022</u>	<u>81,418</u>
	<u>447,506</u>	<u>430,629</u>

## 27. DEPRECIATION EXPENSES

	<u>2016</u>	<u>2015</u>
	\$	\$
Depreciation on:		
Property, plant and equipment (note 13)	50,652	55,140
Investment property (note 14)	<u>1,265</u>	<u>1,264</u>
	<u>51,917</u>	<u>56,404</u>

## 28. DEFERRED GRANT INCOME

	<u>2016</u>	<u>2015</u>
	\$	\$
(a) MOE grant for enhancement of GB HQ		
Balance at 1 January	817	2,004
Amortised to income during the year (note 7)	( 817 )	( 1,187 )
Balance at 31 December	-	817
(b) MOE special project grants		
Balance at 1 January	116,213	120,245
Funds utilised	( 14,713 )	( 4,032 )
Balance at 31 December	101,500	116,213

# THE GIRLS' BRIGADE - SINGAPORE

( Registered under the Societies Act, Chapter 311 )

28. DEFERRED GRANT INCOME (continued)

	<u>2016</u>	<u>2015</u>
	\$	\$
(c) <b>MOE Secondary Programme Project Grant</b>		
Balance at 1 January	34,400	34,400
Funds received	( 5,539 )	-
Balance at 31 December	28,861	34,400
(d) <b>MOE Officers' Training Grant</b>		
Balance at 1 January	44,435	-
Funds received	60,000	60,000
Funds utilised (note 5)	( 39,872 )	( 15,565 )
Balance at 31 December	64,563	44,435
(e) <b>MSF Care and Share Grant</b>		
Balance at 1 January	242,435	-
Funds received	245,869	380,137
Funds utilised (note 5)	( 143,491 )	( 137,702 )
Balance at 31 December	344,813	242,435
	539,737	438,300

(a) MOE Grant for Enhancement of GB HQ

This grant is a subsidy for the enhancement of training facilities relating to safety and hygiene at GB HQ.

(b) MOE Special Project Grants

These special grants for uniformed groups are provided by MOE in relation to approved projects to be carried out for the benefit of Brigade's members. The Brigade's approved projects which comprise of Handbooks, Primary and Core Curriculum Training Package and Training Videos should be completed by March 2017. Any unutilised funds upon the completion of these projects are to be returned to the Ministry of Education Character and Citizenship Education Branch.

(c) MOE Secondary Programme Project Grant

This grant is provided by MOE in relation to approved projects to be carried out for the benefit of the Brigade's members. The Brigade's approved projects which comprise of revision of curriculum and design of package should be completed by March 2017. Any unutilised funds upon the completion of these projects are to be returned to the Ministry of Education Character and Citizenship Education Branch.

(d) MOE Officers' Training Grant

This grant is provided by MOE to help enhance the Brigade's teachers' and officers' capacities in enriching students experience through co-curricular activities. The grant covers training costs of teach officers, volunteer adult leaders and HQ registered volunteers. There is no expiry for the usage of this grant.

# THE GIRLS' BRIGADE - SINGAPORE

( Registered under the Societies Act, Chapter 311 )

## 28. DEFERRED GRANT INCOME (continued)

### (e) MSF Care and Share Grant

This grant is provided by the Ministry of Social and Family Development ("MSF"). The Care and Share movement is a national fund-raising and volunteerism movement for the social service sector, with the objectives of bringing the nation together to show care and concern for the less fortunate, and to invest in building capability in the social service sector to meet future needs. The grant should be utilised by December 2017. Thereafter, any unutilised funds are to be returned to MSF.

The remaining Care and Share grant available for use is as follows:

	<u>2016</u>	<u>2015</u>
	\$	\$
Balance of deferred grant income	344,813	242,435
Unamortised balance pertaining to assets purchased with the grant	( 117,293 )	( 78,946 )
	<u>227,520</u>	<u>163,489</u>

## 29. TAX EXEMPT DONATIONS

	<u>2016</u>	<u>2015</u>
	\$	\$
Corporate donors	15,174	26,100
Individual donors	<u>344,110</u>	<u>401,129</u>
	<u>359,284</u>	<u>427,229</u>

## 30. RELATED PARTIES

For the purposes of these financial statements, the definition of a related party is disclosed in note 2(r) to the financial statements.

The Brigade is governed by the Brigade Council. The administration of the Brigade is vested in the Brigade Executive Committee which supervises and manages the affairs of the Brigade.

The Brigade has in place a conflict of interests policy in its code of conduct. All members of the Brigade Executive Committee and senior management are required to declare their interests yearly.

### *Key management personnel*

The key management personnel comprise members of the Brigade Executive Committee and senior management staff employed by the Brigade. Members of the Brigade Executive Committee are volunteers and receive no monetary remuneration for their contribution, except for reimbursement of out-of-pocket expenses.

The three highest paid executives employed by the Brigade receive annual remuneration of less than \$100,000 (2015: less than \$100,000) each.

# THE GIRLS' BRIGADE - SINGAPORE

( Registered under the Societies Act, Chapter 311 )

## 31. CAPITAL COMMITMENT

As at the balance sheet date, the Brigade has capital commitment amounting to \$15,975 (2015: nil) in respect of contracted expenditure for property, plant and equipment which has not been provided in the financial statements.

## 32. OPERATING LEASE COMMITMENT

During the year, the Brigade leased its investment property to a non-related party under non-cancellable operating lease.

As at balance sheet date, lease commitments under non-cancellable operating lease where the Brigade is the lessor are as follows:

	<u>2016</u>	<u>2015</u>
	\$	\$
Receivable within 1 year	22,000	24,000
Receivable after 1 year but not later than 5 years	-	22,000
	<u>22,000</u>	<u>46,000</u>

The above operating leases do not provide for contingent rents.

## 33. FINANCIAL RISK MANAGEMENT

The Brigade is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks are credit risk, liquidity risk and interest rate risk. The Executive Committee reviews and agrees on policies for managing each of these risks and they are summarised below:

### (i) Credit risk

Credit risk is the potential risk of financial loss resulting from the failure of customers or other counterparties to settle their financial and contractual obligations to the Brigade as and when they fall due.

The Brigade's main financial assets consist of cash and cash equivalents. Cash and bank deposits are placed with financial institutions which are regulated.

The Executive Committee has credit policies in place to minimise exposure to credit risk.

Credit evaluations are performed on all tenants. Tenants are required to place security deposits with the Brigade at the commencement of each tenancy term.

At the balance sheet date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

### *Financial assets that are neither past due nor impaired*

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Brigade.



# THE GIRLS' BRIGADE - SINGAPORE

(Registered under the Societies Act, Chapter 311)

## 33. FINANCIAL RISK MANAGEMENT (continued)

### (i) Credit risk (continued)

#### *Financial assets that are past due but not impaired*

The Brigade has trade receivables that are past due but not impaired. These trade receivables are unsecured and the analysis of their aging at balance sheet date is as follows:

	<u>2016</u>	<u>2015</u>
	\$	\$
Trade receivables past due:		
1 to 30 days	289	3,554
31 to 60 days	621	7,602
More than 60 days	<u>13,727</u>	<u>21,881</u>
	<u>14,637</u>	<u>33,037</u>

### (ii) Liquidity risk

Liquidity risk is the risk that the Brigade will encounter difficulty in meeting financial obligations due to shortage of funds.

The Executive Committee monitors the liquidity risk of the Brigade and maintains a level of cash and cash equivalents deemed adequate to finance the Brigade's operations and to mitigate the effects of fluctuations in cash flows.

All financial liabilities of the Brigade are repayable on demand or will mature within one year.

### (iii) Interest rate risk

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

The Brigade does not have any interest-bearing financial liabilities. Its only exposure to interest rate risk relates to interest-earning bank deposits. The Executive Committee monitors movements in interest rates to ensure deposits are placed with financial institutions offering optimal rates of return.

The interest rates and terms of maturity of financial assets of the Brigade are disclosed in note 18 to the financial statements.

## 34. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of cash and cash equivalents, receivables and payables classified as current assets and current liabilities, which are measured on the amortised cost basis, approximate their fair values due to their short term nature.

# THE GIRLS' BRIGADE - SINGAPORE

(Registered under the Societies Act, Chapter 311)

## 34. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (continued)

### Financial Instruments by Category

The aggregate carrying amounts of financial instruments classified as loans and receivables and financial liabilities at amortised cost are as follows:

	<u>2016</u>	<u>2015</u>
	\$	\$
Loans and receivables	9,076,214	8,879,640
Financial liabilities at amortised cost	171,288	319,212

## 35. RESERVES MANAGEMENT POLICY

The Brigade's reserves position at balance sheet date are as follows:

	<u>2016</u>	<u>2015</u>
	\$	\$
General accumulated fund		
- General fund	5,040,880	4,579,205
- GB companies programme fund (note 19)	<u>1,109,393</u>	<u>1,086,616</u>
	6,150,273	5,665,821
Restricted funds		
- BB/GB Campsite fund (note 20)	207,145	262,140
- Capital fund (note 21)	171,963	171,963
- Development fund (note 22)	572,249	572,249
- GB HQ building fund (note 23)	1,323,468	1,309,521
- Special funds (note 24)	<u>430,896</u>	<u>496,200</u>
	<u>8,855,994</u>	<u>8,477,894</u>
Actual operating expenditure	<u>1,482,371</u>	<u>1,322,246</u>
Ratio of reserves to actual operating expenditure	<u>6.0</u>	<u>6.4</u>

The primary objective of the Brigade's reserves management policy is to provide financial stability and the means to support its ongoing programmes and develop its principal activities.

Restricted / designated funds are only used for the specific purposes for which the funds were set up.

The Executive Committee periodically reviews the amount of reserves that are required to ensure that they are adequate to fulfill the Brigade's continuing obligations.

The Brigade is not subject to externally imposed reserves requirements.

There were no changes to the Brigade's approach to reserves management since the previous financial year.

# THE GIRLS' BRIGADE - SINGAPORE

(Registered under the Societies Act, Chapter 311)

## 36. PRIOR PERIOD ADJUSTMENT

As explained in note 2(j) to the financial statements, the Brigade and The Boys' Brigade in Singapore have joint control of the Campsite. They have equal rights to the assets and obligations for the liabilities relating to the Campsite. However, in the previous years, the Brigade's interest in the Campsite was not reflected in the financial statements.

During the year, adjustments have been made retrospectively to account for the Brigade's interest in the Campsite as a joint operation. The Brigade recognises its share of the Campsite's assets and liabilities on the statement of financial position. Its share of the income and expenditure earned or incurred by the Campsite is recognised as income and expenditure of the BB/GB Campsite fund.

The details of the prior period adjustment are as follows:

	<u>Restated</u>	<u>As previously reported</u>	<u>Prior period adjustment</u>
	\$	\$	\$
<u>Statement of income and expenditure</u>			
For the year ended 31 December 2015			
- Sundry income	46,296	146,296	( 100,000 )
- Net surplus from BB/GB Campsite fund	92,127	-	92,127
<u>Statement of financial position</u>			
At 31 December 2015			
- Property, plant and equipment	116,470	114,332	2,138
- Trade and other receivables	246,761	254,685	( 7,924 )
- Other current assets	152,679	-	152,679
- BB/GB Campsite fund	262,140	-	262,140
- Accounts payable	283,209	434,459	( 151,250 )
- Other current liabilities	36,003	-	36,003
At 1 December 2015			
- Property, plant and equipment	123,157	116,514	6,643
- Other current assets	170,698	-	170,698
- BB/GB Campsite fund	270,013	-	270,013
- Accounts payable	254,456	379,456	( 125,000 )
- Other current liabilities	32,328	-	32,328

## 37. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the financial year ended 31 December 2016 were authorised for issue by the Brigade Executive Committee on 9 March 2017.