

THE GIRLS' BRIGADE - SINGAPORE
UEN No. S61SS0001A

**(Registered under the Societies Act, Chapter 311 in the
Republic of Singapore)**

**FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2022**

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THE GIRLS' BRIGADE - SINGAPORE

UEN No. S61SS0001A

STATEMENT BY THE BOARD COMMITTEE

For the financial year ended 31 December 2022

The Board of Committee is pleased to present their statement to the members together with the audited financial statements of The Girls' Brigade - Singapore (the Brigade) for the financial year ended 31 December 2022.

Opinion of the Board Committee

In the opinion of the Board Committee,

- (a) the financial statements of the Brigade are drawn up so as to present fairly, in all material aspects, the state of affairs of the Brigade as at **31 December 2022** and the results, changes in funds and cash flows of the Brigade for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Brigade will be able to pay its debts as and when they fall due.

The Board Committee, comprising the following, has on the date of this statement authorised these financial statements for issue.

<u>Name</u>	<u>Designation</u>
Sharon Geraldine Liat Mei Kuen	President
Joann Gor May Lee	Vice President
Patricia Lam Man Pin	Treasurer
Sandra Tan Bee Eng	Secretary

Arrangements to enable to acquire debentures

Neither at the end of nor at any time during the financial year was the Brigade a party to any arrangement whose objects are, or one of whose objects is, to enable the Members of the Brigade to acquire benefits by means of the acquisition of debentures of, the Brigade or any other body corporate.

Auditor

Assurance Partners LLP has expressed its willingness to accept appointment.

On behalf of the Board Committee,



Sharon Geraldine Liat Mei Kuen
President



Patricia Lam Man Pin
Treasurer

Singapore

Date: **13 MAR 2023**

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

UEN No. S61SS0001A

*(Registered under the Societies Act, Chapter 311 in the
Republic of Singapore)*

For the financial year ended 31 December 2022

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **THE GIRLS' BRIGADE - SINGAPORE** (the "Brigade") which comprise the statement of financial position as at **31 December 2022**, the statement of income and expenditure and other comprehensive income, statement of changes in 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 provisions of the Societies Act, Chapter 311 (the Societies Act), the Charities Act, Chapter 37 (the Charities Act) and other relevant regulations (the Charities Act and Regulations) and the Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material aspects, the state of affairs of the Brigade as at **31 December 2022** and the results, changes in funds and cash flows of the Brigade for the financial 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 (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 Matter

The financial statements of the Brigade for the financial year ended 31 December 2021 were audited by another firm of auditor who expressed an unmodified opinion on those statements on 8 March 2022.

Other Information

Management is responsible for other information. The other information comprises the Statement by Board Committee set out on page 1.

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

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

UEN No. S61SS0001A

*(Registered under the Societies Act, Chapter 311 in the
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For the financial year ended 31 December 2022

Other Information (continued)

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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and FRSS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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.

Those charged with governance are responsible for overseeing the Brigade'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 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.

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

UEN No. S61SS0001A

*(Registered under the Societies Act, Chapter 311 in the
Republic of Singapore)*

For the financial year ended 31 December 2022

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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.

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 Requirement

In our opinion:

- (a) the accounting and other records required to be kept by the Brigade have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- (b) The fund-raising appeal held during the financial year 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.

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

UEN No. S61SS0001A

*(Registered under the Societies Act, Chapter 311 in the
Republic of Singapore)*

For the financial year ended 31 December 2022

Report on Other Legal and Regulatory Requirement (continued)

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

- (a) the Brigade 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
- (c) the Brigade has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.



Assurance Partners LLP
Public Accountants and Chartered Accountants

Singapore

Date: **13 MAR 2023**

THE GIRLS' BRIGADE - SINGAPORE

UEN No. S61SS0001A

STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME*For the financial year ended 31 December 2022*

	Note	2022 S\$	2021 S\$
<u>Income</u>			
Brigade Fortnight collections	(4)	552,780	411,653
Donations / Contributions	(5)	472,170	477,733
Grant income	(6)	874,626	808,315
Surplus from GB shop	(7)	44,858	38,871
Interest income		76,927	31,865
Sundry income		303	2,049
		2,021,664	1,770,486
<u>Less: Expenditures</u>			
Training and development programmes	(8)	174,557	68,027
Brigade activities	(9)	34,423	11,134
Community development	(10)	89,735	77,343
Company programmes expenses		252,074	171,379
Special fund expenses		-	26,498
GB company care support costs	(11)	63,737	17,784
GB headquarters expenses	(12)	547,345	581,337
Manpower cost	(27)	824,609	776,768
		1,986,480	1,730,270
Surplus from General Fund		35,184	40,216
Surplus/(Deficit) from:			
- GB companies programme fund	(21)	21,155	-
- Special fund	(26)	(99,007)	-
		(77,852)	-
<u>Other comprehensive loss</u>			
Items that may be reclassified subsequently to profit or loss:			
Movements in restricted funds:			
BB Sembawang Campsite Fund			
- share of loss for the year	(22)	(19,408)	(116,902)
Total comprehensive loss for the year		(62,076)	(76,686)

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

THE GIRLS' BRIGADE - SINGAPORE
UEN No. S61SS0001A

STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	Note	2022 S\$	2021 S\$
ASSETS			
Non-current assets			
Property, plant and equipment	(13(c))	<u>645,821</u>	<u>992,292</u>
Current assets			
Inventories	(14)	195,285	138,318
Other receivables	(15)	245,720	196,287
Cash and short-term deposits	(16)	<u>9,834,575</u>	<u>10,368,408</u>
		<u>10,275,580</u>	<u>10,703,013</u>
Total assets		<u><u>10,921,401</u></u>	<u><u>11,695,305</u></u>
FUNDS AND LIABILITIES			
Funds			
Unrestricted funds:			
- General fund		6,415,449	6,380,265
- GB companies programme fund	(21)	<u>1,404,981</u>	<u>1,383,826</u>
		<u>7,820,430</u>	<u>7,764,091</u>
Restricted funds:			
- BB Sembawang Campsite fund	(22)	82,684	102,092
- Capital fund	(23)	171,963	171,963
- Development fund	(24)	572,249	572,249
- GB HQ building fund	(25)	1,323,468	1,323,468
- Special fund	(26)	<u>284,192</u>	<u>383,199</u>
Total funds		<u>10,254,986</u>	<u>10,317,062</u>
Non-current liabilities			
Lease liabilities	(17)	136,058	475,213
Provision for reinstatement costs	(18)	<u>7,800</u>	<u>7,800</u>
		<u>143,858</u>	<u>483,013</u>
Current liabilities			
Other payables	(19)	145,641	110,793
Deferred grant income	(20)	37,761	371,897
Lease liabilities	(17)	<u>339,155</u>	<u>412,540</u>
		<u>522,557</u>	<u>895,230</u>
Total liabilities		<u>666,415</u>	<u>1,378,243</u>
TOTAL FUNDS AND LIABILITIES		<u><u>10,921,401</u></u>	<u><u>11,695,305</u></u>

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

THE GIRLS' BRIGADE - SINGAPORE

UEN No. S61SS0001A

STATEMENT OF CHANGES IN FUNDS

For the financial year ended 31 December 2022

	Unrestricted Funds		Restricted Funds				Total funds S\$
	General fund S\$	GB companies programme fund S\$ (Note 21)	BB Sembawang Campsite fund S\$ (Note 22)	Capital fund S\$ (Note 23)	Development fund S\$ (Note 24)	GB HQ Building fund S\$ (Note 25)	
At 1 January 2021	6,566,092	1,370,482	218,994	171,963	572,249	1,323,468	10,393,748
Surplus for the year	40,216	-	-	-	-	-	40,216
Other comprehensive loss	-	-	(116,902)	-	-	-	(116,902)
Transfer of General Fund to:							
- GB companies programme fund	(13,344)	13,344	-	-	-	-	-
- Special fund	(212,699)	-	-	-	-	212,699	-
At 31 December 2021	6,380,265	1,383,826	102,092	171,963	572,249	1,323,468	10,317,062
Surplus/(deficit) for the year	35,184	21,155	-	-	-	-	(42,668)
Other comprehensive loss	-	-	(19,408)	-	-	-	(19,408)
At 31 December 2022	6,415,449	1,404,981	82,684	171,963	572,249	1,323,468	10,254,986

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

THE GIRLS' BRIGADE - SINGAPORE

UEN No. S61SS0001A

STATEMENT OF CASH FLOWS*For the financial year ended 31 December 2022*

	Note	2022 S\$	2021 S\$
<u>Cash flows from operating activities</u>			
Surplus for the year		35,184	40,216
<u>Adjustments for:</u>			
Depreciation of property, plant and equipment	(13(d))	484,242	524,145
Property, plant and equipment written-off		683	5,156
Interest expense on lease liabilities	(17(b))	31,294	49,697
Interest income		(76,927)	(31,865)
Share of loss of BB Sembawang Campsite	(22)	(19,408)	(116,902)
GB companies programme fund	(21)	21,155	-
Special fund	(26)	(99,007)	-
Operating surplus before working capital changes		377,216	470,447
<u>Changes in working capital:</u>			
Inventories		(56,967)	33,441
Other receivables		(2,862)	39,908
Other payables		34,848	(2,786)
Cash generated from operations		352,235	541,010
Interest received		30,356	33,792
Interest paid		(31,294)	(49,697)
Net cash generated from operating activities		351,297	525,105
<u>Cash flows from investing activities</u>			
Acquisition of property, plant and equipment	(13(a), (b))	(138,454)	(110,485)
(Increase)/Decrease in short-term deposits with maturity more than 3 months		(30,259)	65,261
Net cash used in investing activities		(168,713)	(45,224)
<u>Cash flows from financing activities</u>			
Net MOE Special Project Grants utilised	(20)	(52,860)	-
Net MOE Capitation Grant (utilised)/received	(20)	(35,030)	12,550
Net MOE Officers' Training Grant received	(20)	10,514	14,606
Net MSF Care and Share Grant utilised	(20)	(256,760)	(282,749)
Payment of principal portion of lease liabilities	(17(b))	(412,540)	(394,137)
Net cash used in financing activities		(746,676)	(649,730)
Net decrease in cash and cash equivalents		(564,092)	(169,849)
Cash and cash equivalents at 1 January		1,456,650	1,626,499
Cash and cash equivalents at 31 December	(16)	892,558	1,456,650

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

THE GIRLS' BRIGADE - SINGAPORE

UEN No. S61SS0001A

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

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

1. General

The Girls' Brigade - Singapore (the "Brigade") is registered under the Societies Act, Chapter 311 in the Republic of Singapore and its registered address is at 795 Upper Serangoon Road, Singapore 534667. It is also a charity under the Charities Act, Chapter 37 since 23 April 1985. Its Unique Entity Number (UEN) is S61SS0001A.

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.

The Brigade has been renewed the Institution of Public Character ("IPC") status for the period from 1 September 2022 to 31 August 2025.

2. Summary of significant accounting policies

(a) Basis of preparation

The financial statements of the Brigade have been drawn up in accordance with Financial Reporting Standards in Singapore (FRSs). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

(b) Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Brigade has adopted all the new and amended standards which are relevant to the Brigade and are effective for annual financial periods beginning on or after 1 January 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Brigade.

(c) Standards issued but not yet effective

The Brigade has not adopted the following standards applicable to the Brigade that have been issued but not yet effective:

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to FRS 1 <i>Presentation of Financial Statements</i> : Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 <i>Presentation of Financial Statement</i> and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (continued)

(c) Standards issued but not yet effective (continued)

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to FRS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> : Definition of Accounting Estimates	1 January 2023
Amendments to FRS 116 <i>Leases</i> : Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to FRS 1 <i>Presentation of Financial Statements</i> : Non-current Liabilities with Covenants	1 January 2024

The Board Committee expects that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

(d) Income recognition

Income is measured based on the consideration to which the Brigade expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Income is recognised when the Brigade satisfies a performance obligation by transferring a promised goods or services to the customer, which is when the customer obtains control of the goods or services. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Sales of goods

Sales of goods is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied.

Rental income

Rental income is recognised on a straight-line basis over the lease term.

Donations

Brigade Fortnight collections, donations and contributions are recognised as income upon receipt.

Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (continued)

(e) Manpower Cost

(i) *Defined contribution plans*

The Brigade makes contributions to the Central Provident Fund (CPF) scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(ii) *Short-term employee benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Brigade has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(f) Government grants

Government grants are recognised when 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 statement of financial position and is amortised to income and expenditure over the expected useful life of the relevant asset by equal annual instalments.

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

(g) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	<u>Useful lives</u>
Leasehold premises	Over the lease period of 3 years
Campsite equipment and canoes	2 years
Computers	3 years
Office Equipment	2 - 3 years
Furniture and fittings	2 - 3 years
Renovation	2 - 5 years

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (continued)

(g) Property, plant and equipment (continued)

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

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 on de-recognition of the asset is included in statement of income and expenditure in the year the asset is derecognised.

(h) Impairment of non-financial assets

The Brigade assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Brigade makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in statement of income and expenditure.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in statement of income and expenditure.

(i) Financial instruments

(i) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Brigade measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in statement of income and expenditure.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (continued)

(i) Financial instruments (continued)

(i) Financial assets (continued)

Subsequent measurement

- Investment in debts instruments

Subsequent measurement of debt instruments depends on the Brigade's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, FVOCI and FVPL.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in income or expenditure when the assets are derecognised or impaired, and through the amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in statement of income and expenditure.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Brigade becomes a party to the contractual provisions of the financial instrument. The Brigade determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in income and expenditure when the liabilities are derecognised, and through the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (continued)

(i) Financial instruments (continued)

(ii) Financial liabilities (continued)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in statement of income and expenditure.

(iii) Offsetting of financial instruments

A financial asset and a financial liability shall be offset and the net amount presented in the statement of financial position when, and only when, an entity:

(a) currently has a legally enforceable right to set off the recognised amounts; and

(b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(j) Impairment of financial assets

The Brigade recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Brigade expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

The Brigade considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Brigade may also consider a financial asset to be in default when internal or external information indicates that the Brigade is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Brigade. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(k) Income tax

As a registered charity under the Charities Act, the Brigade's income is exempt from income tax under Section 13(1)(zm) of the Income Tax Act 1947.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (continued)

(l) Cash and short-term deposits

Cash and short-term deposits comprise cash at banks and on hand, and deposits with financial institution which are subject to an insignificant risk of changes in value.

(m) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

When necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

(n) Provisions

(i) General

Provisions are recognised when the Brigade has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(ii) Provision for reinstatement cost

The Brigade recognised a liability and capitalises an expense in property, plant and equipment if the Brigade has a present legal or constructive obligation to reinstate the leased premises to their original state upon expiry of the lease. The provision is made based on management's best estimate of the expected costs to be incurred to reinstate the leased premises to their original state. The capitalised provision for reinstatement cost in property, plant and equipment is amortised over the period of lease.

(o) Foreign currency

(i) Functional and presentation currency

Items included in the financial statements of the Brigade are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Singapore Dollar ("S\$"), which is the Brigade's functional currency.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (continued)

(o) Foreign currency (continued)

(ii) Transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Brigade and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in statement of income and expenditure.

(p) Leases

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

(i) As lessee

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

Right-of-use assets

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

If ownership of the leased asset transfer to the Brigade at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2(h).

The Brigade's right-of-use assets are presented within property, plant and equipment (Note 13).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (continued)

(p) Leases (continued)

(i) As lessee (continued)

Lease liabilities

At the commencement date of the lease, the Brigade recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Brigade and payments of penalties for terminating the lease, if the lease term reflects the Brigade exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

(ii) As lessor

Leases in which the Brigade does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating leases on the Brigade's investment properties is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (continued)

(q) 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 of 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 the others).
- (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 employees 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.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Brigade, directly or indirectly, including any board of management committee of the Brigade.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (continued)

(r) Interest in BB Sembawang Campsite

BB Sembawang 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 equal obligations for the liabilities relating to the Campsite.

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

(s) Funds

Unrestricted funds comprise the general fund and GB companies programme fund as disclosed in Note 21. Restricted funds comprise specific funds to be used for designated purposes, as disclosed in Note 22 to 26. Unless specifically indicated, fund balances are not represented by any specific assets but are represented by the total net assets of the Brigade.

(t) Contingencies

A contingent liability is:

- (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Brigade; or
- (ii) a present obligation that arises from past events but is not recognised because:
 - It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Brigade.

Contingent liabilities and assets are not recognised on the statement of financial position of the Brigade, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

3. Significant accounting judgements and estimates

The preparation of the Brigade's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

Management is of the opinion that there are no significant judgements made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Brigade based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Brigade. Such changes are reflected in the assumptions when they occur.

(a) Inventory valuation method

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made periodically on inventories for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the inventory balances for any such declines. The realisable value represents the best estimate of the recoverable amount and is based on the most reliable evidence available and inherently involves estimates regarding the future expected realisable value.

The carrying amount of the Brigade's inventories as at 31 December 2022 was S\$195,285 (2021: S\$138,318). If the future expected realisable value lower by 10% of its carrying amount, the carrying amount of the Brigade's inventory would have been S\$19,528 (2021: S\$13,831) lower.

(b) Provision for expected credit losses (ECLs) of other receivables

The Brigade uses a probability of default method to calculate ECLs for other receivables. The probability of default is based on probability of default events that are possible within the next 12-months (a 12-month ECL) for other receivables which there have not been a significant increase in credit risk since initial recognition or probability of default events that are possible over the remaining life of the exposure (a lifetime ECL) for other receivables which there have been a significant increase in credit risk since initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

3. Significant accounting judgements and estimates (continued)

3.2 Key sources of estimation uncertainty (continued)

(b) Provision for expected credit losses (ECLs) of other receivables (continued)

The probability of default is initially based on the Brigade historical observed default rates. The Brigade will calibrate the probability to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Brigade's historical credit loss experience and forecast of economic conditions may also not be representative of debtor's actual default in the future. The information about the ECLs on the Brigade's other receivables is disclosed in Note 30(a).

The carrying amount of the Brigade's other receivables as at 31 December 2022 is disclosed in Note 15.

(c) Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment whenever there is an indication that these assets may be impaired. The Brigade considers the guidance of FRS 36 in assessing whether there is any indication that an item of the above assets may be impaired. This assessment requires significant judgement.

If any such indication exists, the recoverable amount of the assets is estimated to ascertain the amount of impairment loss. The recoverable amount is defined as the higher of the fair value less cost to sell and value-in-use.

In determining the value-in-use of assets, the Brigade applies a discounted cash flow model where the future cash flows derived from such assets are discounted at an appropriate rate. Forecasts of future cash flow are estimated based on financial budgets and forecasts approved by the management.

The carrying amount of the Brigade's property, plant and equipment as at 31 December 2022 is disclosed in Note 13.

(d) Estimated useful lives of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight-line basis over the property, plant and equipment's estimated economic useful lives. The estimated useful life reflects Brigade's estimate of the periods that Brigade intends to derive future economic benefits from the use of the Brigade's property, plant and equipment.

The carrying amount of the Brigade's property, plant and equipment as at 31 December 2022 is disclosed in Note 13.

THE GIRLS' BRIGADE - SINGAPORE

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

3. Significant accounting judgements and estimates (continued)**3.2 Key sources of estimation uncertainty** (continued)

(e) Estimating the incremental borrowing rate of leases

The Brigade cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Brigade would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rate therefore reflects what the Brigade 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Brigade estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

4. Brigade Fortnight collections

	2022	2021
	S\$	S\$
Brigade Fortnight collections		
- tax exempt donations	331,764	229,026
- non-tax-exempt donations	225,248	186,121
	557,012	415,147
Less: Office expenses	(4,232)	(3,494)
	<u>552,780</u>	<u>411,653</u>

5. Donations / Contributions

	2022	2021
	S\$	S\$
General donations		
- tax exempt donations	76,940	117,135
- non-tax-exempt donations	86,457	293,088
GB Friend In Deed	11,060	-
Contributions from users of GB Centre	297,713	67,510
	<u>472,170</u>	<u>477,733</u>

THE GIRLS' BRIGADE - SINGAPORE

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

6. Grant income

	2022	2021
	S\$	S\$
Grants from Ministry of Education		
- Singapore Land Authority Grant	338,719	324,606
- Capitation Grant	62,253	48,252
- Officers' Training Grant (Note 20)	49,486	45,394
- Special Project Grant (Note 20)	52,861	-
Grants from Ministry of Social and Family Development		
- Care and Share Grant (Note 20)	256,760	282,749
Grow and Go Grant	83,568	-
Other government grants	30,979	54,590
Jobs Support Scheme grant	-	38,611
Rental relief grant	-	14,113
	<u>874,626</u>	<u>808,315</u>

7. Surplus from GB Shop

	2022	2021
	S\$	S\$
Sales	168,949	158,092
<u>Less: Cost of sales</u>		
Opening inventories	138,318	171,759
Purchases	176,900	82,317
Inventories written off	1,450	3,349
Closing inventories (Note 14)	(195,285)	(138,318)
	<u>121,383</u>	<u>119,107</u>
Surplus from sales	47,566	38,985
Less:		
Sundry expenses	(2,708)	(114)
	<u>44,858</u>	<u>38,871</u>

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 December 2022

8. Training and development programmes

	Support/fees received S\$	Expenses incurred S\$	Net Expenditure S\$
2022			
Training conference, course and activities	(30,379)	192,078	161,699
Depreciation expenses (Note 13(d))	-	12,858	12,858
	<u>(30,379)</u>	<u>204,936</u>	<u>174,557</u>
2021			
Training conference, course and activities	(38,496)	106,523	68,027

9. Brigade activities

	2022 S\$	2021 S\$
Exco retreats	455	111
Ceremony and meeting expenses	7,491	18
Other activities	1,634	600
Corporate communications	15,093	10,405
Heritage gallery	9,750	-
	<u>34,423</u>	<u>11,134</u>

10. Community Development

	2022 S\$	2021 S\$
GB Friend In Deed	82,548	74,532
Depreciation expenses (Note 13(d))	7,187	2,811
	<u>89,735</u>	<u>77,343</u>

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 December 2022

11. GB company care support costs

	2022	2021
	S\$	S\$
Company care support expenses	58,382	10,603
Other expenses	5,355	-
Depreciation expenses (Note 13(d))	-	7,181
	<u>63,737</u>	<u>17,784</u>

12. GB headquarters expenses

	2022	2021
	S\$	S\$
Depreciation expenses (Note 13(d))	368,501	401,841
Repair and maintenance	47,332	28,362
Insurance expenses	24,038	28,986
Utilities charges	22,258	16,385
Interest on lease liabilities	19,785	35,308
Professional fee	19,401	21,524
Miscellaneous expenses	9,919	8,121
Stationery, postage and telephone	9,403	12,422
Bank charges	7,736	8,232
Computer maintenance	5,906	5,193
Medical and staff welfare	5,054	5,013
General and office expenses	4,296	582
Training fee	1,376	2,403
Subscription fee	1,148	470
Loss on disposal of property, plant and equipment	682	5,156
Subcontract services	510	1,339
	<u>547,345</u>	<u>581,337</u>

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

13. Property, plant and equipment

(a) The Brigade

	Leasehold premises S\$	Computer S\$	Office equipment S\$	Furniture and fittings S\$	Renovation S\$	Total S\$
Cost						
At 1 January 2021	945,724	178,145	29,095	35,549	406,420	1,594,933
Additions	-	43,767	6,835	-	59,883	110,485
Written-off	-	(5,395)	(328)	(10,432)	-	(16,155)
At 31 December 2021 and 1 January 2022	945,724	216,517	35,602	25,117	466,303	1,689,263
Additions	-	13,062	37,362	14,015	69,514	133,953
Written-off	-	(2,716)	(14,924)	(3,317)	(50,954)	(71,911)
At 31 December 2022	945,724	226,863	58,040	35,815	484,863	1,751,305
Accumulated depreciation						
At 1 January 2021	78,810	133,716	25,455	22,268	343,834	604,083
Depreciation	315,241	31,970	1,439	1,760	61,423	411,833
Written-off	-	(5,395)	(328)	(5,276)	-	(10,999)
At 31 December 2021 and 1 January 2022	394,051	160,291	26,566	18,752	405,257	1,004,917
Depreciation	315,241	35,334	14,888	9,825	13,258	388,546
Written-off	-	(2,716)	(14,923)	(3,317)	(50,272)	(71,228)
At 31 December 2022	709,292	192,909	26,531	25,260	368,243	1,322,235
Carrying amount						
At 31 December 2021	551,673	56,226	9,036	6,365	61,046	684,346
At 31 December 2022	236,432	33,954	31,509	10,555	116,620	429,070

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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

13. Property, plant and equipment (continued)

(b) The Campsite

	Leasehold premises S\$	Campsite equipment and canoes S\$	Office equipment S\$	Furniture and fittings S\$	Renovation S\$	Total S\$
Cost						
At 1 January 2021	407,301	59,321	1,007	17,874	134,200	619,703
Lease modification	90,741	-	-	-	-	90,741
At 31 December 2021 and 1 January 2022	498,042	59,321	1,007	17,874	134,200	710,444
Additions	-	4,501	-	-	-	4,501
Written-off	-	(2,892)	(1,007)	-	-	(3,899)
At 31 December 2022	498,042	60,930	-	17,874	134,200	711,046
Accumulated depreciation						
At 1 January 2021	95,256	58,691	1,007	17,874	117,358	290,186
Depreciation	95,026	444	-	-	16,842	112,312
At 31 December 2021 and 1 January 2022	190,282	59,135	1,007	17,874	134,200	402,498
Depreciation	94,695	1,001	-	-	-	95,696
Written-off	-	(2,892)	(1,007)	-	-	(3,899)
At 31 December 2022	284,977	57,244	-	17,874	134,200	494,295
Carrying amount						
At 31 December 2021	307,760	186	-	-	-	307,946
At 31 December 2022	213,065	3,686	-	-	-	216,751

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 December 2022

13. Property, plant and equipment (continued)

(c) Summary of property, plant and equipment

	The Brigade S\$	The Campsite S\$	Total S\$
31 December 2022			
Cost	1,751,305	711,046	2,462,351
Accumulated depreciation	<u>(1,322,235)</u>	<u>(494,295)</u>	<u>(1,816,530)</u>
Carrying amount	<u>429,070</u>	<u>216,751</u>	<u>645,821</u>
31 December 2021			
Cost	1,689,263	710,444	2,399,707
Accumulated depreciation	<u>(1,004,917)</u>	<u>(402,498)</u>	<u>(1,407,415)</u>
Carrying amount	<u>684,346</u>	<u>307,946</u>	<u>992,292</u>

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 17.

(d) Depreciation expenses

	2022 S\$	2021 S\$
The Brigade	388,546	411,833
The Campsite	<u>95,696</u>	<u>112,312</u>
	<u>484,242</u>	<u>524,145</u>

The Brigade's depreciation expenses are allocated as follows:

	2022 S\$	2021 S\$
Statement of income and expenditure:		
- Training and development programmes (Note 8)	12,858	-
- Community development (Note 10)	7,187	2,811
- GB company care support costs (Note 11)	-	7,181
- GB headquarters expenses (Note 12)	<u>368,501</u>	<u>401,841</u>
	<u>388,546</u>	<u>411,833</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

14. Inventories

	2022	2021
	S\$	S\$
<u>The Brigade</u>		
Statement of financial position:		
Finished goods	<u>195,285</u>	<u>138,318</u>
Statement of income and expenditure:		
Inventories recognised as an expense in cost of sales (Note 7)	<u>121,383</u>	<u>119,107</u>

15. Other receivables

	2022	2021
	S\$	S\$
<u>The Brigade</u>		
Receivables due from GB Companies	8,654	8,035
Deposits	79,590	79,790
Prepayments	18,191	22,326
Grant receivables	28,226	46,805
Interest receivables	53,548	6,977
Other receivables	23,738	6,048
	<u>211,947</u>	<u>169,981</u>
<u>The Campsite</u>		
Rental receivables	8,192	170
Deposits	24,795	24,795
Prepayments	786	1,341
	<u>33,773</u>	<u>26,306</u>
	<u>245,720</u>	<u>196,287</u>

Other receivables are denominated in Singapore Dollar.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

16. Cash and short-term deposits

	2022	2021
	S\$	S\$
Cash at banks	891,153	1,455,245
Cash on hand	1,405	1,405
Short-term deposits	<u>8,942,017</u>	<u>8,911,758</u>
	<u>9,834,575</u>	<u>10,368,408</u>
Cash and short-term deposits held by:		
- The Brigade	9,728,643	10,249,405
- The Campsite	<u>105,932</u>	<u>119,003</u>
	<u>9,834,575</u>	<u>10,368,408</u>

The average maturity period of short-term deposits is 6 to 12 months (2021: 6 to 12 months) and bear interest rates ranging from 1.35% to 4.03% (2021: 0.20% to 0.58%) per annum.

Cash and short-term deposits are denominated in Singapore Dollar.

For the purpose of presenting the statement of cash flows, cash and cash equivalents comprise the following at the end of the financial year:

	2022	2021
	S\$	S\$
Cash and short-term deposits	9,834,575	10,368,408
Less: Short-term deposits with maturity more than 3 months	<u>(8,942,017)</u>	<u>(8,911,758)</u>
	<u>892,558</u>	<u>1,456,650</u>

17. Lease liabilities

Brigade as a lessee

The Brigade has lease contracts for leasehold premises. The Brigade's obligations under these leases are secured by the lessor's title to the leased assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

17. Lease liabilities (continued)

Brigade as a lessee (continued)

(a) Carrying amounts of right-of-use assets classified within property, plant and equipment

	<u>Leasehold Premises</u>		
	<u>The Brigade</u>	<u>The Campsite</u>	<u>Total</u>
	S\$	S\$	S\$
At 1 January 2021	866,914	312,045	1,178,959
Lease modification	-	90,741	90,741
Depreciation	(315,241)	(95,026)	(410,267)
At 31 December 2021	551,673	307,760	859,433
Depreciation	(315,241)	(94,695)	(409,936)
At 31 December 2022	236,432	213,065	449,497

(b) Lease liabilities

	2022	2021
	S\$	S\$
Non-current	136,058	475,213
Current	339,155	412,540
	<u>475,213</u>	<u>887,753</u>

Lease liabilities are denominated in Singapore Dollar.

A reconciliation of liabilities arising from financing activities is as follows:

	1 January	Cash	<u>Non-cash changes</u>			31
			2022	flows	Lease	
	S\$	S\$	S\$	S\$	S\$	S\$
2022						
Liabilities						
Lease liabilities						
- current	412,540	(443,834)	-	31,294	339,155	339,155
- non-current	475,213	-	-	-	(339,155)	136,058
	<u>887,753</u>	<u>(443,834)</u>	<u>-</u>	<u>31,294</u>	<u>-</u>	<u>475,213</u>

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 December 2022

17. Lease liabilities (continued)

Brigade as a lessee (continued)

(b) Lease liabilities (continued)

	1 January 2021 S\$	Cash flows S\$	Non-cash changes			31 December 2021 S\$
			Lease modification S\$	Accretion of interests S\$	Other S\$	
2021						
Liabilities						
Lease liabilities						
- current	397,025	(443,834)	90,741	49,697	318,911	412,540
- non-current	794,124	-	-	-	(318,911)	475,213
	<u>1,191,149</u>	<u>(443,834)</u>	<u>90,741</u>	<u>49,697</u>	<u>-</u>	<u>887,753</u>

The "other" column relates to reclassification of non-current portion of lease liabilities due to passage of time.

(c) Amounts recognised in income and expenditure

	2022 S\$	2021 S\$
Depreciation of right-of-use assets	409,936	410,267
Interest expense on lease liabilities	<u>31,294</u>	<u>49,697</u>
Total amount recognised in income and expenditure	<u>441,230</u>	<u>459,964</u>

(d) Total cash outflow

The Brigade had total cash outflow for leases of S\$443,834 (2021: S\$443,834).

18. Provision for reinstatement costs

The provision for reinstatement costs represents the present value of the management's best estimates of future outflow of economic benefits that will be required to restore the leasehold premises occupied by the Campsite to its original state before it was leased by the Campsite. The estimate has been made on the basis of quotes obtained from external contractors.

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 December 2022

19. Other payables

	2022	2021
	S\$	S\$
<u>The Brigade</u>		
Other payables	-	19,074
Accrued operating expenses	63,339	46,312
Contract liabilities	41,680	21,000
	105,019	86,386
<u>The Campsite</u>		
Other payables	7,500	-
Accrued operating expenses	3,274	20,692
Contract liabilities	29,848	3,715
	40,622	24,407
	145,641	110,793

Contract liabilities represents advance payments received for rental of campsite and premises by customers and are recognised as revenue as (or when) the customers use the campsite or premises.

Revenue recognised during the year that was included in contract liabilities at the beginning of the financial year amounted to S\$24,715 (2021: S\$39,920).

Other payables are denominated in Singapore Dollar.

20. Deferred grant income

	MOE Special Project Grants S\$	MOE Capitation Grant S\$	MOE Training Grant S\$	MSF Care and Share S\$	Total S\$
At 1 January 2021	124,541	9,495	93,194	400,260	627,490
Add: Funds received	-	60,265	60,000	-	120,265
Less: Funds utilised	-	(47,715)	(45,394)	(282,749)	(375,858)
At 31 December 2021	124,541	22,045	107,800	117,511	371,897
Add: Funds received	-	59,840	60,000	-	119,840
Less: Funds utilised	(52,860)	(94,870)	(49,486)	(256,760)	(453,976)
At 31 December 2022	71,681	(12,985)	118,314	(139,249)	37,761

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

20. Deferred grant income (continued)

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 the Brigade's members. The Brigade's approved projects comprise the production of Handbooks, Primary and Core Curriculum Training Package and Training Videos. MOE and GBS has agreed to the possible clawback of these legacy funds (2015) as some of these projects are no longer relevant.

MOE Capitation Grant

This grant is provided by MOE with at least 60% to be used for the training and development of students, programmes and camps for students while the balance can be used to meet the operational demands of running the UG organisation.

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 the costs of training officers, volunteer adult leaders and HQ registered volunteers. There is no expiry date for the usage of this grant.

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 must be utilised by March 2022. Thereafter, any unutilised funds are to be returned to MSF.

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

	2022	2021
	S\$	S\$
Balance of deferred grant income at 31 December	(139,249)	117,511
Unamortised balance pertaining to assets purchased with grant	-	(89,453)
	<u>(139,249)</u>	<u>28,058</u>

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 December 2022

21. GB Companies Programme Fund

	2022 S\$	2021 S\$
At 1 January	1,383,826	1,370,482
Income/(Expenditure):		
- Donation received	14,800	12,435
- Allocation of GB Fortnight collections	283,997	243,369
- Other collections	49,354	1,823
- Company programme expenses	(277,162)	(173,201)
- GB companies in recess	(49,834)	(71,082)
	<u>21,155</u>	<u>13,344</u>
At 31 December	<u>1,404,981</u>	<u>1,383,826</u>

The GB Companies Programme Fund is an unrestricted fund designated to fund the activities of GB companies.

22. BB Sembawang Campsite Fund

	2022 S\$	2021 S\$
<u>Income</u>		
Rental income	96,068	21,826
Grant income	105,115	98,690
Other income	592	3,511
	<u>201,775</u>	<u>124,027</u>
<u>Less: Expenditures</u>		
Depreciation of property, plant and equipment	95,696	112,312
Interest expenses on lease liabilities	11,508	14,389
Management fee	90,000	90,000
Other expenditure	23,979	24,228
	<u>221,183</u>	<u>240,929</u>
Deficit for the year	(19,408)	(116,902)
Balance at 1 January	102,092	218,994
Balance at 31 December	<u>82,684</u>	<u>102,092</u>

The BB Sembawang Campsite Fund represents the Brigade's interest in the Campsite.

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 December 2022

23. Capital Fund

	2022 S\$	2021 S\$
At 1 January and 31 December	<u>171,963</u>	<u>171,963</u>

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

24. Development Fund

	2022 S\$	2021 S\$
At 1 January and 31 December	<u>572,249</u>	<u>572,249</u>

The Development Fund was set up for the purpose of financing the development and expansion of facilities, including the purchase of an operating premises.

25. GB HQ Building Fund

	2022 S\$	2021 S\$
At 1 January and 31 December	<u>1,323,468</u>	<u>1,323,468</u>

The GB HQ Building Fund was raised to finance the purchase of a headquarters premises.

26. Special Fund

	At 1 January S\$	Funds Receipts S\$	Funds Utilised S\$	Funds Transfer S\$	At 31 December S\$
2022					
GB Club Fund	2,709	-	(2,709)	-	-
Elsie Lyne Scholarship Fund	-	-	(17,655)	17,655	-
GB90 Grow and Go Fund	152,127	-	(83,643)	-	68,484
Josephine Chew Bursary Fund	228,363	-	-	(17,655)	210,708
GB Friend In Deed	-	5,000	-	-	5,000
	<u>383,199</u>	<u>5,000</u>	<u>(104,007)</u>	<u>-</u>	<u>284,192</u>

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 December 2022

26. Special Fund (continued)

	At 1 January S\$	Funds Receipts S\$	Funds Utilised S\$	Funds Transfer S\$	At 31 December S\$
2021					
GB Club Fund	2,709	-	-	-	2,709
Elsie Lyne Scholarship Fund	15,664	-	(15,664)	-	-
GB90 Grow and Go Fund	152,127	-	-	-	152,127
Josephine Chew Bursary Fund	-	239,197	(10,834)	-	228,363
	<u>170,500</u>	<u>239,197</u>	<u>(26,498)</u>	<u>-</u>	<u>383,199</u>

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

GB Club Fund

This fund was set up to finance Girls' Brigade alumni activities.

Elsie Lyne Scholarship Fund

This fund was set up to provide financial assistance to deserving GB girls in the area of education and leadership training.

GB90 Grow and Go Fund

This fund was set up to provide the following four objectives:-

- i) To finance the extension of GB services beyond traditional platforms and in support of new Companies
- ii) To finance nationally organised, community service projects of the Brigade
- iii) To provide financial assistance to deserving GB girls in the area of education
- iv) To support programme development and special projects

Josephine Chew Bursary Fund

This fund was set up to provide financial assistance to deserving GB girls in the area of education.

GB Friend In Deed

This fund was set up to fulfil the wishes of vulnerable residents all across Singapore.

THE GIRLS' BRIGADE - SINGAPORE

UEN No. S61SS0001A

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

27. Manpower cost

Manpower cost charged to the income and expenditure statement are as follows:

	2022	2021
	S\$	S\$
Salaries and related costs	724,855	671,883
Employer's contributions to Central Provident Fund	99,754	104,885
	<u>824,609</u>	<u>776,768</u>

28. Significant related party transactions

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

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

Key management personnel

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

The annual remuneration of the three highest paid executives employed by the Brigade classified by remuneration bands are as follows:

	<u>Number of executives</u>	
	2022	2021
Annual remuneration		
- Between \$100,000 to \$150,000	1	1
- Between \$50,000 to \$100,000	2	2

There were no transactions with related parties during the financial year 2022 and 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

29. Fair values of assets and liabilities

Assets and liabilities not measured at fair value

Other receivables, cash and short-term deposits and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Lease liabilities

The carrying amounts of lease liabilities approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

30. Financial risk management

The Brigade's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk).

The Board Committee reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Brigade's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Brigade's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Brigade's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Brigade. The Brigade's exposure to credit risk arises primarily from other receivables. For other financial assets (including cash and short-term deposits), the Brigade minimises credit risk by dealing exclusively with high credit rating counterparties.

The Brigade has adopted a policy of only dealing with creditworthy counterparties. The Brigade performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Brigade considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

30. Financial risk management (continued)

(a) Credit risk (continued)

The Brigade has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 60 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Brigade has developed and maintained the Brigade's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Brigade's own records to rate its major debtors. The Brigade considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Brigade determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

30. Financial risk management (continued)

(a) Credit risk (continued)

The Brigade categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Brigade's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is > 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is > 60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Brigade's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Note	Category	12-month or lifetime ECL	Gross carrying amount S\$	Loss allowance S\$	Net carrying amount S\$
31 December 2022						
Other receivables (exclude prepayments)	15	1	12-month ECL	226,743	-	226,743
					_____	_____
					-	-
31 December 2021						
Other receivables (exclude prepayments)	15	1	12-month ECL	172,620	-	172,620
					_____	_____
					-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

30. Financial risk management (continued)

(a) Credit risk (continued)

Other receivables

The Brigade assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Brigade measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

(b) Liquidity risk

Liquidity risk refers to the risk that the Brigade will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Brigade's financing activities are managed by maintaining an adequate level of cash and short-term deposits to finance the Brigade's operations.

The Brigade's surplus funds are also managed centrally by placing them with reputable financial institutions on varying maturities.

Analysis of financial instruments by remaining contractual maturities

	Carrying Amount S\$	Contractual cash flows S\$	1 year or less S\$	1 to 5 years S\$
2022				
<u>Financial assets</u>				
Other receivables (exclude prepayments)	226,743	226,743	226,743	-
Cash and short-term deposits	9,834,575	9,834,575	9,834,575	-
Total undiscounted financial assets	10,061,318	10,061,318	10,061,318	-
<u>Financial liabilities</u>				
Other payables (exclude contract liabilities)	74,113	74,113	74,113	-
Lease liabilities	475,213	490,548	359,154	131,394
Total undiscounted financial liabilities	549,326	564,661	433,267	131,394
Total net undiscounted financial assets/ (liabilities)	9,511,992	9,496,657	9,628,051	(131,394)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

30. Financial risk management (continued)

(b) Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities (continued)

2021	Carrying Amount S\$	Contractual cash flows S\$	1 year or less S\$	1 to 5 years S\$
<u>Financial assets</u>				
Other receivables (exclude prepayments)	172,620	172,620	172,620	-
Cash and short-term deposits	10,368,408	10,368,408	10,368,408	-
Total undiscounted financial assets	10,541,028	10,541,028	10,541,028	-
<u>Financial liabilities</u>				
Other payables (exclude contract liabilities)	86,078	86,078	86,078	-
Lease liabilities	887,753	934,380	443,833	490,547
Total undiscounted financial liabilities	973,831	1,020,458	529,911	490,547
Total net undiscounted financial assets/ (liabilities)	9,567,197	9,520,570	10,011,117	(490,547)

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Brigade's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) 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 is not exposed to interest rate risk as it does not have any interest-bearing financial instruments at floating rate.

(ii) Foreign currency risk

The Brigade's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. The Brigade is not exposed to foreign currency risk as it does not have any transactions denominated in foreign currencies.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

31. Financial instruments by category

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	2022	2021
	S\$	S\$
<u>Financial assets at amortised cost</u>		
Other receivables (exclude prepayments)	226,743	172,620
Cash and short-term deposits	<u>9,834,575</u>	<u>10,368,408</u>
Total financial assets at amortised cost	<u><u>10,061,318</u></u>	<u><u>10,541,028</u></u>
<u>Financial liabilities at amortised cost</u>		
Lease liabilities	475,213	887,753
Other payables (exclude contract liabilities)	<u>74,113</u>	<u>86,078</u>
Total financial liabilities at amortised cost	<u><u>549,326</u></u>	<u><u>973,831</u></u>

32. Fund management

The Brigade's objectives when managing its funds are to safeguard and maintain adequate working capital to continue as a going concern and to develop its principal activities over longer term from donations. The Brigade's funds comprise restricted and unrestricted funds.

No changes were made to the Brigade's fund management objectives or policies during the financial years ended 31 December 2022 and 31 December 2021.

33. Comparative figures – reclassification

Certain reclassifications have been made to the prior financial year's financial statements to enhance comparability with current financial year's financial statements. As a result, certain line items have been amended on the face of the statement of income and expenditures and other comprehensive income, statement of financial position and the related notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 December 2022

33. Comparative figures – reclassification (continued)

The items reclassified were as follows:

	Previously reported S\$	Reclassification S\$	After reclassification S\$
Statement of income and expenditure and other comprehensive income			
Training and development programmes	175,794	(107,767)	68,027
Brigade activities	108,457	(97,323)	11,134
Corporate communication	10,405	(10,405)	-
Deficit from GB shop	47,298	(47,298)	-
Extension programmes	165,001	(165,001)	-
GB company care support costs	125,700	(107,916)	17,784
GB headquarters expenses	860,867	(279,530)	581,337
Community development	-	77,343	77,343
Manpower cost	-	776,768	776,768
Surplus from GB shop	-	(38,871)	(38,871)
Statement of financial position			
Right-of-use assets	859,433	(859,433)	-
Property, plant and equipment	132,859	859,433	992,292
Fixed deposits	8,911,758	(8,911,758)	-
Cash and bank balances	1,456,650	(1,456,650)	-
Cash and short-term deposits	-	10,368,408	10,368,408

34. Authorisation of financial statements

The financial statements for the financial year ended 31 December 2022 were authorised for issue by the Board Committee on **13 MAR 2023**