

# **THE BOYS' BRIGADE**

**(A company limited by guarantee)**

## **TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**



### **Whiting & Partners**

Chartered Accountants & Business Advisers  
Statutory Auditors

**THE BOYS' BRIGADE**  
**(A company limited by guarantee)**

**CONTENTS**

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	Page
Reference and administrative details of the charity, its trustees and advisers	1 - 2
Brigade Executive's Annual Report	3 - 9
Independent auditors' report	10 - 11
Statement of financial activities	12
Balance sheet	13
Cash flow statement	14
Notes to the financial statements	15 - 37

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**THE BOYS' BRIGADE**

(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEE AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**Trustees and members of the  
Brigade Executive**

<b>President</b>	The Reverend Dr The Lord Griffiths of Burry Port
<b>Vice Presidents</b>	A S Burrow D J Aubrey QC D S Blevins (resigned 31 August 2017)
<b>Treasurer</b>	C Bygrave FCA CTA TEP
<b>Chaplain</b>	Reverend M A Barry (resigned 31 August 2017)
<b>Other Trustees</b>	R L Buttimer M Elliott Reverend T McCormick (resigned 10 November 2017) S H Mackey C C Smith D H Sneddon L Stein A R Currie (resigned 31 August 2017) L S Hiorns S J Rankin A Green (resigned 31 August 2017) D J Love R M Knowles P M Haggan N Clingan P McKinley (appointed 6 September 2017) S A Buchanan MBE (appointed 15 January 2018)
<b>Company registered number</b>	145122
<b>Charity registered numbers</b>	305969 and SC038016
<b>Registered office</b>	Felden Lodge Hemel Hempstead Hertfordshire HP3 0BL
<b>Brigade Secretary</b>	W C F Stevenson (Chief Executive Officer)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEE AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2018**

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<b>Statutory auditors</b>	Whiting & Partners Chartered Accountants George Court Bartholomew's Walk Ely Cambridgeshire CB7 4JW
<b>Principal Bankers</b>	Barclays Bank Plc 1 Churchill Place London E14 5HP
<b>Investment Managers</b>	Rathbone Investment Management Limited Rathbone Brothers Plc 1 Curzon Street London W1J 5FB

## THE BOYS' BRIGADE

(A company limited by guarantee)

### BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2018

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The Brigade Executive as Trustees (who are also directors of the charity for the purposes of the Companies Act) present their Annual Report (including Strategic Report) together with the audited financial statements of The Boys' Brigade (the Charity) for the year ended 31 March 2018. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements of the Charities Act 2011 and the Companies Act 2006, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

- **Governing document**

The Boys' Brigade is incorporated under the Companies Act as a company limited by guarantee without share capital and is accordingly governed by its Memorandum and Articles of Association, as amended subsequently by special resolution.

The members of the Brigade have each guaranteed liabilities of up to £1. In addition, the Brigade is also a registered charity and subject to the regulation of the Charity Commission.

- **Recruitment and appointment of the Brigade Executive**

Members of the Brigade Executive are both charity Trustees and company directors.

The Companies, Battalions and Districts within an electoral area appoint persons to the Regional Committees in order to supervise and develop the Brigade at regional level. However, the overall management of the Brigade is by the Brigade Executive which is appointed by Regional Committees from their own membership on the basis of four members each from England, Scotland and Northern Ireland Regional Committees and one person from each of the Wales and Republic of Ireland Regional Committees. The Brigade Office Bearers, who are nominated by elected members of the Executive and appointed by the Brigade Council, undertake roles such as President, Vice President, Treasurer and Chaplain and are themselves members of the Executive. The Brigade Executive prepares the overall Development Plan in order to maintain the Objects of the Brigade.

- **Induction and training of Trustees**

Trustees are familiar with the work of the Charity, and other than Office Bearers, have been elected to Regional Committee level before being appointed to the Brigade Executive.

Trustees, other than the Vice President, Treasurer and Chaplain, serve for a term of three years and may be reappointed for two further terms. On appointment members receive induction training and a copy of the Brigade Executive Members' Handbook to aid their understanding and to develop the competencies required of Boys' Brigade Trustees on incorporated, legal, financial and service delivery matters.

- **Organisational structure and decision making**

The Brigade Executive is charged with the management and supervision of the affairs of the Brigade:-

- To bring an independent judgement to bear on issues of strategy, performance and resources; and observe the highest standards of integrity, confidentiality and objectivity.
- To act in good faith in the interests of The Boys' Brigade and its members and in the public interest, exercise due care and diligence, and contribute expertise and experience to the work of the Executive.
- To promote the reputation and standing of The Boys' Brigade.
- To administer the organisation and all its assets in the interest of current, potential and future beneficiaries.

Members of The Brigade Executive as Charity Trustees are of the opinion that they have complied with their obligations to have regard to the public benefit guidance as published by the Charity Commission and as required by the Charities and Trustee Investment (Scotland) Act 2005.

The Brigade Secretary is the senior member of staff of the Brigade and also holds the office of Chief Executive, and is the appointed Company Secretary of The Boys' Brigade, a charitable company. The Brigade Secretary is responsible for the day-to-day management of the Brigade's affairs and for implementing the policies agreed by the Executive.

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## THE BOYS' BRIGADE

(A company limited by guarantee)

### BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2018

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#### • Related party relationships

The accounts disclose the operations of The Boys' Brigade in its position as a limited company and registered charity. They do not consolidate the activities and net assets of the independently constituted local Boys' Brigade Companies, Battalions and Districts, nor of those charities where it acts as a custodian Trustee.

The Brigade holds and administers, for various Companies, Districts and Battalions, as custodian Trustee, investments valued at £3,382,248 at 31st March 2018 (2017 - £3,316,315). The investments are managed by professional fund managers in separately designated accounts. The Brigade also holds legal title as nominee in certain land and buildings in which various Companies, Districts and Battalions are interested.

The Brigade is the sole Trustee of The Pearson Centre for Young People, a registered charity number 522177, details of which are disclosed in note 26 of the accounts.

None of the Trustees receive remuneration or other benefit other than travel expenses from their work for the charity.

Details of other related party transactions are disclosed in note 26 to the financial statements.

#### • Risk management

The Brigade Executive, as Trustees, has introduced a process to assess risk and implement risk management strategies. The risk register has involved identifying the types of risk the Brigade faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. As part of this process the Brigade Executive has reviewed the adequacy of The Brigade's current financial internal controls.

In addition the Brigade Executive has set policies on internal controls which cover the following:

- Consideration of the type of risk the Brigade faces;
- The level of risk it regards as acceptable;
- The likelihood of the risk concerned materialising;
- The Brigade's ability to reduce the incidence and impact on the organisation of the risks that may materialise; and
- The cost of operating particular controls relative to the benefits obtained.

#### Health & Safety

The Act and Regulations in this statement relate to England and Wales, but employees and volunteers in Scotland, Northern Ireland, Republic of Ireland, Channel Islands and Isle of Man are deemed to be bound by them for the purposes of this statement.

The Brigade will also take account of similar Acts and Regulations in Scotland, Northern Ireland, Republic of Ireland, Channel Islands and Isle of Man in undertaking its responsibilities for Health and Safety.

Under the Health and Safety at Work Act 1974, an employer has the duty to prepare a written policy statement. In general, the same health and safety standards should be applied to voluntary workers as they would to employees exposed to the same risk.

Health and Safety Statement :-

The Boys' Brigade recognises its duties under the Health and Safety at Work Act 1974. The Brigade seeks to indicate its responsibilities in its Health and Safety Policy, which is reviewed annually. Ultimate responsibility for Health and Safety in its various undertakings rests with the Brigade Executive. However, particular responsibilities have been delegated to a senior member of the Brigade staff and to line managers as indicated in the Staff Handbook within their area of operation.

This statement seeks to confirm the response to Health and Safety by The Boys' Brigade with regard to its various activities.

Health:-

The Brigade will, so far as is reasonably practical, seek to ensure that those who are employed by the organisation or who act as volunteers are fit for the tasks they undertake. It will seek to ensure that any reasonable alterations, which can be made, are made for the Brigade to meet its duties as employers under the Disability Discrimination Act 1995 and as service providers under the Disability Discrimination Act 2005 with regard to people with disabilities.

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## THE BOYS' BRIGADE

(A company limited by guarantee)

### BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2018

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#### Safety:-

The Brigade seeks to meet its duties under the Management of Health and Safety at Work Regulations 1999. For those tasks directly under the control of Brigade and Regional Headquarters, the Brigade undertakes the necessary risk assessments and where reasonably practical, implements any appropriate controls. Training and information will be provided to ensure that those at risk are made aware. Where Brigade and Regional Headquarters are not in direct control of Health and Safety matters, The Brigade will promote good practice by means of leader training, the Safety Handbook, the BB Gazette and advice and information.

#### Accident Reporting:-

The Brigade seeks to ensure that staff and volunteers are aware of the need to report all accidents and dangerous occurrences to Brigade Headquarters, without delay, following any accident or occurrence. The requirement for reporting accidents is set out in the Staff Handbook and the Safety Handbook section 6. Brigade Headquarters will, if required, report under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013.

#### Safeguarding:-

The Boys' Brigade takes its duties under the Children Act 2004 seriously and has appropriate procedures and staff appointed to meet its duties under the 2004 Act. If a reasonable suspicion is raised about the protection of a child under the age of 18 years the Brigade will undertake its duties using its procedures. The Brigade has a policy to vet all those who have the responsibilities for the care of children within areas of its responsibilities to comply with the Protection of Children Act 1999.

- **Pay policy for senior staff**

The Trustees consider the Brigade Executive and the senior management team comprise the key management personnel of the charity in charge of directing, controlling, running and operating the charity on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses are disclosed in note 10 to the financial statements.

The pay of the senior staff is reviewed annually by the Remuneration Committee and assessed against comparable market rates for similar charitable institutions, having regard to the particular circumstances of the Brigade

#### OBJECTIVES, ACTIVITIES AND PUBLIC BENEFIT

- **Policies and objectives**

The Brigade's principal objective continues to be the advancement of Christ's Kingdom among Boys and the promotion of habits of obedience, reverence, discipline, self-respect and all that tends towards a true Christian manliness.

- **Grant making policies**

The Brigade makes an annual grant to The Boys' Brigade Northern Ireland District and to that in the Republic of Ireland Region. Other grants are considered by the Brigade on application.

#### Achievements and performance (including strategic report)

- **Review of achievements and performance**

This has been another busy year for The Boys' Brigade, the largest of the uniformed Christian youth organisations in the UK and the Republic of Ireland.

This session's highlight has been the celebrations organised to mark the 100th Anniversary of the founding of the Boy Reserves in 1917. These units were the forerunner of today's Junior Section and companies were challenged to complete 100 challenges to mark this special anniversary. Support materials were provided by BBHQ and these included high quality videos and social media campaigns. Additional promotional materials were also made available via BB Supplies. The challenges allowed groups not only to develop their programmes but to raise the profile of the Brigade in their own area and recruit new members. Challenges included planting 100 bulbs and meeting their local MP. Congratulations go to the 133rd London Company who were the first to complete all 100 challenges.

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## **THE BOYS' BRIGADE**

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### **BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2018**

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The Brigade was founded in Glasgow in 1883 but we believe that our programmes and activities are as relevant today as they were in the days of the Founder. Our primary focus is still on promoting our Object of advancing Christ's Kingdom. Through our activities we aim to care for and challenge young people and allow them to develop and have fun at the same time. Membership is open to boys and young men between the ages of 4 and 18 and where Companies have registered a Girls' Association, we also welcome girls and young women. A few Companies also operate an Amicus Group which caters for young people aged between 15 and 25. Throughout the year our focus has still been on working to the main themes of our development plan "Growth, Quality and Voice." A lot of progress has been made, but there is still much to do.

The majority of our work is carried out at local level on a weekly basis and we are delighted that we still have around 45,000 children and young people in membership supported by over 11,000 adult volunteers. The Brigade owes so much to this army of volunteers who give so generously of their time and own resources throughout the year. One of our main strengths is that we partner with churches throughout the country and we currently work with over 20 different Christian denominations.

The two BB national training centres, Carronvale House in Larbert and Felden Lodge in Hemel Hempstead continue to be well used by both BB groups and many other organisations. Both centres have contributed towards the overall income of the Brigade and have also had a considerable amount of refurbishment work carried out in the past year. Carronvale has now been managed by the BB for over 70 years and plans are being made to mark the 70th Anniversary of the purchase of Felden in 2019. BB training has always been recognised as being of a very high standard and we are fortunate to have such well-equipped centres.

The development of our young leaders continues to be a key priority for the BB. Each year many potential BB leaders attend our KGVI Training Courses and hundreds of others complete Youth Leader Training. Special events and gatherings have also been used to encourage participation by young leaders and we are delighted that the BB has once again been represented at British Youth Council. A delegation from BBUK was also present at the European Fellowship Easter course in Finland.

Over the year our new database package OBM has been used by thousands of leaders. This system allows them to track attendance and awards gained by young people. A number of enhancements have been released during the year and we continually receive excellent feedback about this system. The Brigade is also at the forefront of using social media to promote our work and many groups have benefited from establishing their own Facebook pages.

Following last year's General Election the BB All Party Parliamentary Party was re-established and we hope this will help us increase our profile at Westminster. We have also continued to make contact with members of the Scottish Parliament and Northern Ireland and Welsh assemblies. We were pleased to again receive financial support towards our core costs from the Scottish Government. The Brigade in Scotland also receives support from CashBack funding which has enabled us to deliver a project providing support to units in disadvantaged areas. The BB in England continues to work in partnership with the other uniformed organisations who are members of Youth United.

This year has not been without its challenges, particularly on the financial front. A fund raising group has been established to try and identify other sources of income and increase contact with ex-members. In line with other organisations we have also had to spend more time dealing with safeguarding and other related matters. Following a motion from Northern Ireland District Executive passed at Brigade Council in 2017 considerable time has also been spent discussing their wish for accountable autonomy.

The Brigade continues to be served by a small and dedicated staff team who often go far beyond the call of duty to provide a first class service to the membership. We would like to take this opportunity to thank them for all their work over the past year. Thanks are again extended to the thousands of volunteers who help run the Brigade across the UK, weekly meetings, residentials and competitions do not just happen and we really value their contribution to all our work. Thanks are also due to the members of our various Regional Committees and the Brigade Executive members who act as our Trustee Board, who along with our office-bearers continue to devote many extra hours to try and develop the work of the Brigade. We are also most grateful to our many other supporters who generously support our work in so many different ways.

## THE BOYS' BRIGADE

(A company limited by guarantee)

### BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2018

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- **Principal risks and uncertainties**

The Executive undertakes regular risk reviews of all key aspects of the operations of the charity.

The Executive considers the Brigade's exposure to the risk of any significant loss of income and to the risk of unforeseen expenditure, which cannot be mitigated by Executive action, and the degree of risk ascribed to each such event is assessed.

With income, a major risk is that of a decline in membership income, and any economic/stock market downturn or other factors leading to a decline in legacy values and reduced income donations.

Budgetary and financial controls continue to be improved in order to control over-expenditure and to mitigate the effect of a drop in income in any one financial year. It is not the Brigade's policy to embark on major initiatives without committed funding.

#### FINANCIAL REVIEW

- **Investment policy and performance**

The Executive has agreed that the funds under investment be managed by nominee brokers. The present investment policy is to maximise long-term return of the Brigade's investment fund subject to the risk normally associated with a balanced approach to portfolio management. There is a further proviso that as far as it is reasonably possible investments in institutions that conflict with The Boys' Brigade's beliefs and objectives will be excluded. The fund will be invested between growth-orientated securities and investment in income bearing securities. Inclusion of overseas direct equity investment is permitted where deemed appropriate. The performance of the fund is measured against the FTSE All Share Index and other relevant indices. Regular reports are provided by the fund manager detailing the progress and relative performance of the fund.

- **Results**

The net operating (deficit)/surplus for the year for all funds, excluding those held as custodian, was £(200,041) (2017 - £(224,983)), this included the net operating (deficit)/surplus for the year disclosed in the Unrestricted Funds, which amounted to £(167,493) (2017 - £4,793). The Brigade in total reports a deficit after all movements of £(242,041) (2017 - £(247,983)) on funds.

- **Reserves policy**

Free reserves available for use by the Brigade are deemed to be those that are readily realisable, less funds whose uses are restricted or designated for particular purposes. The calculation thus excludes property and other fixed assets which will continue to be used in the day-to-day running of the Brigade.

As a matter of policy, each year the Brigade Executive reviews the value of the reserves required to be held in investments, cash and cash equivalents not restricted or designated for any particular purpose.

The broad target of the Trustees is to retain sufficient free reserves to enable the charity to continue its activities for a reasonable period of time should there be a significant fall in incoming resources.

- **Principal funding**

The Brigade Treasurer, Business Director, Finance Manager and Finance Committee continue to review all aspects of the Brigade's operations. Ways are being considered to generate income from outside of the Brigade and also to reduce outgoings. The Brigade is grateful for the financial support received from the Scottish Government, Youthlink Scotland and Cashback for Communities. The fees paid by Companies and Leaders largely fund the Brigade, and the Brigade Executive is fully aware of the burden this places upon Companies.

As with all charitable organisations, the Brigade is heavily dependent upon the services of unpaid members to deliver front line children's and youth work in local communities as well as undertake local, regional and national work on committees. All of the trustees are volunteers who freely give of their time.

## THE BOYS' BRIGADE

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### BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2018

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- **Statement of Trustees relating to their responsibilities under the Charities (Protection and Social Investments) Act 2016.**

The Trustees recognise their responsibilities under this Act and confirm that under the Fundraising Provisions of that Act, that they did not employ external fundraisers during the year.

The Trustees have also considered the impact of the General Data Protection Regulations on fundraising activities.

- **Plans for the future**

We are now coming to the close of our current five year development plan and there is an ideal opportunity to look ahead and create a new plan for future years. Many of our structures were established in the early 20th century and there is a need to ensure we now have a sustainable way of maintaining support to companies in future years, whilst recognising the different ways of operating across the regions. We are still establishing new groups but there is also a realisation that existing units also have their own particular support needs.

The Executive is currently considering ways to reduce the overall number of trustees and also reviewing other aspects of our governance. Further improvements to leaders training are required and plans are also in hand to improve the current award scheme and programme resources.

- **Pension Funds**

The Brigade operates a defined benefit pension scheme for previously eligible permanent employees, the assets of which are funded separately. This scheme continues to be funded for present service but has been closed to new members since November 2000.

In accordance with the requirements of the Financial Reporting Standard 102, the net funding deficit or surplus on this scheme, at each Brigade financial year end, would normally be consolidated onto the Brigade Balance Sheet. At the last valuation, as at 31 March 2018, the actuary calculated that there was a funding surplus of £780,000 (2017 - £787,000) on a continuing basis. This asset has not been recognised in the financial statements as, with the volatile investment market, the Executive does not consider that it would be recoverable either through reduced contributions in the future or through refunds from the scheme.

Contributions to the scheme are based on triennial valuations prepared under different assumptions. The latest valuation based on the current statement of funding principles as at 1 June 2015 indicated a scheme deficit of £269,000. During the year in addition to normal employer and employee contributions, special contributions amounted to £30,000 (2017 - £39,750) in respect of this shortfall.

The Brigade also operates a defined contribution pension scheme. Contributions are expensed as they become payable.

## THE BOYS' BRIGADE

(A company limited by guarantee)

### BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2018

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#### TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of The Boys' Brigade for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP, (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### PROVISION OF INFORMATION TO AUDITORS

The Trustees at the time when this Trustees' report is approved have confirmed that:

- so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as Trustees in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees on 11 July 2018 and signed on their behalf by:



**W C F Stevenson**  
Company Secretary

## THE BOYS' BRIGADE

(A company limited by guarantee)

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOYS' BRIGADE

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#### Opinion

We have audited the financial statements of The Boys' Brigade (the 'Charity') for the year ended 31 March 2018 set out on pages 12 to 37. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

#### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report incorporating the Strategic report have been prepared in accordance with applicable legal requirements.

## THE BOYS' BRIGADE

(A company limited by guarantee)

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOYS' BRIGADE

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#### Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

#### Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company'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 the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

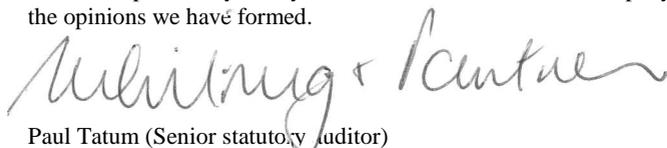
#### Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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 ISAs (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Tatum (Senior statutory auditor)

For and on behalf of

#### Whiting & Partners

Chartered Accountants  
Statutory Auditor

George Court  
Bartholomew's Walk  
Ely  
Cambridgeshire  
CB7 4JW

Date: 26 July 2018

Whiting & Partners are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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**THE BOYS' BRIGADE**

(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>Income and endowments from:</b>						
Donations and legacies	4	83,082	18,215	-	101,297	158,083
Training centres		626,250	-	-	626,250	613,191
Investments	6	39,793	3,752	629	44,174	36,001
Charitable activities:						
Annual capitation contributions		961,623	-	-	961,623	968,631
Supplies sales	3	500,182	-	-	500,182	576,341
Grants receivable	5	56,985	127,131	-	184,116	236,141
Annual festival and other events		71,750	-	-	71,750	48,317
<b>Total income and endowments</b>		<u>2,339,665</u>	<u>149,098</u>	<u>629</u>	<u>2,489,392</u>	<u>2,636,705</u>
<b>Expenditure on:</b>						
Raising funds:						
Cost of raising funds	9	337,804	-	-	337,804	362,372
Training centres (non Brigade use)		478,886	-	-	478,886	475,514
Investment management		4,016	1,408	458	5,882	5,594
Charitable activities:						
Supplies - Cost of sales	3	308,466	-	-	308,466	348,425
Supplies - Administration	9	73,848	-	-	73,848	79,374
Grants payable	7	108,421	495	-	108,916	174,197
Training centres (Brigade use)		85,396	-	-	85,396	104,396
Management and delivery of activities	9	1,103,124	182,589	1,114	1,286,827	1,409,969
<b>Total expenditure</b>		<u>2,499,961</u>	<u>184,492</u>	<u>1,572</u>	<u>2,686,025</u>	<u>2,959,841</u>
<b>Net income / (expenditure) before investment gains/(losses)</b>		(160,296)	(35,394)	(943)	(196,633)	(323,136)
Net gains/(losses) on investments	14	(7,197)	3,610	179	(3,408)	98,153
<b>Net income / (expenditure) before transfers</b>		(167,493)	(31,784)	(764)	(200,041)	(224,983)
Transfers between Funds	19	15,000	(15,000)	-	-	-
<b>Net income / (expenditure) before other gains and losses</b>		(152,493)	(46,784)	(764)	(200,041)	(224,983)
Actuarial losses on defined benefit pension scheme	24	(42,000)	-	-	(42,000)	(23,000)
<b>Net movement in funds</b>		<u>(194,493)</u>	<u>(46,784)</u>	<u>(764)</u>	<u>(242,041)</u>	<u>(247,983)</u>
<b>Reconciliation of funds:</b>						
Total funds at 1 April 2017		4,290,060	288,968	37,257	4,616,285	4,864,268
<b>Total funds at 31 March 2018</b>	19	<u>4,095,567</u>	<u>242,184</u>	<u>36,493</u>	<u>4,374,244</u>	<u>4,616,285</u>

All activities relate to continuing operations.

The notes on pages 15 to 37 form part of these financial statements.

**THE BOYS' BRIGADE**

**(A company limited by guarantee)  
REGISTERED NUMBER: 145122**

**BALANCE SHEET  
AS AT 31 MARCH 2018**

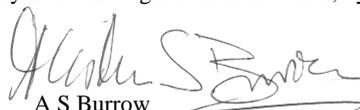
	<b>Note</b>	<b>£</b>	<b>2018</b>	<b>£</b>	<b>2017</b>
			<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Intangible assets	12		30,140		30,405
Tangible assets	13		3,573,080		3,577,628
Investments	14		695,672		702,899
			<u>4,298,892</u>		<u>4,310,932</u>
<b>Current assets</b>					
Stocks	15	212,449		186,605	
Debtors	16	209,328		221,202	
Cash at bank and in hand	23	361,390		620,443	
			<u>783,167</u>		<u>1,028,250</u>
<b>Creditors:</b> amounts falling due within one year	17	(342,854)		(356,607)	
			<u>440,313</u>		<u>671,643</u>
<b>Net current assets</b>			440,313		671,643
<b>Total assets less current liabilities</b>			<u>4,739,205</u>		<u>4,982,575</u>
<b>Deferred income</b>	18		(364,961)		(366,290)
<b>Net assets</b>			<u>4,374,244</u>		<u>4,616,285</u>
<b>Charity Funds</b>					
Endowment funds	19		36,493		37,257
Restricted funds	19		242,184		288,968
Unrestricted funds	19		4,095,567		4,290,060
<b>Total funds</b>			<u>4,374,244</u>		<u>4,616,285</u>

The financial statements were approved by the Trustees on 11 July 2018 and signed on their behalf, by:

C Bygrave  
Brigade Treasurer



A S Burrow  
Chairman of the Brigade Executive



The notes on pages 15 to 37 form part of these financial statements.

**THE BOYS' BRIGADE**

**(A company limited by guarantee)**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2018**

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	<b>Note</b>	<b>2018</b> <b>£</b>	<b>2017</b> <b>£</b>
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	22	<u>(302,303)</u>	<u>(278,874)</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		23,516	22,000
Proceeds from sale of investments		209,084	84,519
Purchase of investments		(189,350)	(65,985)
<b>Net cash provided by/(used in) investing activities</b>		<u>43,250</u>	<u>40,534</u>
<b>Change in cash and cash equivalents in the year</b>		(259,053)	(238,340)
Cash and cash equivalents brought forward		620,443	858,783
<b>Cash and cash equivalents carried forward</b>	23	<u><u>361,390</u></u>	<u><u>620,443</u></u>

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## THE BOYS' BRIGADE

(A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### 1. ACCOUNTING POLICIES

##### 1.1 General information and basis of preparation of financial statements

The Boys' Brigade is a company limited by guarantee incorporated in England. It is also a registered charity and subject to regulation of the Charities Commission. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principle activities are advancement of Christ's Kingdom among Boys and the promotion of habits of obedience, reverence, discipline, self-respect and all that tends towards a true Christian manliness.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), Charities SORP (FRS 102) (effective 1 January 2015) and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The Boys' Brigade meets the definition of a public benefit entity under FRS 102.

##### 1.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Funds are accounted for in accordance with the applications stated in the relevant notes for endowment, restricted and designated funds.

##### 1.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

###### **Annual capitation income**

Contributions from companies are recognised on a cash received basis. The capitation year runs from 1 September to 31 August, and 5/12 of the income received after 1 September 2018 is treated as a deferred income at the balance sheet date.

###### **Supplies and training centre income**

All income from supplies sales and training centres is recognised on an accruals basis. Transactions are also processed to account for internal movements in relation to transactions involving departments within the Brigade structure.

###### **Donations, gifts and legacies**

Donations and gifts are recognised on a receivable basis once the charity has entitlement to the income.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

###### **Grant funding**

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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# THE BOYS' BRIGADE

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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### 1. ACCOUNTING POLICIES (continued)

#### 1.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Brigade; this is normally upon notification of the interest paid or payable by the Bank.

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred in the Charity's educational operations.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

#### 1.6 Turnover

Turnover comprises revenue recognised by the Brigade in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts, and relates wholly to the United Kingdom.

#### 1.7 Intangible fixed assets and amortisation

Amortisation is provided at the following rates:

Access rights to Felden Lodge	-	straight line over 125 years
Intellectual Property	-	Nil

#### 1.8 Tangible fixed assets and depreciation

Tangible and intangible fixed assets are stated at cost. Donations and legacies received to enable the acquisition of such assets are recognised in the statement of financial activities. These, unless expended within the financial year in which received, are credited to a fund until such time as the appropriate asset has been acquired, after which an appropriate transfer is made to the general fund.

# THE BOYS' BRIGADE

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

---

### 1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	Nil
Office furniture and equipment	-	10% straight line
Computer equipment	-	20% straight line

No depreciation has been charged on freehold property since 1991 where the remaining useful economic life of the properties is so long, and the residual value so high, that such depreciation charges would be deemed to be immaterial. Annual impairment reviews are undertaken to confirm that the recoverable amount is not less than the carrying value in the accounts.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

#### 1.9 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities if the investments are publicly traded or their fair value can otherwise be measured reliably.

#### 1.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Stock is recorded on a first-in first-out basis.

#### 1.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

#### 1.12 Cash and Cash equivalents

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### 1.13 Creditors and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

#### 1.14 Financial instruments

The charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### 1.15 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

## THE BOYS' BRIGADE

(A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.16 Taxation

As a registered charity, the Brigade is exempt from corporation tax on income and gains which are applied for charitable purposes. The Brigade has a considerable amount of income which is treated as exempt for value added tax purposes, resulting in only a proportion of value added tax suffered on expenditure being recoverable.

##### 1.17 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

The Charity also operates a defined benefit pension scheme and the pension charge is determined from movements in the value of the fund based on annual reports made by the scheme actuary.

##### 1.18 Loans

Loans repayable on demand within one year, the loan is measured at cost, less impairment. Where the loan is repayable after more than one year, the loan is initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method, less impairment, where material to the accounts

##### 1.19 Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are based on historical experience and other factors, including expectations of future events, that are believed to be reasonable under the circumstances and are subject to continuous monitoring.

The Brigade makes estimates and assumptions relating to future events which will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i. Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

ii. Impairment of debtors

The Brigade makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, its financial circumstances, the ageing profile of debtors and historical experience.

iii. Provisions

Provision is made for asset impairment obligations, dilapidations and contingencies. These provisions require managements best estimate of the costs that will be incurred based on legislative and contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgement.

iv. Defined benefit pension scheme

The Brigade has obligations to pay pension benefits to certain past and present employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on scheme liabilities. These factors are estimated in determining the net pension obligation in the balance sheet based on actuarial advice received. The assumptions reflect historical experience and current trends.

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**2. INCOMING AND OUTGOING RESOURCES ON UNRESTRICTED FUNDS**

	<b>2018</b>	2017
	<b>£</b>	£
<b>Incoming resources</b>		
Donations and legacies	83,082	118,835
Training centres and other rental income	626,250	613,191
Investment income	39,793	31,282
Annual capitation contributions	961,623	968,631
Supplies sales	500,182	576,341
Grants	56,985	62,500
Annual festival and other events	71,750	48,319
<b>Total incoming resources</b>	<u>2,339,665</u>	<u>2,419,099</u>
<b>Resources expended</b>		
Cost of raising funds	337,804	362,372
Training centres (non Brigade use)	478,886	475,514
Investment management fees	4,016	3,705
Supplies - cost of sales	308,466	348,425
Supplies - administration	73,848	79,374
Grants to Battalions and Districts	108,421	105,874
Training centres (Brigade use)	85,396	104,396
Management and delivery of the charity's purposes	1,103,124	1,012,181
<b>Total resources expended</b>	<u>2,499,961</u>	<u>2,491,841</u>
Net expenditure before investment gains	(160,296)	(72,742)
Investment (losses)/gains	(7,197)	77,535
	<u>(167,493)</u>	<u>4,793</u>
Transfers from other funds	15,000	23,043
	<u>(152,493)</u>	<u>27,836</u>
Actuarial losses on defined benefit pension scheme	(42,000)	(23,000)
<b>Net movement in funds for year</b>	<u>(194,493)</u>	<u>4,836</u>

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**3. SUPPLIES**

	<b>2018</b>	2017
	<b>£</b>	£
Sales	500,182	576,341
Cost of sales	(308,466)	(348,425)
	<u>191,716</u>	<u>227,916</u>
Administration	(73,848)	(79,374)
Net surplus	<u><u>117,868</u></u>	<u><u>148,542</u></u>

Supplies relates to sales of uniforms and merchandise to Companies, Battalions and Districts.

**4. INCOME FROM DONATIONS AND LEGACIES**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Endowment funds 2018 £</b>	<b>Total funds 2018 £</b>	Total funds 2017 £
Donations	46,731	3,215	-	49,946	74,864
Legacies	36,351	15,000	-	51,351	83,219
	<u>83,082</u>	<u>18,215</u>	<u>-</u>	<u>101,297</u>	<u>158,083</u>

In 2017 the total income from donations and legacies was £118,835 to unrestricted funds and £39,248 to restricted funds.

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**5. GRANTS RECEIVABLE**

	<b>2018</b>	2017
	£	£
<b>General fund:-</b>		
Children, Young People and Families Early Intervention Fund	50,000	62,500
Youthlink NVYO Support Fund	6,985	-
	<u>56,985</u>	<u>62,500</u>
<b>Restricted funds:-</b>		
Rural Development Rhosymedre and Ruabon, North Wales	-	19,500
Young Start Glasgow Development Worker	-	12,000
Youthlink Cashback for Communities	-	39,565
Stirling Battalion and Gannochy Trust	13,000	44,629
Young People Take the Lead	11,250	49,016
Youthlink - Lanarkshire Development Worker	5,000	-
YUF Social Action Grant	-	3,881
Youthlink Support	-	5,050
Youthlink NVYO Support Fund	20,700	-
Youth Scotland Generation CashBack	77,181	-
	<u>127,131</u>	<u>173,641</u>
	<u>184,116</u>	<u>236,141</u>

**6. INVESTMENT INCOME**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Endowment funds 2018 £</b>	<b>Total funds 2018 £</b>	Total funds 2017 £
Deposit interest	658	-	-	658	1,001
Income from investments	19,135	3,752	629	23,516	22,000
Pension income	20,000	-	-	20,000	13,000
	<u>39,793</u>	<u>3,752</u>	<u>629</u>	<u>44,174</u>	<u>36,001</u>

In 2017, of the total investment income, £31,282 was to unrestricted funds, £3,622 was to restricted funds and £1,097 was to endowment funds.

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**7. GRANTS PAYABLE**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Unrestricted Funds 2017 £</b>	<b>Restricted Funds 2017 £</b>
Northern Ireland District	104,421	-	101,874	-
Republic of Ireland	4,000	-	4,000	-
Other Battalions, Districts and Companies	-	495	-	68,323
	108,421	495	105,874	68,323

**8. GOVERNANCE COSTS**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Endowment funds 2018 £</b>	<b>Total funds 2018 £</b>	<b>Total funds 2017 £</b>
Auditors' remuneration	21,525	-	-	21,525	17,974
Committee expenses	22,892	-	-	22,892	27,106
Legal and professional fees	22,691	-	-	22,691	20,155
Annual report	2,969	-	-	2,969	1,740
	70,077	-	-	70,077	66,975

Included within legal and professional costs are amounts of £4,539 (2017 - £10,875) paid to the Brigade's auditors in respect of non audit services.

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**9. ADMINISTRATION AND SUPPORT COSTS**

	<b>Cost of generating funds £</b>	<b>Supplies £</b>	<b>Management and delivery of charity's purposes £</b>	<b>2018 £</b>	<b>2017 £</b>
Staff costs	164,303	-	470,908	635,211	573,531
Staff training	253	-	761	1,014	1,564
Outsourcing management fee	-	48,658	-	48,658	51,951
Development officer expenses	197	-	592	789	2,357
Travelling	13,045	-	39,134	52,179	57,954
Development	9,274	-	27,821	37,095	48,261
Training courses	15,589	-	46,766	62,355	47,265
Office services	6,917	-	20,750	27,667	27,611
Insurance	32,306	-	96,918	129,224	130,574
Printing and stationery	4,306	-	12,919	17,225	14,023
IT expenses	9,596	-	28,788	38,384	35,455
Postage and carriage	2,657	25,190	7,972	35,819	40,631
Repairs and maintenance	1,508	-	4,524	6,032	9,506
Leasing	6,584	-	19,753	26,337	23,822
Depreciation	66	-	199	265	264
Communications	16,621	-	49,863	66,484	57,156
Sundries	2,742	-	8,225	10,967	17,449
Irrecoverable VAT	11,478	-	34,435	45,913	36,476
Bank charges	6,028	-	18,084	24,112	16,339
Subscription to Global Fellowship	-	-	5,490	5,490	6,635
Online Brigade Manager	16,815	-	50,445	67,260	65,481
Pension scheme costs	-	-	49,933	49,933	48,916
Governance costs	17,519	-	52,558	70,077	66,975
Direct expenditure attributable to Designated Funds	-	-	56,286	56,286	73,730
	<b>337,804</b>	<b>73,848</b>	<b>1,103,124</b>	<b>1,514,776</b>	<b>1,453,926</b>
Included above are support costs of:-					
Staff costs	-	-	110,160	110,160	91,176
Other costs	-	-	4,667	4,667	4,070
Governance costs	17,519	-	52,558	70,077	66,975
	<b>17,519</b>	<b>-</b>	<b>167,385</b>	<b>184,904</b>	<b>162,221</b>

Support costs have been allocated on the basis of staff time.

## THE BOYS' BRIGADE

(A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

#### 10. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2018 £	2017 £
Operating lease expense	90,366	64,340
Amortisation charged	265	264
Depreciation of tangible fixed assets: - owned by the charity	4,548	4,548
Auditors' remuneration – audit services	9,500	9,500
Auditors' remuneration – other services	16,565	19,349
Trustee and officer indemnity insurance	3,438	4,490
	<u>3,438</u>	<u>4,490</u>

During the year, no Trustees received any remuneration (2017 - £NIL).

During the year, no Trustees received any benefits in kind (2017 - £NIL).

12 Trustees received reimbursement of expenses amounting to £5,248 in the current year, (2017 - 16 Trustees - £7,344).

Trustees are provided with overnight accommodation, if required, when attending meetings.

#### 11. STAFF COSTS

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	939,491	965,678
Social security costs	68,497	75,763
Defined contribution pension costs	17,045	14,327
Defined benefit pension operating costs	18,000	14,000
	<u>1,043,033</u>	<u>1,069,768</u>

The average monthly number of employees was: 53 (2017: 57) and the average monthly number of employees during the year expressed as full time equivalents was as follows (including casual and part-time staff):

	2018 No.	2017 No.
Full time	41	40
Part time	12	17
	<u>53</u>	<u>57</u>

No employee received remuneration amounting to more than £60,000 in either year.

Remuneration and benefits received by key management personnel in the year were £292,866 (2017 - £235,729)

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**12. INTANGIBLE FIXED ASSETS**

	<b>Access Rights to Felden Lodge £</b>	<b>Copyrights £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2017 and 31 March 2018	33,047	1	33,048
<b>Amortisation</b>			
At 1 April 2017	2,643	-	2,643
Charge for the year	265	-	265
At 31 March 2018	2,908	-	2,908
<b>Net book value</b>			
At 31 March 2018	30,139	1	30,140
At 31 March 2017	30,404	1	30,405

**13. TANGIBLE FIXED ASSETS**

	<b>Freehold property £</b>	<b>Fixtures &amp; fittings £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2017 and 31 March 2018	3,588,232	257,133	3,845,365
<b>Amortisation</b>			
At 1 April 2017	21,044	246,693	267,737
Charge for the year	-	4,548	4,548
At 31 March 2018	21,044	251,241	272,285
<b>Net book value</b>			
At 31 March 2018	3,567,188	5,892	3,573,080
At 31 March 2017	3,567,188	10,440	3,577,628

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**14. FIXED ASSET INVESTMENTS**

**Investment portfolio:-**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2018 £</b>
1 April 2017	554,336	111,640	36,924	702,900
Additions	176,277	13,073	-	189,350
Disposals	(179,789)	(13,008)	(373)	(193,170)
Net realised and unrealised gains/(losses)	(7,197)	3,610	179	(3,408)
31 March 2018	<u>543,627</u>	<u>115,315</u>	<u>36,730</u>	<u>695,672</u>

The fair value of listed investments is determined by reference to the quoted price at 31 March 2018.

The fair value of investments comprise Equities £674,923 (2017 - £698,074) and cash held within the portfolio of £20,749 (2017 - £4,826). The original cost of investments excluding cash is £537,021 (2017 - £531,016).

**15. STOCKS**

	<b>2018 £</b>	<b>2017 £</b>
Consumables	9,219	8,349
Supplies for resale	203,230	178,256
	<u>212,449</u>	<u>186,605</u>

Stock movement at cost recognised in the Statement of Financial Activities was £308,466 (2017 - £348,425).

**16. DEBTORS**

	<b>2018 £</b>	<b>2017 £</b>
Trade debtors	31,473	49,666
Loans	14,580	23,925
Prepayments and accrued income	163,275	147,611
	<u>209,328</u>	<u>221,202</u>

Loans include £10,980 (2017 - £20,325) due after one year.

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**17. CREDITORS:**

**Amounts falling due within one year**

	<b>2018</b>	2017
	<b>£</b>	£
Other loans	7,000	7,000
Payments received on account	14,178	11,620
Trade creditors	154,829	194,977
Other taxation and social security	37,161	33,546
Other creditors	62,831	54,618
Accruals and deferred income	66,855	54,846
	<u>342,854</u>	<u>356,607</u>

**18. ACCRUALS AND DEFERRED INCOME**

	<b>2018</b>	2017
	<b>£</b>	£
Annual capitation contributions received in advance	<u>364,961</u>	<u>366,290</u>

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**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**19. STATEMENT OF FUNDS – CURRENT YEAR**

	<b>Brought Forward £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers in/out £</b>	<b>Gains/(losses) £</b>	<b>Carried forward £</b>
<b>Designated funds</b>						
Freehold Property Fund	3,567,189	-	-	-	-	3,567,189
David White Memorial Fund	1,737	-	(1,000)	-	-	737
Jubilee Fund	1,220	-	-	-	-	1,220
Lockett Fidler KGV1 Fund	1,991	-	-	-	-	1,991
Development Fund	61,436	-	(9,302)	(1,402)	-	50,732
Building Fund	36,844	-	-	(6,377)	-	30,467
Unite Christian Festivals						
England	13,716	12,141	(11,301)	-	-	14,556
Carronvale Appeal	9,433	14,641	(29,208)	10,000	-	4,866
Children and Youthwork Fund	32,500	-	(5,475)	20,000	-	47,025
	<u>3,726,066</u>	<u>26,782</u>	<u>(56,286)</u>	<u>22,221</u>	<u>-</u>	<u>3,718,783</u>
<b>General funds</b>						
General Fund	563,994	2,270,883	(2,443,675)	(7,221)	(7,197)	376,784
Pension reserve	-	42,000	-	-	(42,000)	-
	<u>563,994</u>	<u>2,312,883</u>	<u>(2,443,675)</u>	<u>(7,221)</u>	<u>(49,197)</u>	<u>376,784</u>
Total Unrestricted funds	<u>4,290,060</u>	<u>2,339,665</u>	<u>(2,499,961)</u>	<u>15,000</u>	<u>(49,197)</u>	<u>4,095,567</u>

Designated funds relate to amounts transferred from general funds for purposes designated by the Trustees as follows:-

- Freehold Property Fund - To represent the book value of freehold property held within the accounts.
- David White Memorial Fund - Young officer training.
- Jubilee Fund - For commemorative events.
- Lockett / Fidler KGV1 Fund - For work with King George VI officer training.
- Development Fund - For Brigade development.
- Building Fund - For property maintenance.
- Unite Christian Festivals England - To support Christian events within England.
- Carronvale Appeal - For the refurbishment of Carronvale House and grounds.
- Children and Youthwork Fund - For leader training, development and safeguarding responsibilities.

	<b>Brought Forward £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers in/out £</b>	<b>Gains/(losses) £</b>	<b>Carried forward £</b>
<b>Endowment funds</b>						
Cave Allan Legacy	<u>37,257</u>	<u>629</u>	<u>(1,572)</u>	<u>-</u>	<u>179</u>	<u>36,493</u>

Donors have directed that capital should be held, with investment income arising therefrom to be applied specifically, as follows:

- Cave Allan Legacy - Upkeep of grave, with balance to be split equally between the London District and the Boys' Brigade.

Included within funds brought forward is accumulated unexpended investment income to be expended in future periods.

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**19. STATEMENT OF FUNDS – CURRENT YEAR (continued)**

	<b>Brought Forward £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers in/out £</b>	<b>Gains/(losses) £</b>	<b>Carried forward £</b>
<b>Restricted funds</b>						
National Training Appeal	5,664	-	-	-	-	5,664
John Burke Fund	43,715	1,327	(1,037)	-	1,770	45,775
Edith Blanche Bevis Fund	4,631	-	-	-	-	4,631
Friends of Carronvale	2,459	2,167	(4,071)	-	-	555
Friends of Felden	3,615	800	(965)	-	-	3,450
8th Grimsby Funds	36,342	1,142	(951)	-	1,606	38,139
Youthlink Support	5,167	-	(19)	-	-	5,148
Make a Difference	5,152	-	-	-	-	5,152
Overseas work	1,922	248	(100)	-	-	2,070
Stirling Battalion - Mid Scottish Development	11,045	13,000	(30,664)	10,000	-	3,381
Bloemfontein Road	40,020	1,283	(36,768)	-	234	4,769
Youthlink Lanarkshire	1,155	5,000	(18,540)	12,385	-	-
Roy Inglis Legacy	30,000	15,000	-	(20,000)	-	25,000
Patrons Fund	2,500	-	-	-	-	2,500
Rural Challenge North Wales	31,629	-	(31,629)	-	-	-
Robert Fernan Smith Legacy	31,990	-	(4,336)	8,000	-	35,654
Cashback - Young People Take the Lead	31,962	11,250	(2,288)	(17,385)	-	23,539
Youthlink NVYO Support Fund	-	20,700	(4,063)	(8,000)	-	8,637
Youth Scotland Generation CashBack	-	77,181	(49,061)	-	-	28,120
	<u>288,968</u>	<u>149,098</u>	<u>(184,492)</u>	<u>(15,000)</u>	<u>3,610</u>	<u>242,184</u>
Total Funds	<u><u>4,616,285</u></u>	<u><u>2,489,392</u></u>	<u><u>(2,686,025)</u></u>	<u><u>-</u></u>	<u><u>(45,408)</u></u>	<u><u>4,374,244</u></u>

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**19. STATEMENT OF FUNDS – PRIOR YEAR (continued)**

	<b>As restated Brought Forward £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers in/out £</b>	<b>Gains/(losses) £</b>	<b>Carried forward £</b>
<b>Designated funds</b>						
Freehold Property Fund	3,567,189	-	-	-	-	3,567,189
David White Memorial Fund	787	1,000	(50)	-	-	1,737
Jubilee Fund	1,220	-	-	-	-	1,220
Lockett Fidler KGV1 Fund	1,991	-	-	-	-	1,991
Development Fund	61,630	3,000	-	(3,194)	-	61,436
Building Fund	69,614	-	518	(33,290)	-	36,842
Unite Christian Festivals						
England	9,773	9,145	(5,202)	-	-	13,716
Carronvale Appeal	13,171	32,759	(36,497)	-	-	9,433
Children and Youthwork Fund	65,000	-	(32,500)	-	-	32,500
	<u>3,790,375</u>	<u>45,904</u>	<u>(73,731)</u>	<u>(36,484)</u>	<u>-</u>	<u>3,726,064</u>
<b>General funds</b>						
General Fund	494,851	2,350,193	(2,418,111)	59,527	77,536	563,996
Pension reserve	-	23,000	-	-	(23,000)	-
	<u>494,851</u>	<u>2,373,193</u>	<u>(2,418,111)</u>	<u>59,527</u>	<u>54,536</u>	<u>563,996</u>
Total Unrestricted funds	<u>4,285,226</u>	<u>2,419,097</u>	<u>(2,491,842)</u>	<u>23,043</u>	<u>54,536</u>	<u>4,290,060</u>
	<b>Brought Forward £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers in/out £</b>	<b>Gains/(losses) £</b>	<b>Carried forward £</b>
<b>Endowment funds</b>						
Cave Allan Legacy	33,012	1,097	(616)	-	3,764	37,257

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**19. STATEMENT OF FUNDS – PRIOR YEAR (continued)**

	<b>As restated Brought Forward £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers in/out £</b>	<b>Gains/(losses) £</b>	<b>Carried forward £</b>
<b>Restricted funds</b>						
National Training Appeal	5,664	-	-	-	-	5,664
John Burke Fund	37,320	1,192	(464)	-	5,667	43,715
Edith Blanche Bevis Fund	4,631	-	-	-	-	4,631
Friends of Carronvale	284	3,235	(1,060)	-	-	2,459
Friends of Felden	3,678	3,382	(3,445)	-	-	3,615
Youth United – Social Action Fund	169,185	3,881	(148,340)	(24,726)	-	-
8th Grimsby Funds	31,403	1,023	(944)	-	4,860	36,342
Youth United Social Action Rural Fund	95,298	-	(57,530)	(37,768)	-	-
Youthlink Support	2,601	5,050	(2,484)	-	-	5,167
Make a Difference	5,152	-	-	-	-	5,152
Overseas work	1,791	131	-	-	-	1,922
Stirling Battalion - Mid Scottish Development	1,894	39,565	(30,414)	-	-	11,045
Bloemfontein Road	43,221	1,407	(23,934)	13,000	6,326	40,020
Youthlink Lanarkshire	13,281	-	(31,126)	19,000	-	1,155
Youth United Laing Foundation	11,479	-	(11,479)	-	-	-
Young Start – Glasgow Development Worker	8,459	12,000	(20,459)	-	-	-
South Scotland Development Worker	-	-	(20,083)	20,083	-	-
Youthlink Cashback	-	44,629	(45,734)	1,105	-	-
Roy Inglis Legacy	-	30,000	-	-	-	30,000
Youth United Start Up Core	36,707	-	(36,707)	-	-	-
Andrew Melville Dunn Legacy	10,000	-	-	(10,000)	-	-
Patrons Fund	-	2,500	-	-	-	2,500
Rural Challenge North Wales	-	19,500	(3,027)	15,156	-	31,629
Robert Fernan Smith Legacy	31,990	-	-	-	-	31,990
Cashback - Young People Take the Lead	31,995	49,016	(30,156)	(18,893)	-	31,962
	<u>546,033</u>	<u>216,511</u>	<u>(467,386)</u>	<u>(23,043)</u>	<u>16,853</u>	<u>288,968</u>
Total Funds	<u>4,864,271</u>	<u>2,636,705</u>	<u>(2,959,844)</u>	<u>-</u>	<u>75,153</u>	<u>4,616,285</u>

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**19. STATEMENT OF FUNDS (continued)**

Donors have directed, or the terms of an appeal have specified, that income arising on these funds should be applied as follows:

National Training Appeal - For Brigade training.  
 John Burke Fund - For outdoor activity.  
 Edith Blanche Bevis Fund - For Methodist companies within the area of Clacton-on-Sea.  
 Friends of Carronvale - To be applied towards Carronvale House.  
 Friends of Felden - To be applied towards Felden Lodge.  
 Youth United Social Action Fund - to fund development work.  
 8th Grimsby Funds - For Anglican companies in formation.  
 Youth United Social Action Fund Rural Grant – to fund development work in isolated rural communities.  
 Youthlink Support Fund - For IT training and progressive programme of education and sporting activities in Scotland.  
 Make a Difference - For the development of the Brigade.  
 Overseas Work - For overseas work.  
 Stirling Battalion - Mid Scottish Development - Development worker for mid Scottish region.  
 Bloemfontein Road / 23rd Hammersmith - for development work within the area of Bloemfontein Road, London.  
 Youthlink Lanarkshire Development worker for Lanarkshire region.  
 Youth United Laing Foundation – to fund development work in the boroughs of Croydon, Southwark, Greenwich and Wandsworth.  
 Young Start – sports development worker in Glasgow.  
 Youthlink Cashback - To support local youth groups within Scotland.  
 Roy Inglis Legacy – Development work in Scotland.  
 Patrons Fund – Young people events.  
 Rural Challenge North Wales – Development worker in North Wales.  
 Youth United Start Up Core Funding - For the funding of core start-up costs within the specified regions.  
 Robert Fernan Smith Legacy – residual legacy to be used in Scotland.  
 Andrew Melville Dunn – pecuniary legacy for Scotland development worker.  
 Young People Take The Lead - Scottish development worker and support to companies.  
 Youthlink NVYO Support Fund – Support for the young leaders network in Scotland.  
 Youth Scotland Generation CashBack – Offering a programme of engaging activities to young people in deprived communities.

**SUMMARY OF FUNDS – CURRENT YEAR**

	<b>Brought Forward</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers in/out</b>	<b>Gains/(losses)</b>	<b>Carried forward</b>
	£	£	£	£	£	£
Designated funds	3,726,066	26,782	(56,286)	22,221	-	3,718,783
General funds	563,994	2,312,883	(2,443,675)	(7,221)	(49,197)	376,784
	<u>4,290,060</u>	<u>2,339,665</u>	<u>(2,499,961)</u>	<u>15,000</u>	<u>(49,197)</u>	<u>4,095,567</u>
Endowment funds	37,257	629	(1,572)	-	179	36,493
Restricted funds	288,968	149,098	(184,492)	(15,000)	3,610	242,184
	<u>4,616,285</u>	<u>2,489,392</u>	<u>(2,686,025)</u>	<u>-</u>	<u>(45,408)</u>	<u>4,374,244</u>

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**19. STATEMENT OF FUNDS – PRIOR YEAR (continued)**

	<b>As restated Brought Forward £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers in/out £</b>	<b>Gains/(losses) £</b>	<b>Carried forward £</b>
Designated funds	3,790,375	45,904	(73,731)	(36,484)	-	3,726,064
General funds	494,851	2,373,193	(2,418,111)	59,527	54,536	563,996
	<u>4,285,226</u>	<u>2,419,097</u>	<u>(2,491,842)</u>	<u>23,043</u>	<u>54,536</u>	<u>4,290,060</u>
Endowment funds	33,012	1,097	(616)	-	3,764	37,257
Restricted funds	546,033	216,511	(467,386)	(23,043)	16,853	288,968
	<u>4,864,271</u>	<u>2,636,705</u>	<u>(2,959,844)</u>	<u>-</u>	<u>75,153</u>	<u>4,616,285</u>

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**20. FINANCIAL INSTRUMENTS**

	<b>2018</b>	2017
	£	£
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	407,443	694,034
Financial assets that are measured at fair value	<u>695,672</u>	<u>702,899</u>
	<u>1,103,115</u>	<u>1,396,933</u>
Financial assets that are debt instruments comprise cash, trade debtors and other receivables.		
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>161,829</u>	<u>201,977</u>
Financial liabilities comprise trade creditors and other loans.		

**21. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS – CURRENT YEAR**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £	Total funds 2017 £
Tangible fixed assets	3,573,080	-	-	3,573,080	3,577,627
Intangible fixed assets	30,140	-	-	30,140	30,406
Fixed asset investments	543,862	115,317	36,493	695,672	702,899
Current assets	656,300	126,867	-	783,167	1,028,250
Creditors due within one year	(342,854)	-	-	(342,854)	(356,607)
Deferred income	(364,961)	-	-	(364,961)	(366,290)
	<u>4,095,567</u>	<u>242,184</u>	<u>36,493</u>	<u>4,374,244</u>	<u>4,616,285</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Endowment funds 2017 £	Total funds 2017 £	Total funds 2016 £
Tangible fixed assets	3,577,627	-	-	3,577,627	3,582,175
Intangible fixed assets	30,406	-	-	30,406	30,669
Fixed asset investments	554,335	111,640	36,924	702,899	623,283
Current assets	850,589	177,328	333	1,028,250	1,345,458
Creditors due within one year	(356,607)	-	-	(356,607)	(321,565)
Deferred income	(366,290)	-	-	(366,290)	(395,749)
	<u>4,290,060</u>	<u>288,968</u>	<u>37,257</u>	<u>4,616,285</u>	<u>4,864,271</u>

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(200,041)	(224,983)
Adjustment for:		
Depreciation charges	4,812	4,812
(Gains)/losses on investments	(12,504)	(98,152)
Dividends, interest and rents from investments	(23,516)	(22,000)
Adjustment in respect of defined benefit pension scheme	(42,000)	(23,000)
(Increase)/decrease in stocks	(25,844)	77,708
Decrease/(increase) in debtors	11,874	1,159
Increase/(decrease) in creditors	(15,084)	5,582
<b>Net cash (used in)/provided by operating activities</b>	<b>(302,303)</b>	<b>(278,874)</b>

**23. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	361,390	620,443

**24. PENSION COMMITMENTS**

The Brigade operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge included in the Statement of Financial Activities represents contributions payable by the charity and amounted to £17,045 (2017 - £14,327).

The Brigade also operates a defined benefit pension scheme which was closed to new members in November 2000.

The administration of the scheme is the responsibility of the Trustees of the scheme, and its assets are held separately from the Brigade. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations. The last full actuarial valuation was as of 1 June 2015.

The amounts recognised in the Balance sheet are as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Fair value of scheme assets	6,679,000	6,793,000
Present value of funded obligations	(5,899,000)	(6,006,000)
<b>Surplus not recognised</b>	<b>780,000</b>	<b>787,000</b>

The fair value of scheme assets above has been reduced by the surplus of £780,000 (2017- £787,000) which has not been recognised on the basis that the Trustees cannot be reasonably certain that future economic benefits in the form of reduced contributions or a scheme refund will result.

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**24. PENSION COMMITMENTS (continued)**

The amounts recognised in the Statement of Financial Activities are as follows:

	<b>2018</b>	2017
	<b>£</b>	<b>£</b>
Current service cost	(18,000)	(14,000)
Interest on obligation	(148,000)	(185,000)
Interest on assets	168,000	198,000
Expenses paid by fund	-	(35,000)
	2,000	(36,000)
	(42,000)	(23,000)

Movements in the present value of the defined benefit obligation were as follows:

	<b>2018</b>	2017
	<b>£</b>	<b>£</b>
Opening defined benefit obligation	6,006,000	5,538,000
Current service cost	18,000	14,000
Employee contributions	5,000	5,000
Interest cost	148,000	185,000
Actuarial Losses	(53,000)	477,000
Benefits paid	(225,000)	(213,000)
	5,899,000	6,006,000

Changes in the fair value of scheme assets were as follows:

	<b>2018</b>	2017
	<b>£</b>	<b>£</b>
Opening fair value of scheme assets	6,006,000	5,538,000
Interest on assets	168,000	198,000
Actuarial gains and (losses)	(95,000)	454,000
Contributions by employer	40,000	59,000
Employee contributions	5,000	5,000
Benefits paid	(225,000)	(213,000)
Expenses paid by scheme	-	(35,000)
	5,899,000	6,006,000

The Brigade expects to contribute £30,000 to the defined benefit pension scheme in 2019.

**THE BOYS' BRIGADE**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**24. PENSION COMMITMENTS (continued)**

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	<b>2018</b>	2017
	<b>£</b>	£
Equities	58.5%	59.4%
Bonds	33.8%	31.1%
Cash	0.5%	1.7%
Annuities	7.2%	7.8%

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	<b>2018</b>	2017
	<b>£</b>	£
Discount rate at 31 March	2.60%	2.50%
Future salary increases	3.00%	3.00%
Future pension increases	3.00%	3.10%
Retail price inflation	3.00%	3.10%
Consumer price inflation	2.00%	2.10%

Mortality assumptions used for current pensioners at age 65 were 21.8 years for men and 23.7 years for women. Assumptions for future pensioners at age of 65 were 22.9 years for men and 24.9 years for women.

**25. OPERATING LEASE COMMITMENTS**

At 31 March 2018 the Brigade had future minimum lease payments under non-cancellable operating leases as follows:

	<b>2018</b>	2017
	<b>£</b>	£
<b>Amounts payable:</b>		
Within one year	87,325	85,106
Between 1 and 5 years	200,763	276,969
	<u>288,088</u>	<u>362,075</u>

**26. RELATED PARTY TRANSACTIONS**

The Brigade is ultimately controlled by the members collectively. No single party is able to exercise control.

Other loans, totalling £7,000 (2017 - £7,000), which the Brigade originally received and has not yet repaid, were from related parties.

At the year end the North Staffordshire Battalion owed £14,580 to the Brigade, which was the balance outstanding on the loan granted (2017 - £23,925). This loan is being repaid via monthly instalments of £300 and interest is accruing at 1.5% per annum (or at a rate equal to the Bank of England base rate should this exceed 2.5%).

The Brigade is the sole trustee of the Pearson Centre for Young People Trust, a registered charity, number 522177, which operates a youth organisation from premises in Nottingham. The day to day activity of the facility is administered by a separate management committee. The Brigade has no direct interest in the income and expenditure of the charity but does retain a residual beneficial interest in the premises in the event that the 17<sup>th</sup> Nottingham Boys Brigade company based at the premises ceases to exist. These accounts do not include any financial transactions or assets of the charity.