

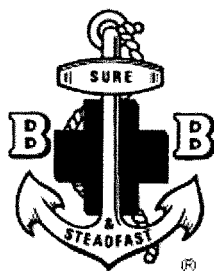
Company registered number: 145122
Registered charity in England & Wales number: 305969 & Registered charity in Scotland number: SC038016

THE BOYS' BRIGADE

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020



Whiting & Partners

Chartered Accountants & Business Advisers
Statutory Auditors

THE BOYS' BRIGADE
(A company limited by guarantee)

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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 2020**

Office Bearers

President The Reverend Dr The Lord Griffiths of Burry Port

Vice Presidents D J Aubrey QC
A S Burrow
I Rumbelow (appointed 7th September 2019)

Treasurer C Bygrave FCA CTA TEP

Chaplain Rev L A Maydew

Trustees Rev B Anderson (retired 31st August 2019)
D J Aubrey QC (retired 1st February 2020, reappointed 27th June 2020)
M A Baldwin (retired 31st August 2019)
C A Brace (resigned 16th June 2020)
V Brownlee
S A Buchanan MBE (resigned 3rd March 2020, reappointed 27th April 2020)
A S Burrow
C Bygrave FCA CTA TEP
R Campbell
N Clingan (retired 1st February 2020)
R J C Cunningham
P A J Daley
The Reverend Dr The Lord Griffiths of Burry Port (retired 3rd March 2020)
P M Haggan
P McKinley (resigned 3rd March 2020, reappointed 27th April 2020)
R M Knowles
D J Love (retired 1st February 2020)
Rev L A Maydew (appointed 7th September 2019)
P T McCarroll (resigned 3rd March 2020, reappointed 27th April 2020)
S J Rankin

Company registered number 145122

Charity registered numbers 305969 and SC038016

Registered office Felden Lodge
Hemel Hempstead
Hertfordshire
HP3 0BL

Company Secretary and W C F Stevenson (retired 31st December 2019)
Chief Executive Officer

J K Eales (appointed Company Secretary 1st January 2020. Appointed Chief Executive Officer 1st April 2020)

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 2020**

Statutory auditors

Whiting & Partners
Chartered Accountants
George Court
Bartholomew's Walk
Ely
Cambridgeshire
CB7 4JW

Principal Bankers

Barclays Bank Plc
1 Churchill Place
London
E14 5HP

Investment Managers

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 2020

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 2020. 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 oversee the Brigade at a regional level. However, the overall management and strategic direction of the Brigade is provided by the Brigade Executive. The Regional Committees in England, Scotland and Northern Ireland, each elect three of its members to serve on the Brigade Executive, with the Wales and The Republic of Ireland Regional Committees each electing one of its members to serve on the Brigade Executive. The maximum term of office is six years (two terms of three years) commencing from appointment to the Regional Committee.

Office Bearers, comprising of a President, a maximum of four Vice Presidents, a Treasurer and a Chaplain are also elected annually by Brigade Council. The terms of office are a maximum of nine years for President and Vice Presidents, three years for Chaplain and there is no maximum term of office for the role of Treasurer. The Office Bearers elect annually a Vice President to serve as a Trustee (with a maximum term of six years in that capacity). The Treasurer and Chaplain are also Trustees for the duration of their appointment, but except as set out above, the Office Bearers are not Charity Trustees or Company Directors.

- **Induction and training of Trustees**

Trustees are familiar with the work of the Charity, and other than Office Bearers, are all elected members at Regional Committee level.

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 on incorporated, legal, financial, safeguarding, health & safety and service delivery matters. The Trustees are supported by a range of Sub-Committees whose membership is drawn from the Brigade Executive and others with specific experience and expertise.

- **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 BOYS' BRIGADE

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BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2020

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

• 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 £2,835,632 at 31st March 2020 (2019 - £3,384,847). 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.

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.

THE BOYS' BRIGADE

(A company limited by guarantee)

BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2020

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.

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.

THE BOYS' BRIGADE

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BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance (including strategic report)

- **Review of achievements and performance**

Each week the organisation engages with 40,000 children and young people through 1,250 groups, supported by 11,000 volunteer leaders. The groups are located throughout the UK and Republic of Ireland and operate in a diverse range of settings. The organisation continues to work in partnership with local churches and communities to positively impact the lives of children and young people.

The priority over the past twelve months has been to evaluate our work, celebrate our achievements and re-position ourselves for the future. We have approached this task in a number of ways.

Through funding received via the Youth United Foundation and Scottish Government, we commissioned a strategic review to gauge the views of our volunteer leaders. The research was undertaken independently and the consultation consisted of 1,200 survey responses, targeted one to one's and focus groups involving leaders from across the regions, in a range of roles and with a variety of experience. The findings of the review were the focus of the Brigade's Annual Conference held in Swansea in September, and a detailed report was presented to the Trustees in October. The Executive Summary is available to download from the website and the full report is available upon request.

The findings of the strategic review, together with consultation at Raise the Bar Roadshows, Regional Committees and a Staff Residential have shaped the development of a new five-year strategic plan to run from September 2020.

The focus of the new strategic plan is to improve the consistency of experience for children and young people within the organisation. The targets will be grouped under the headings of Quality, Voice and Growth with the emphasis on enhancing the quality of our work.

Alongside the development of our future strategy we have relaunched our Vision, Mission and Values, to ensure we remain true to our core purpose and to assist in communicating this to our members and beyond.

The mission of The Boys' Brigade is to have faith in young people and provide them with opportunities to learn, grow and discover in a safe, fun and caring environment which is rooted in the Christian Faith. This is underpinned by the values of Faith, Caring, Inspiring and Trust.

During the year we have introduced a new programme for under 11s. It is centred around the themes of Get Active, Get Creative, Get Learning, Get Adventurous, Get into The Bible, and Get Involved. The new programmes are being delivered through termly planners and activity cards to equip leaders. The feedback from leaders has been fantastic and the plan is to launch new programmes for the Over 11s in early 2021.

Our work has been supported financially by the Youth United Foundation in England, and in Scotland by the Baird Trust, John Scott Charitable Trust, Cashback for Communities and The Church of Scotland Guild. The Scottish Government has continued to contribute towards core costs in Scotland. These funds have all made an invaluable contribution and enabled us to increase the scope and pace of our work with children and young people.

The core finances of the organisation remain a challenge. A staffing review has been undertaken to identify savings in staffing costs and to consider long term resourcing needs. A new staffing structure has been adopted which has resulted in a number of redundancies, and the creation of new roles. As well as the collection of annual membership subscriptions, the income from BB Supplies and our residential conference centres at Carronvale House and Felden Lodge play an important part in providing necessary financial resources.

The strategic oversight is undertaken by the Trustees and they are supported by a range of sub-committees. These include groups to consider, Leader Development, Programme, Safeguarding, Governance, Finance, Christian Faith, Health & Safety, Pay & Remuneration, International and National Competitions. These committees play a vital role in the development of policy and the delivery of our strategic aims.

The operational delivery is led by the CEO and wider staff team. In December 2019 Bill Stevenson retired as CEO with Jonathan Eales (Operations Director) appointed as acting CEO from 1st January 2020.

THE BOYS' BRIGADE

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BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2020

- **Impact of COVID-19**

Following the “lock down” measures introduced by Government and devolved administrations on 23rd March 2020 the organisation suspended all face-to-face activity.

The staff team worked at speed to adapt our ways of working to support our members through these unprecedented times. On 27th March 2020 we launched BBatHOME, a weekly programme of online activities to support leaders, young people and their families. The staff team has also provided guidance in operating virtual sessions and ideas for maintaining contact with members. Leaders have found creative and imaginative ways to keep a sense of community alive during these times.

The work of the staff team has been focussed on three objectives:

- To provide activities for children and young people through the creation of BBatHOME.
- To provide essential support to leaders.
- To comply with our statutory obligations.

As we begin to emerge from “lock down” a fourth objective is to support leaders prepare for a return to face to face activities.

Based on these objectives the organisation has operated on a reduced staff numbers and utilised the Government's Job Retention Scheme to ensure longer term financial stability.

Plans are underway for when groups can return to some form of face-to-face and a comprehensive guidance framework is being developed to assist leaders.

- **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 surplus for the year for all funds, excluding those held as custodian, was £149,576 (2019 - £38,759), this included the net operating surplus for the year disclosed in the Unrestricted Funds, which amounted to £260,015 (2019 - deficit £76,807). The Brigade in total reports a surplus after all movements of £117,576 (2019 – deficit £5,241) on funds.

THE BOYS' BRIGADE

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BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2020

- **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, Chief Executive Officer, 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, Cashback for Communities, Youth United Foundation, the Baird Trust and the John Scott Charitable Trust. 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.

- **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, 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**

The priority will be to support leaders in a return to face-to-face activities when this is possible, and to build confidence with children, young people and their parents/carers.

The focus for August to December 2020 will be a relaunch of face-to-face activities, together with a financial recovery plan. The first-year work plan to deliver the new strategic plan targets will commence in January 2021.

Whilst the past twelve months has presented significant challenges, it has also provided many opportunities to live out our vision that children and young people experience "life to the full". We look to the future with a renewed sense of confidence and optimism.

- **Going Concern**

The Trustees have prepared the financial statements on the going concern basis, and as part of their assessment have considered the impact of COVID-19. The income and expenditure of the Brigade has been affected in the post balance sheet period, particularly for training centres where sites are unable to open. The Trustees have prepared forecasts for the next 12 months following the date of signing these accounts, taking into account the predicted impact of the COVID-19 pandemic, as explained in the review of achievements and performance, and are satisfied that the Brigade will continue as a going concern.

THE BOYS' BRIGADE

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BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2020

- **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 2020, the actuary calculated that there was a funding surplus of £894,000 (2019 - £1,156,000) 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 available valuation based on the current statement of funding principles as at 1 June 2018 indicated a scheme surplus of £196,000. During the year in addition to normal employer and employee contributions, special contributions amounted to £5,000 (2019 - £30,000) in respect of the previously valued shortfall.

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

THE BOYS' BRIGADE

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BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2020

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 1st August 2020 and signed on their behalf by:



J K Eales
Company Secretary

THE BOYS' BRIGADE

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

Opinion

We have audited the financial statements of The Boys' Brigade (the 'Charity') for the year ended 31 March 2020 set out on pages 13 to 38. 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 2020 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

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

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.

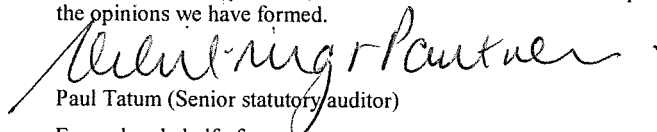
Auditors' responsibilities for the audit of the financial statements

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. 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: 7th August 2020

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

THE BOYS' BRIGADE

(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income and endowments from:						
Donations and legacies	4	520,504	84,072	-	604,576	78,320
Training centres		590,470	-	-	590,470	670,642
Investments	6	51,514	2,239	1,258	55,011	43,732
Charitable activities:						
Annual capitation contributions		951,530	-	-	951,530	914,094
Supplies sales	3	434,264	-	-	434,264	485,789
Grants receivable	5	60,000	125,074	-	185,074	429,685
Annual festival and other events		60,784	-	-	60,784	62,846
Total income and endowments		2,669,066	211,385	1,258	2,881,709	2,685,108
Expenditure on:						
Raising funds:						
Cost of raising funds	9	285,402	-	-	285,402	320,986
Training centres (non Brigade use)		502,940	-	-	502,940	493,071
Investment management		3,531	974	459	4,964	6,372
Charitable activities:						
Supplies - Cost of sales	3	261,098	-	-	261,098	298,473
Supplies - Administration	3	65,935	-	-	65,935	84,694
Grants payable	7	115,637	11,071	-	126,708	129,692
Training centres (Brigade use)		75,151	-	-	75,151	73,726
Management and delivery of activities	9	1,044,022	295,134	450	1,339,606	1,258,701
Total expenditure		2,353,716	307,179	909	2,661,804	2,665,715
Net income / (expenditure) before investment gains/(losses)		315,350	(95,794)	349	219,905	19,393
Net gains/(losses) on investments	14	(55,335)	(8,885)	(6,109)	(70,329)	19,366
Net income / (expenditure) before transfers		260,015	(104,679)	(5,760)	149,576	38,759
Transfers between Funds	19	12,000	(12,000)	-	-	-
Net income / (expenditure) before other gains and losses		272,015	(116,679)	(5,760)	149,576	38,759
Actuarial losses on defined benefit pension scheme	24	(32,000)	-	-	(32,000)	(44,000)
Net movement in funds		240,015	(116,679)	(5,760)	117,576	(5,241)
Reconciliation of funds:						
Total funds at 1 April 2019		3,971,939	360,111	36,953	4,369,003	4,374,244
Total funds at 31 March 2020	19	4,211,954	243,432	31,193	4,486,579	4,369,003

All activities relate to continuing operations.

The notes on pages 16 to 38 form part of these financial statements.

THE BOYS' BRIGADE

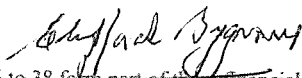
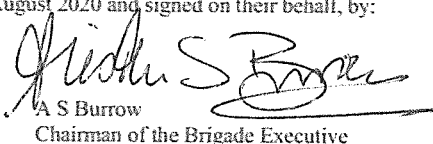
(A company limited by guarantee)
REGISTERED NUMBER: 145122

BALANCE SHEET AS AT 31 MARCH 2020

		2020		2019	
	Note	£	£	£	£
Fixed assets					
Intangible assets	12		29,611		29,875
Tangible assets	13		3,567,188		3,568,532
Investments	14		748,069		575,550
			<u>4,344,868</u>		<u>4,173,957</u>
Current assets					
Stocks	15	197,315		152,223	
Debtors	16	186,620		216,508	
Cash at bank and in hand	23	415,865		470,447	
			<u>799,800</u>		<u>839,179</u>
Creditors: amounts falling due within one year	17	(280,980)		(294,567)	
Net current assets			<u>518,820</u>		<u>544,612</u>
Total assets less current liabilities			<u>4,863,688</u>		<u>4,718,569</u>
Deferred income	18	(377,109)		(349,566)	
Net assets			<u>4,486,579</u>		<u>4,369,003</u>
Charity Funds					
Endowment funds	19		31,193		36,953
Restricted funds	19		243,432		360,111
Unrestricted funds	19		4,211,954		3,971,939
Total funds			<u>4,486,579</u>		<u>4,369,003</u>

The financial statements were approved by the Trustees on 1st August 2020 and signed on their behalf, by:

C Bygrave
Brigade Treasurer

A S Burrow
Chairman of the Brigade Executive

The notes on pages 16 to 38 form part of these financial statements.

THE BOYS' BRIGADE

(A company limited by guarantee)

**CASH FLOW STATEMENT & ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2020**

Cash flow statement	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	22	<u>(5,081)</u>	<u>(52,121)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		26,894	21,684
Proceeds from sale of investments		242,699	239,774
Purchase of investments		(485,547)	(100,280)
Donations of investments		166,453	-
Net cash provided by/(used in) investing activities		<u>(49,501)</u>	<u>161,178</u>
Change in cash and cash equivalents in the year		(54,582)	109,057
Cash and cash equivalents brought forward		470,447	361,390
Cash and cash equivalents carried forward	23	<u><u>415,865</u></u>	<u><u>470,447</u></u>
Analysis of net debt	At 1 April 2019 £	Cash flows £	At 31 March 2020 £
Cash at bank and in hand	470,447	(54,582)	415,865
Loans falling due within one year	(5,000)	-	(5,000)
	<u><u>465,447</u></u>	<u><u>(54,582)</u></u>	<u><u>410,865</u></u>

THE BOYS' BRIGADE

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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 and Wales. 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 principal activities are 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.

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. Income 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.

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 2019 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. Capital assets donated to the charity are recognised on the balance sheet at their fair value and through incoming resources.

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.

THE BOYS' BRIGADE

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1.3 Income (continued)

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.

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 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

1.7 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 2020

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation (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.

1.8 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.

1.9 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.

1.10 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.

1.11 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.

1.12 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.

1.13 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.

1.14 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 2020

1. ACCOUNTING POLICIES (continued)

1.15 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.

1.16 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 triennial reports made by the scheme actuary.

1.17 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

1.18 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 management's 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 2020

2. INCOMING AND OUTGOING RESOURCES ON UNRESTRICTED FUNDS

	2020	2019
Incoming resources	£	£
Donations and legacies	520,504	49,662
Training centres and other rental income	590,470	670,642
Investment income	51,514	39,742
Annual capitation contributions	951,530	914,094
Supplies sales	434,264	485,789
Grants	60,000	95,166
Annual festival and other events	60,784	62,846
Total incoming resources	2,669,066	2,317,941
Resources expended		
Cost of raising funds	285,402	320,987
Training centres (non Brigade use)	502,940	493,071
Investment management fees	3,531	4,852
Supplies - cost of sales	261,098	298,473
Supplies - administration	65,935	84,694
Grants to Battalions and Districts	115,637	112,702
Training centres (Brigade use)	75,151	73,725
Management and delivery of the charity's purposes	1,044,022	1,024,999
Total resources expended	2,353,716	2,413,503
Net income/(expenditure) before investment gains	315,350	(95,562)
Investment (losses)/gains	(55,335)	18,755
	260,015	(76,807)
Transfers from other funds	12,000	(2,818)
	272,015	(79,625)
Actuarial losses on defined benefit pension scheme	(32,000)	(44,000)
Net movement in funds for year	240,015	(123,625)

THE BOYS' BRIGADE

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

3. SUPPLIES

	2020	2019
	£	£
Sales	434,264	485,789
Cost of sales	(261,098)	(298,473)
	<u>173,166</u>	<u>187,316</u>
Administration	(65,935)	(84,694)
Net surplus	<u>107,231</u>	<u>102,622</u>

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

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	234,190	84,072	-	318,262	63,417
Legacies	286,314	-	-	286,314	14,903
	<u>520,504</u>	<u>84,072</u>	<u>-</u>	<u>604,576</u>	<u>78,320</u>

In 2019 the total income from donations and legacies was £49,662 to unrestricted funds and £28,658 to restricted funds.

THE BOYS' BRIGADE

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

5. GRANTS RECEIVABLE

	2020	2019
	£	£
General fund:-		
Children, Young People and Families Early Intervention Fund	60,000	69,166
Scotland Income from Charitable Trust	-	9,000
Building Fund	-	13,000
Carronvale Appeal	-	4,000
	<u>60,000</u>	<u>95,166</u>
Restricted funds:-		
Youth Scotland Generation Cashback Phase 4	84,774	52,625
NVYO Support Fund	25,300	29,000
Stirling Battalion and Gannochy Trust	-	15,500
Youth United Stronger Foundations	-	141,582
HLF YOYP Big Roadshow Grant	-	3,900
Youth United Reach	-	91,912
Baird Trust	5,000	-
John Scott Charitable Trust	10,000	-
	<u>125,074</u>	<u>334,519</u>
	<u>185,074</u>	<u>429,685</u>

6. INVESTMENT INCOME

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
Deposit interest	1,117	-	-	1,117	1,048
Income from investments	23,397	2,239	1,258	26,894	21,684
Pension income	27,000	-	-	27,000	21,000
	<u>51,514</u>	<u>2,239</u>	<u>1,258</u>	<u>55,011</u>	<u>43,732</u>

In 2019, of the total investment income, £39,742 was to unrestricted funds, £2,446 was to restricted funds and £1,544 was to endowment funds.

THE BOYS' BRIGADE

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

7. GRANTS PAYABLE

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Northern Ireland District	111,637	-	111,637	108,702
Republic of Ireland	4,000	-	4,000	4,000
Other Battalions, Districts and Companies	-	11,071	11,071	16,990
	<u>115,637</u>	<u>11,071</u>	<u>126,708</u>	<u>129,692</u>

In 2019, of the total grants payable, £112,702 was to unrestricted funds and £16,990 was to restricted funds.

8. GOVERNANCE COSTS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
Auditors' remuneration	18,500	-	-	18,500	18,500
Committee expenses	17,264	-	-	17,264	14,046
Legal and professional fees	10,719	-	-	10,719	23,642
Annual report	1,201	-	-	1,201	1,621
Staff training	248	-	-	248	-
	<u>47,932</u>	<u>-</u>	<u>-</u>	<u>47,932</u>	<u>57,809</u>

Included within legal and professional costs are amounts of £5,723 (2019 - £5,572) 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 2020**

9. ADMINISTRATION AND SUPPORT COSTS

	Cost of generating funds £	Supplies £	Management and delivery of charity's purposes £	Total 2020 £	2019 £
Staff costs	140,923	-	450,872	591,795	622,683
Staff training	402	-	1,346	1,748	3,723
Outsourcing management fee	-	40,036	-	40,036	49,352
Travelling	11,319	-	37,895	49,214	51,874
Development	2,968	-	9,938	12,906	16,296
Training courses	8,595	-	28,776	37,371	48,179
Office services	6,881	-	23,037	29,918	28,037
Insurance	28,590	-	95,714	124,304	127,723
Printing and stationery	2,406	-	8,054	10,460	14,132
IT expenses	9,230	-	30,900	40,130	41,973
Postage and carriage	1,925	25,899	6,446	34,270	45,817
Repairs and maintenance	1,703	-	5,701	7,404	8,543
Leasing	6,289	-	21,053	27,342	27,873
Amortisation	61	-	206	267	265
Communications	16,190	-	54,201	70,391	57,920
Sundries	2,128	-	7,125	9,253	8,555
Irrecoverable VAT	9,056	-	30,316	39,372	46,223
Bank charges	2,760	-	9,239	11,999	16,044
Subscription to Global Fellowship	-	-	6,984	6,984	3,000
Online Brigade Manager	13,746	-	46,018	59,764	57,465
Pension scheme costs	-	-	40,026	40,026	38,153
Governance costs	20,230	-	27,702	47,932	57,809
Direct expenditure attributable to Designated Funds	-	-	142,473	142,473	59,040
Internal recharges to training centres	-	-	(40,000)	(40,000)	-
	<u>285,402</u>	<u>65,935</u>	<u>1,044,022</u>	<u>1,395,359</u>	<u>1,430,679</u>

Included above are support costs of:-

Staff costs	-	-	108,453	108,453	113,041
Other costs	-	-	5,304	5,304	4,951
Governance costs	20,230	-	27,702	47,932	57,809
	<u>20,230</u>	<u>-</u>	<u>141,459</u>	<u>161,689</u>	<u>175,801</u>

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 2020**

10. NET INCOMING RESOURCES/ (RESOURCES EXPENDED)

This is stated after charging:

	2020	2019
	£	£
Operating lease expense	60,729	87,325
Amortisation charged	264	265
Depreciation of tangible fixed assets:		
- owned by the charity	1,344	4,548
Auditors' remuneration – audit services	9,500	9,500
Auditors' remuneration – other services	14,723	14,572
Trustee and officer indemnity insurance	<u>7,199</u>	<u>6,608</u>

During the year, no Trustees received any remuneration (2019 - £NIL).

During the year, no Trustees received any benefits in kind (2019 - £NIL).

12 Trustees received reimbursement of expenses amounting to £5,248 in the current year, (2019 - 13 Trustees - £3,019).

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

11. STAFF COSTS

Staff costs were as follows:

	2020	2019
	£	£
Wages and salaries	820,936	919,153
Social security costs	61,291	67,769
Defined contribution pension costs	28,655	24,553
Defined benefit pension operating costs	15,000	17,000
Redundancy costs	43,998	-
	<u>969,880</u>	<u>1,028,475</u>

The average monthly number of employees was 49 (2019 - 55) and the average monthly number of employees during the year expressed as full time equivalents was as follows (including casual and part-time staff):

	2020	2019
	No.	No.
Full time	35	39
Part time	11	16
	<u>46</u>	<u>55</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 £242,810 (2019 - £302,153).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

12. INTANGIBLE FIXED ASSETS

	Access Rights to Felden Lodge £	Copyrights £	Total £
Cost			
At 1 April 2019 and 31 March 2020	33,047	1	33,048
Amortisation			
At 1 April 2019	3,173	-	3,173
Charge for the year	264	-	264
At 31 March 2020	3,437	-	3,437
Net book value			
At 31 March 2020	29,610	1	29,611
At 31 March 2019	29,874	1	29,875

13. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures & fittings £	Total £
Cost			
At 1 April 2019 and 31 March 2020	3,588,232	257,133	3,845,365
Depreciation			
At 1 April 2019	21,044	255,789	276,833
Charge for the year	-	1,344	1,344
At 31 March 2020	21,044	257,133	278,177
Net book value			
At 31 March 2020	3,567,188	-	3,567,188
At 31 March 2019	3,567,188	1,344	3,568,532

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FOR THE YEAR ENDED 31 MARCH 2020**

14. FIXED ASSET INVESTMENTS

Investment portfolio:-

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2019 £
1 April 2019	460,373	78,183	36,994	575,550
Additions	456,633	21,904	7,010	485,547
Disposals	(213,085)	(22,816)	(6,798)	(242,699)
Net realised and unrealised gains/(losses)	(55,335)	(8,885)	(6,109)	(70,329)
31 March 2020	<u>648,586</u>	<u>68,386</u>	<u>31,097</u>	<u>748,069</u>

The fair value of listed investments is determined by reference to the quoted price at 31 March 2020.

The fair value of investments comprise Equities £722,744 (2019 - £565,060) and cash held within the portfolio of £25,325 (2019 - £10,490). The original cost of investments excluding cash is £662,966 (2019 - £458,819).

15. STOCKS

	2020 £	2019 £
Consumables	10,315	7,940
Supplies for resale	187,000	144,283
	<u>197,315</u>	<u>152,223</u>

16. DEBTORS

	2020 £	2019 £
Trade debtors	48,603	71,118
Loans	7,584	11,184
Other Debtors	300	1,657
Prepayments and accrued income	130,133	132,549
	<u>186,620</u>	<u>216,508</u>

Loans include £3,984 (2019 - £7,584) due after one year.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

17. CREDITORS:

Amounts falling due within one year

	2020	2019
	£	£
Other loans	5,000	5,000
Payments received on account	5,183	9,645
Trade creditors	110,701	132,544
Other taxation and social security	38,114	45,924
Other creditors	31,207	42,164
Accruals and deferred income	90,775	59,290
	<u>280,980</u>	<u>294,567</u>

18. ACCRUALS AND DEFERRED INCOME

	2020	2019
	£	£
Annual capitation contributions received in advance	<u>377,109</u>	<u>349,566</u>

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FOR THE YEAR ENDED 31 MARCH 2020**

19. STATEMENT OF FUNDS – CURRENT YEAR

	Brought Forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/(losses) £	Carried forward £
Designated funds						
Freehold Property Fund	3,567,189	-	-	-	-	3,567,189
David White Memorial Fund	737	-	-	-	-	737
Jubilee Fund	1,220	768	(1,686)	-	-	302
Lockett Fidler KGV1 Fund	1,991	-	-	(1,991)	-	-
Development Fund	20,732	-	-	(20,000)	-	732
Building Fund	12,870	-	(16,941)	15,000	-	10,929
Unite Christian Festival						
England	16,793	23,799	(22,354)	-	-	18,238
Carronvale Appeal	6,061	1,502	(1,556)	(5,000)	-	1,007
Children and Youthwork Fund	65,693	-	(74,735)	100,000	-	90,958
England Support	-	33,840	(16,181)	(4,509)	-	13,150
Minibus Fund	-	250	(5,735)	10,485	-	5,000
KGVI Fund	-	-	-	2,000	-	2,000
Scottish Development	-	-	(3,285)	4,023	-	738
Strategic Plan Fund	-	-	-	25,000	-	25,000
	<u>3,693,286</u>	<u>60,159</u>	<u>(142,473)</u>	<u>125,008</u>	<u>-</u>	<u>3,735,980</u>
General funds						
General Fund	278,653	2,576,907	(2,211,243)	(113,008)	(55,335)	475,974
Pension reserve	-	32,000	-	-	(32,000)	-
	<u>278,653</u>	<u>2,608,907</u>	<u>(2,212,243)</u>	<u>(113,008)</u>	<u>(87,335)</u>	<u>475,974</u>
Total Unrestricted funds	<u>3,971,939</u>	<u>2,669,066</u>	<u>(2,353,716)</u>	<u>12,000</u>	<u>(87,335)</u>	<u>4,211,954</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.

England Support Fund – For development and events within the region.

Minibus Fund – For the maintenance and upkeep of the vehicle

KGVI Fund – To support officer training courses in England

Scottish Development Fund – For development work within the region

Strategic Plan Fund – To support the work of the 2020-2025 plan. Quality, Voice and Growth.

	Brought Forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/(losses) £	Carried forward £
Endowment funds						
Cave Allan Legacy	36,953	1,258	(909)	-	(6,109)	31,193

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.

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NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS – CURRENT YEAR (continued)

	Brought Forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/(losses) £	Carried forward £
Restricted funds						
National Training Appeal	3,914	-	-	-	-	3,914
John Burke Fund	46,712	1,209	(511)	-	(4,187)	43,223
Edith Blanche Bevis Fund	4,631	-	-	-	-	4,631
Friends of Carronvale	-	1,386	(981)	-	-	405
Friends of Felden	1,893	30	(270)	-	-	1,653
8th Grimsby Funds	38,393	1,030	(460)	-	(4,698)	34,265
Youthlink Support	5,148	-	-	(5,148)	-	-
Overseas work	2,255	691	-	-	-	2,946
Stirling Battalion and Gannochy Trust - Mid Scottish Development	10,694	-	(3,916)	-	-	6,778
Roy Inglis Legacy	17,000	993	(6,347)	-	-	11,646
Patrons Fund	2,500	-	(547)	-	-	1,953
Robert Fernan Smith Legacy	15,291	-	(16,416)	1,125	-	-
Cashback - Young People Take the Lead	23,539	-	-	-	-	23,539
Youth Scotland Generation CashBack	17,124	84,774	(79,238)	-	-	22,660
Youth United Stronger Foundations	98,880	-	(103,380)	4,500	-	-
Events England Region	10,000	-	(2,150)	-	-	7,850
Youthlink NVYO Support 18-19	11,267	25,300	(17,942)	-	-	18,625
HLF YOYP Big Roadshow Grant	2,468	-	(1,192)	-	-	1,276
Church of Scotland – Guild Project	14,306	47,341	(25,330)	-	-	36,317
Youth United Reach	34,096	-	(21,619)	(12,477)	-	-
Baird Trust	-	5,000	(4,171)	-	-	829
Wales Development	-	22,090	(15,237)	-	-	6,853
Friends of Felden – Name a Chair	-	3,400	-	-	-	3,400
John Scott Charitable Trust	-	10,000	-	-	-	10,000
London District Fund	-	8,141	(7,472)	-	-	669
	<u>360,111</u>	<u>211,385</u>	<u>(307,179)</u>	<u>(12,000)</u>	<u>(8,885)</u>	<u>243,432</u>
Total funds	<u>4,369,003</u>	<u>2,881,709</u>	<u>(2,661,804)</u>	<u>-</u>	<u>(102,329)</u>	<u>4,486,579</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

19. STATEMENT OF FUNDS – PRIOR YEAR (continued)

	As restated Brought Forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/(losses) £	Carried forward £
Designated funds						
Freehold Property Fund	3,567,189	-	-	-	-	3,567,189
David White Memorial Fund	737	-	-	-	-	737
Jubilee Fund	1,220	-	-	-	-	1,220
Lockett Fidler KGV1 Fund	1,991	-	-	-	-	1,991
Development Fund	50,732	-	-	(30,000)	-	20,732
Building Fund	30,467	13,000	(24,153)	(6,444)	-	12,870
Unite Christian Festival						
England	14,556	20,132	(17,895)	-	-	16,793
Carronvale Appeal	4,866	10,229	(12,660)	3,626	-	6,061
Children and Youthwork Fund	47,025	-	(4,332)	23,000	-	65,693
	3,718,783	43,361	(59,040)	(9,818)	-	3,693,286
General funds						
General Fund	376,781	2,230,580	(2,354,463)	7,000	18,755	278,653
Pension reserve	-	44,000	-	-	(44,000)	-
	376,781	2,274,580	(2,354,463)	7,000	(25,245)	278,653
Total Unrestricted funds	4,095,564	2,317,941	(2,413,503)	(2,818)	(25,245)	3,971,939
	Brought Forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/(losses) £	Carried forward £
Endowment funds						
Cave Allan Legacy	36,493	1,544	(1,434)	-	350	36,953

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NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS – PRIOR YEAR (continued)

	Brought Forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/(losses) £	Carried forward £
Restricted funds						
National Training Appeal	5,664	-	(1,750)	-	-	3,914
John Burke Fund	45,775	1,263	(505)	-	179	46,712
Edith Blanche Bevis Fund	4,631	-	-	-	-	4,631
Friends of Carronvale	555	1,434	(4,807)	2,818	-	-
Friends of Felden	3,450	732	(2,289)	-	-	1,893
8th Grimsby Funds	38,139	1,060	(981)	-	175	38,393
Youthlink Support	5,148	-	-	-	-	5,148
Make a Difference	5,152	-	-	(5,152)	-	-
Overseas work	2,070	185	-	-	-	2,255
Stirling Battalion and Gannochy Trust - Mid Scottish Development	3,381	15,500	(23,372)	15,185	-	10,694
Bloemfontein Road	4,769	123	(9,951)	5,152	(93)	-
Roy Inglis Legacy	25,000	2,000	-	(10,000)	-	17,000
Patrons Fund	2,500	-	-	-	-	2,500
Robert Fernan Smith Legacy	35,657	-	(20,366)	-	-	15,291
Cashback - Young People Take the Lead	23,539	-	-	-	-	23,539
Youthlink NVO Support Fund	8,637	-	(3,452)	(5,185)	-	-
Youth Scotland Generation CashBack	28,120	52,625	(63,621)	-	-	17,124
Youth United Stronger Foundations	-	141,582	(42,702)	-	-	98,880
Events England Region	-	10,000	-	-	-	10,000
Youthlink NVO Support 18- 19	-	29,000	(17,733)	-	-	11,267
HLF YOYP Big Roadshow Grant	-	3,900	(1,432)	-	-	2,468
Church of Scotland – Guild Project	-	14,306	-	-	-	14,306
Youth United Reach	-	91,913	(57,817)	-	-	34,096
	<u>242,187</u>	<u>365,623</u>	<u>(250,778)</u>	<u>2,818</u>	<u>261</u>	<u>360,111</u>
Total funds	<u>4,374,244</u>	<u>2,685,108</u>	<u>(2,665,715)</u>	<u>-</u>	<u>(24,634)</u>	<u>4,369,003</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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.
 8th Grimsby Funds - For Anglican companies in formation.
 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 Support Fund - For IT training and progressive programme of education and sporting activities in Scotland.
 Robert Fernan Smith Legacy – residual legacy to be used in Scotland..
 Young People Take The Lead - Scottish development worker and support to companies.
 Patrons Fund - Young people events.
 Rural Challenge North Wales - Development worker in North Wales.
 Roy Inglis Legacy - Development work in Scotland.
 Youthlink NVO 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.
 Youth United Stronger Foundations - to enhance the infrastructure of the Brigade.
 Events England Region - For events in England.
 HLF YOYP Big Roadshow Grant - To involve young people design, delivery and evaluation of heritage, sports and community activities.
 Youth United Reach - Support work in designated areas and those with specific needs.
 Church of Scotland Guild Project - Small grant scheme for Boys Brigade companies in Scotland.
 Baird Trust – Development work in Central Scotland.
 Wales Development – Development worker in Wales.
 Friends of Felden - Name a chair.
 John Scott Charitable Trust – Support for officer training courses in Scotland and England & Wales.
 London District Fund – Development worker in London District.

SUMMARY OF FUNDS – CURRENT YEAR

	Brought Forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/(losses) £	Carried forward £
Designated funds	3,693,286	60,159	(142,473)	125,008	-	3,735,980
General funds	278,653	2,608,907	(2,212,243)	(113,008)	(87,335)	475,974
	3,971,939	2,669,066	(2,353,716)	12,000	(87,335)	4,211,954
Endowment funds	36,953	1,258	(909)	-	(6,109)	31,193
Restricted funds	360,111	211,385	(307,179)	(12,000)	(8,885)	243,432
	4,369,003	2,881,709	(2,661,804)	-	(102,329)	4,486,579

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NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS – PRIOR YEAR (continued)

	As restated Brought Forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/(losses) £	Carried forward £
Designated funds	3,718,783	43,361	(59,040)	(9,818)	-	3,693,286
General funds	376,781	2,274,580	(2,354,463)	7,000	(25,245)	278,653
	4,095,564	2,317,941	(2,413,503)	(2,818)	(25,245)	3,971,939
Endowment funds	36,493	1,544	(1,434)	-	350	36,953
Restricted funds	242,187	365,623	(250,778)	2,818	261	360,111
	4,374,244	2,685,108	(2,665,715)	-	(24,634)	4,369,003

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

20. FINANCIAL INSTRUMENTS

	2020 £	2019 £
Financial assets		
Financial assets that are measured at fair value	748,069	575,550
	<u>748,069</u>	<u>575,550</u>

Financial assets that are measured at fair value comprise fixed asset investments.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS – CURRENT YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
Tangible fixed assets	3,567,188	-	-	3,567,188	3,568,532
Intangible fixed assets	29,611	-	-	29,611	29,875
Fixed asset investments	648,487	68,389	31,193	748,069	575,550
Current assets	624,756	175,043	-	799,799	839,179
Creditors due within one year	(280,979)	-	-	(280,979)	(294,567)
Deferred income	(377,109)	-	-	(377,109)	(349,566)
	<u>4,211,954</u>	<u>243,432</u>	<u>31,193</u>	<u>4,486,579</u>	<u>4,369,003</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £	Total funds 2018 £
Tangible fixed assets	3,568,532	-	-	3,568,532	3,573,080
Intangible fixed assets	29,875	-	-	29,875	30,140
Fixed asset investments	460,411	78,186	36,953	575,550	695,672
Current assets	557,254	281,925	-	839,179	783,167
Creditors due within one year	(294,567)	-	-	(294,567)	(342,854)
Deferred income	(349,566)	-	-	(349,566)	(364,961)
	<u>3,971,939</u>	<u>360,111</u>	<u>36,953</u>	<u>4,369,003</u>	<u>4,374,244</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

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

	2020 £	2019 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	149,576	38,759
Adjustment for:		
Depreciation charges	1,608	4,812
(Gains)/losses on investments	70,329	(19,366)
Dividends, interest and rents from investments	(26,894)	(21,684)
Adjustment in respect of defined benefit pension scheme	(32,000)	(44,000)
(Increase)/decrease in stocks	(45,092)	60,220
Decrease/(increase) in debtors	29,889	(7,179)
Increase/(decrease) in creditors	13,956	(63,683)
Donations of investments	(166,453)	-
Net cash (used in)/provided by operating activities	(5,081)	(52,121)

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash at bank and in hand	415,865	470,447

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 £28,655 (2019 - £24,553).

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 available full actuarial valuation was as of 1 June 2018 with the next valuation date being 1 June 2021.

The amounts recognised in the Balance sheet are as follows:

	2020 £	2019 £
Fair value of scheme assets	6,577,000	6,833,000
Present value of funded obligations	(5,683,000)	(5,677,000)
Surplus not recognised	894,000	1,156,000

The fair value of scheme assets above has been reduced by the surplus of £894,000 (2019- £1,156,000) 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

24. PENSION COMMITMENTS (continued)

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

	2020 £	2019 £
Current service cost	(15,000)	(17,000)
Interest on obligation	(131,000)	(150,000)
Interest on assets	158,000	171,000
Expenses paid by fund	-	-
	<u>12,000</u>	<u>4,000</u>
Actuarial gains/(losses)	<u>(32,000)</u>	<u>(44,000)</u>

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

	2020 £	2019 £
Opening defined benefit obligation	5,677,000	5,899,000
Current service cost	15,000	17,000
Employee contributions	3,000	5,000
Interest cost	131,000	150,000
Actuarial Losses/(gains)	96,000	(122,000)
Benefits paid	(239,000)	(272,000)
Closing defined benefit obligation	<u>5,683,000</u>	<u>5,677,000</u>

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

	2020 £	2019 £
Opening fair value of scheme assets	5,677,000	5,899,000
Interest on assets	158,000	171,000
Actuarial gains and (losses)	64,000	(166,000)
Contributions by employer	20,000	40,000
Employee contributions	3,000	5,000
Benefits paid	(239,000)	(272,000)
Expenses paid by scheme	-	-
	<u>5,683,000</u>	<u>5,677,000</u>

The Brigade expects to contribute £nil to the defined benefit pension scheme in 2020.

A High Court ruling in October 2018 held that relevant defined benefit pension schemes with Guaranteed Minimum Pensions ("GMP") accruals between certain dates must equalise for the different effect of these GMP's between men and women. This is likely to result in an additional scheme funding requirement. The methodology to determine the amount of the obligation has not yet been agreed between the Brigade and Scheme Trustees and it is therefore not possible at this stage to quantify the amount of the obligation.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

24. PENSION COMMITMENTS (continued)

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

	2020 £	2019 £
Equities	53.6%	56.4%
Bonds	38.1%	32.8%
Cash	1.7%	4.1%
Annuities	6.6%	6.7%

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

	2020 £	2019 £
Discount rate at 31 March	2.30%	2.35%
Future salary increases	2.70%	3.00%
Future pension increases	2.70%	3.10%
Retail price inflation	2.70%	3.10%

Mortality assumptions used for current pensioners at age 65 were 21.8 years for men and 24.1 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 2020 the Brigade had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Amounts payable:		
Within one year	59,183	79,512
Between 1 and 5 years	31,806	121,243
	<u>90,989</u>	<u>200,755</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 £5,000 (2019 - £5,000), which the Brigade originally received and has not yet repaid, were from related parties.

At the year end the North Staffordshire Battalion owed £7,584 to the Brigade, which was the balance outstanding on the loan made to the Battalion in 2015 (2019 - £11,184). 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%).

Pearson Centre for Young People (including 17th Nottingham Boys' Brigade Company)

On 1st December 2018 the responsibility for the management and strategic direction of the centre transferred to a Charitable Incorporated Organisation (CIO) and is overseen by the Managing Trustees of that CIO. The Boys' Brigade remains the custodian trustee of the property and investments deriving from the original trust assets and is the beneficiary in the event the 17th Nottingham Company ceases to exist. However, as the responsibility is limited to that of custodian trustee, these accounts do not include any financial transactions or assets relating to the Centre.