

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

**TRUSTEES' REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**



A11 \*A316DU2G\* 10/10/2014 #360  
COMPANIES HOUSE

**WHITING & PARTNERS**  
Chartered Accountants & Business Advisers  
George Court  
Bartholomew's Walk  
Ely  
Cambridgeshire  
CB7 4JW

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**THE BOYS' BRIGADE**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2014**

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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>	M J Smith (Chairman of the Brigade Executive from 1 September 2013) C L Row (until 31 August 2013) (Chairman) A S Burrow T W P Donaldson
<b>Treasurer</b>	C Bygrave FCA ATII TEP
<b>Chaplain</b>	The Very Reverend A R C McLellan (appointed 1 September 2013)
<b>Other Trustees</b>	R L Buttimer M Elliot A Lampard (until 31 August 2013) S G Lane Reverend T McCormick Ms S H Mackey L Maydew P O'Shea (until 31 August 2013) D Richmond D Scott (until 31 August 2013) C Smith D Sneddon L Stein R J H Thornberry A R Currie (appointed 1 September 2013) L S Hiorns (appointed 22 February 2014) J D McIntosh (appointed 22 February 2014)
<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>	S Dickinson

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEE AND ADVISERS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

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**Advisers (continued)**

<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

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**THE BOYS' BRIGADE**  
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**BRIGADE EXECUTIVE'S ANNUAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2014**

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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 together with the audited financial statements of The Boys' Brigade (the Charity) for the year ended 31 March 2014. The Trustees confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**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 achieve 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 serve for a term of three years. 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 per 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 as agreed by the Executive.

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**BRIGADE EXECUTIVE'S ANNUAL REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

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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 worth approximately £2,934,274 at 31st March 2014 (2013 £2,929,600), together with certain interests in land which have not been valued.

● **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 face, 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 - June 2013:-**

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 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 to enable 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.

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**BRIGADE EXECUTIVE'S ANNUAL REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

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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 1995.

**Safeguarding:-**

The Boys' Brigade takes its duties under the Children Act 1989 seriously and has appropriate procedures and staff appointed to meet its duties under the 1989 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.

**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 in the Northern Ireland District and to that in the Republic of Ireland Region. Other grants are considered by The Brigade on application.

**Achievements and performance**

● **Review of achievements and performance**

The year saw the 130th anniversary of the founding of The Boys' Brigade and from that one Company in Glasgow, the Brigade has grown into a worldwide movement. Today, The Boys' Brigade has a mission to care for and challenge young people using a programme of informal education, which is underpinned by the Christian faith. Membership is open to boys and young men between the ages of 4 and 18 and where Companies have registered a Girls' Association, is open to girls and young women. Some Companies also operate an Amicus Group which is open to young men and young women aged between 15 and 25. The programme of The Boys' Brigade is designed to assist churches reach young people, although membership is open to those of all faiths and none. In common with other youth work organisations, The Boys' Brigade aims to develop skills in its leaders to assist young people in the transition from childhood to adolescence, from dependence to independence and provide opportunities for their personal, social and spiritual development.

The strength and witness of the Brigade is in partnering churches and communities in providing weekly activities attended by over 50,000 children and young people. The Brigade is reliant on the dedication and commitment of over 11,700 volunteer leaders who give freely of their time and energy.

The Brigade has adopted a new five year development plan. Building on its achievements and having a clear vision for the future, we have structured our aims under the three areas of Growth, Quality and Voice.

We have continued to explore ways both to start new work and to grow existing Companies and launched the "Growing Bigger, Growing Better" campaign. Around one-third of existing Companies (580) have grown in numbers and 45 new Companies have been formed during the session under review.

Our focus in Quality is to ensure that we provide the highest quality youth and children's work provision through equipping leaders with

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**BRIGADE EXECUTIVE'S ANNUAL REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

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skills, understanding and knowledge. Children and young people accessing BB have a high quality experience enabling them to have fun and to achieve. Regions continue to look at offering support in a variety of ways to all Companies.

Our aim in Voice is to put our "Faith in Young People" strapline into practice, reflecting the concerns and aspirations of our 50,000 young people.

The year saw the centenary of the inauguration of the King's Badge by His Majesty King George V in 1913 and to mark the event we were delighted when His Royal Highness The Duke of York, presented Queen's Badges to fifty Queen's Men at St James's Palace. Later in the year twelve Queen's Men formed the Guard of Honour for the entry of the Chelsea Pensioners at the Royal British Legion Festival of Remembrance. There was an additional honour for the young men when they lined the steps as Her Majesty, The Queen accompanied by His Royal Highness The Duke of Edinburgh, attended a short ceremony to officially recognise the renaming of the Royal Albert Hall's South Steps to The Queen Elizabeth II Diamond Jubilee Steps, before her attendance at the evening performance.

The year also saw the Golden Jubilee of the Global Fellowship of Christian Youth, and the international family of The Boys' Brigade came together at Felden Lodge to celebrate at a week-long conference and young leaders' workshop, building networks and sharing experiences.

- **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.

## **FINANCIAL REVIEW**

### **Results**

The net operating surplus for the year for all funds, excluding those held as custodian, was £261,056 (2013 - £680,583), this included the net operating surplus for the year on the General Fund, which amounted to £398,928 (2013 - £267,332). The Brigade in total reports a surplus after all movements of £162,522 (2013 - £840,159) on funds.

The net assets of each Brigade fund are sufficient to meet the associated fund obligations.

- **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 for any particular purpose. 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 reduce the risk of 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.



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**BRIGADE EXECUTIVE'S ANNUAL REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

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At the year-end, and disregarding the pension scheme as disclosed in note 23 Pension Commitments, the free reserves were in the middle of the target range. However, the Brigade Executive has conducted its annual review of the level of reserves and considers that tight budgetary control will need to be maintained, to secure a more satisfactory level of funding requirements.

● **Principal funding**

The Brigade Executive's commitment to achieving a balanced budget is being actively pursued. The Brigade Treasurer, Business Director, Finance Manager and Finance Committee continue to look at 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, Cashback for Communities, Department of Communities and Local Government, Gannochy Trust and Robertson 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.

**Land and buildings**

The market value of the Brigade's freehold properties is estimated to be in excess of the book value of £3,567,188 disclosed in these financial statements. No formal valuation has been made. An impairment review is carried out annually.

**Pension Fund**

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 17, 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 FRS17 valuation, as at 31 March 2014, the actuary calculated that there was a funding surplus of £186,000 on a continuing basis. This asset has not been recognised in the financial statements as the Executive do not consider that it would be recoverable either through reduced contributions in 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 2012 indicated a scheme deficit of £998,000. During the year in addition to normal employer and employee contributions, special contributions amounted to £54,380 (2013 - £58,840) in respect of this shortfall.

**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;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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**BRIGADE EXECUTIVE'S ANNUAL REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

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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.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 7 June 2014 and signed on their behalf by:

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**S Dickinson**  
**Brigade Secretary**  
**Date: 7 June 2014**

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

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We have audited the financial statements of The Boys' Brigade for the year ended 31 March 2014 set out on pages 11 to 30. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the Charity's Trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Charity'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 Charity and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**Respective responsibilities of Trustees and auditors**

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.

We have been appointed auditors under the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2014 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 applicable to Smaller Entities; 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.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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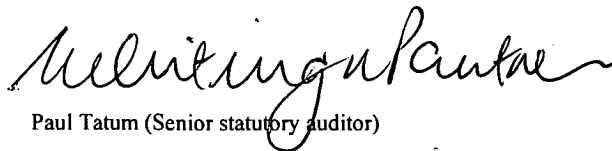
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOYS' BRIGADE**

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

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the Charity has not kept proper and adequate accounting records, 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' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption in preparing the Trustees' report.



Paul Tatum (Senior statutory auditor)

for and on behalf of

**Whiting & Partners Chartered Accountants**

Chartered Accountants

George Court  
Bartholomew's Walk  
Ely  
Cambridgeshire  
CB7 4JW

Date: 1st July 2014

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

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**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2014**

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Endowment funds 2014 £	Total funds 2014 £	Total funds 2013 £
<b>Incoming resources</b>						
Incoming resources from generated funds:						
Voluntary income	4	374,367	7,588	-	381,955	301,607
Activities for generating funds:						
Training centres and other rental income		601,762	-	-	601,762	525,737
Investment income	6	13,003	2,073	786	15,862	8,069
Incoming resources from charitable activities:						
Annual capitation contributions		985,148	-	-	985,148	940,201
Annual festivals		-	-	-	-	36,443
Supplies sales	3	580,140	-	-	580,140	518,731
Grants receivable	5	-	613,473	-	613,473	741,975
<b>Total incoming resources</b>		<b>2,554,420</b>	<b>623,134</b>	<b>786</b>	<b>3,178,340</b>	<b>3,072,763</b>
<b>Resources expended</b>						
Costs of generating funds:						
Administration - general	10	491,202	-	-	491,202	288,273
Training centres (non Brigade use)		386,731	-	-	386,731	345,946
Investment management expenses		2,242	812	397	3,451	2,724
Charitable activities:						
Supplies - Cost of sales	3	372,789	-	-	372,789	327,867
Supplies - Administration	3,10	76,551	-	-	76,551	81,920
Grants to Battalions, Districts and Companies	7	100,476	179,947	-	280,423	169,960
Subscription to Global Fellowship		3,000	-	-	3,000	3,000
Training centres (Brigade use)		147,459	-	-	147,459	121,252
Management and delivery of the charity's purposes	10	467,193	580,448	188	1,047,829	1,006,134
Governance costs	8	107,849	-	-	107,849	45,104
<b>Total resources expended</b>	9	<b>2,155,492</b>	<b>761,207</b>	<b>585</b>	<b>2,917,284</b>	<b>2,392,180</b>
<b>Net incoming resources / (resources expended) before investment asset disposals</b>		<b>398,928</b>	<b>(138,073)</b>	<b>201</b>	<b>261,056</b>	<b>680,583</b>
Gains and (losses) on disposals of investment assets		1,617	439	596	2,652	(56)
<b>Net incoming resources before revaluations</b>		<b>400,545</b>	<b>(137,634)</b>	<b>797</b>	<b>263,708</b>	<b>680,527</b>
Gains on revaluations of investment assets	15	14,018	2,582	214	16,814	36,632
Actuarial gains and (losses) on defined benefit pension schemes		(118,000)	-	-	(118,000)	123,000
<b>Net movement in funds for the year</b>		<b>296,563</b>	<b>(135,052)</b>	<b>1,011</b>	<b>162,522</b>	<b>840,159</b>
<b>Total funds at 1 April 2013</b>		<b>4,034,916</b>	<b>688,514</b>	<b>33,253</b>	<b>4,756,683</b>	<b>3,916,524</b>
<b>Total funds at 31 March 2014</b>		<b>4,331,479</b>	<b>553,462</b>	<b>34,264</b>	<b>4,919,205</b>	<b>4,756,683</b>

The notes on pages 13 to 30 form part of these financial statements.

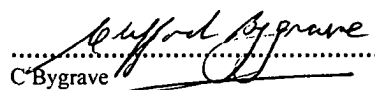
**THE BOYS' BRIGADE**  
(A company limited by guarantee)  
REGISTERED NUMBER: 145122

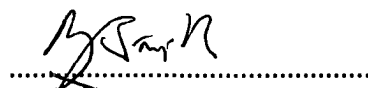
**BALANCE SHEET**  
**AS AT 31 MARCH 2014**

	Note	£	2014 £	£	2013 £
<b>Fixed assets</b>					
Intangible assets	13		31,197		31,461
Tangible assets	14		3,591,956		3,597,695
Investments	15		494,182		303,861
			<u>4,117,335</u>		<u>3,933,017</u>
<b>Current assets</b>					
Stocks	16	196,352		229,975	
Debtors	17	207,734		150,668	
Cash at bank and in hand		1,129,256		1,080,421	
			<u>1,533,342</u>	<u>1,461,064</u>	
<b>Creditors: amounts falling due within one year</b>	18	(340,328)		(269,747)	
<b>Net current assets</b>			<u>1,193,014</u>		<u>1,191,317</u>
<b>Total assets less current liabilities</b>			<u>5,310,349</u>		<u>5,124,334</u>
<b>Deferred income</b>	19		(391,144)		(367,651)
<b>Net assets</b>			<u><u>4,919,205</u></u>		<u><u>4,756,683</u></u>
<b>Charity Funds</b>					
Endowment funds	20		34,264		33,253
Restricted funds	20		553,462		688,514
Unrestricted funds	20		4,331,479		4,034,916
<b>Total funds</b>			<u><u>4,919,205</u></u>		<u><u>4,756,683</u></u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Trustees on 7 June 2014 and signed on their behalf, by:

  
.....  
C Bygrave  
Brigade Treasurer  
Date: 7 June 2014

  
.....  
M J Smith  
Chairman of the Brigade Executive  
Date: 7 June 2014

The notes on pages 13 to 30 form part of these financial statements.

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

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006. The financial statements disclose operations of The Boys' Brigade, but do not consolidate the activities and net assets of the independently constituted Battalions, Districts and Companies and those trusts held as custodian trustees.

**1.2 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Charity 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 Charity 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 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the Charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. The principal sources of income are accounted for as follows:

**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 2013 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, Gifts and Legacies are all recognised on a receivable basis.

**Grant funding**

Amounts received from funding bodies are accounted for in period to which the income relates. Grant funding income is received for the general purposes of the charity and for specific projects.

**1.4 Resources expended**

All resources expended, including irrecoverable VAT, are accounted for on an accruals basis and are authorised in accordance with the Brigade's internal procedures manual. All such costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Charitable Activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. Governance Costs includes those costs associated with meeting the constitutional and statutory requirements of the charity. Administration Expenses (note 9) are allocated based on the staff costs of those employed in each expenditure category in relation to the total staff costs.

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**THE BOYS' BRIGADE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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**1. ACCOUNTING POLICIES (continued)**

**1.5 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

**1.6 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.

Tangible fixed assets are stated at cost less depreciation. 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 is charged on freehold property. In accordance with FRS 15, an impairment review under FRS 11 is performed annually on these properties. The Brigade is of the opinion that the remaining useful economic life of the properties are so long, and the residual value so high, that such depreciation charges would be deemed to be immaterial.

**1.7 Investments**

Investments are stated at open market value at the balance sheet date, with unrealised gains and losses being recognised in the appropriate funds. Investment income is brought into account on a receivable basis.

**1.8 Operating leases**

Operating lease payments are charges against income in the year in which they are payable.

**1.9 Stocks**

Stocks are valued at the lower of cost and net realisable value. Cost is based on the purchase price during the year.

**1.10 Taxation**

As a registered charity, the Brigade is exempt from corporation tax on income and gains which are applied for charitable purposes. No provision is therefore made for deferred tax. 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.

**1.11 Pensions**

The Brigade operates a defined benefit pension scheme for previously eligible permanent employees, the assets of which are funded separately. Employer contributions into this scheme are calculated triennially by an actuary so as to spread this cost over the working lives of the employees. The Brigade has fully adopted the Pensions Accounting Standard, FRS 17, and all pension contributions are recognised in the statement of financial activities on an accruals basis, with the overall actuarial funding surplus or deficit, when material, being disclosed on the balance sheet.



**THE BOYS' BRIGADE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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

	<b>Unrestricted Funds 2014 £</b>	<b>Unrestricted Funds 2013 £</b>
<b>Incoming resources</b>		
Voluntary income	374,367	277,593
Training centres and other rental income	601,762	525,737
Investment income	13,003	5,423
Annual capitation contributions	985,148	940,201
Supplies sales	580,140	518,731
Annual festivals	-	36,443
<b>Total incoming resources</b>	<b>2,554,420</b>	<b>2,304,128</b>
<b>Resources expended</b>		
Administration	491,202	288,273
Training centres non Brigade use	386,731	345,946
Investment management fees	2,241	1,616
Supplies - cost of sales	372,789	327,867
Supplies - administration	76,551	81,920
Grants to Battalions and Districts	100,476	97,576
Subscription to Global Fellowship	3,000	3,000
Training centres Brigade use	147,459	121,252
Management and delivery of the charity's purposes	467,194	724,242
Governance costs	107,849	45,104
<b>Total resources expended</b>	<b>2,155,492</b>	<b>2,036,796</b>
<b>Net incoming resources before investment asset disposals</b>	<b>398,928</b>	<b>267,332</b>
 Gains and (losses) on disposal of investment assets	 1,617	 135
<b>Net incoming resources before revaluations</b>	<b>400,545</b>	<b>267,467</b>
 Gains on revaluations of investment assets	 14,018	 23,817
 Actuarial gains and (losses) on defined benefit pension schemes	 (118,000)	 123,000
<b>Net movement in funds for the year</b>	<b>296,563</b>	<b>414,284</b>

**THE BOYS' BRIGADE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**3. SUPPLIES**

	2014 £	2013 £
Sales	580,140	518,731
Costs of sales	(372,789)	(327,867)
Gross surplus	207,351	190,864
Administration	(76,551)	(81,920)
Net surplus	130,800	108,944

**4. VOLUNTARY INCOME**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Endowment funds 2014 £	Total funds 2014 £	Total funds 2013 £
Donations	39,925	7,588	-	47,513	43,950
Legacies	272,800	-	-	272,800	208,663
Grants	61,642	-	-	61,642	48,994
	374,367	7,588	-	381,955	301,607

**THE BOYS' BRIGADE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**5. GRANTS RECEIVABLE**

	2014 £	2013 £
<b>General fund:-</b>		
Children, Young people & Social Care Directorate	49,666	46,000
Youth United	11,976	2,994
	61,642	48,994
<b>Restricted funds:-</b>		
Department for Communities and Local Government		
Central Organisation Support Grant	64,835	56,835
Regional Support Grant - London, Birmingham, Middlesbrough, Stoke-on-Trent, Bradford and Manchester	287,166	152,583
Social Inclusion Programme - marketing and promotional material to support development workers	-	9,240
Social Inclusion Programme - Inkind Direct	10,000	-
Supporting Inclusion Programme - 2 new units in Birmingham B28 postcode area	-	12,112
Supporting Inclusion Programme - Funding of core	87,262	265,300
Social Inclusion Programme - A series of community events within specified regions	5,420	30,000
London Region - joint working with African and Caribbean Churches	-	20,000
Supporting Inclusion Programme - development of website and social media	-	19,526
<b>Other</b>		
Cashback and Stirling Battalion - Mid Scottish	15,000	35,000
Youthlink Scotland Development Worker	-	26,339
Youthlink Cashback for Communities	34,900	51,242
SCVO Internship	1,814	2,498
Young People Take the Lead	48,188	-
Youthlink - Glasgow Development Worker	28,388	-
Youthlink - Lanarkshire Development Worker	30,500	-
Youthlink Development	-	31,300
Make a Difference - Engage Project	-	30,000
	613,473	741,975
	675,115	790,969

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**6. INVESTMENT INCOME**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Endowment funds 2014 £	Total funds 2014 £	Total funds 2013 £
Deposit interest	2,445	-	-	2,445	1,068
Dividends	10,558	2,073	786	13,417	7,001
	<u>13,003</u>	<u>2,073</u>	<u>786</u>	<u>15,862</u>	<u>8,069</u>

**7. GRANTS PAYABLE**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Grants to Battalions, Districts & Companies	<u>100,476</u>	<u>179,947</u>	<u>280,423</u>	<u>169,960</u>
Northern Ireland District	96,476	-	96,476	93,576
Republic of Ireland	4,000	-	4,000	4,000
Other Battalions, Districts & Companies	-	179,947	179,947	72,384
	<u>100,476</u>	<u>179,947</u>	<u>280,423</u>	<u>169,960</u>

**8. GOVERNANCE COSTS**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Endowment funds 2014 £	Total funds 2014 £	Total funds 2013 £
Auditors' remuneration	16,662	-	-	16,662	17,250
Committee expenses	18,804	-	-	18,804	15,831
Legal and professional fees	10,490	-	-	10,490	10,844
Annual report	1,488	-	-	1,488	1,179
Pension fund legal and professional fees	60,405	-	-	60,405	-
	<u>107,849</u>	<u>-</u>	<u>-</u>	<u>107,849</u>	<u>45,104</u>

Auditors' remuneration includes £1,500 (2013 - £1,548) in respect of services in relation to the pension scheme.

**THE BOYS' BRIGADE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**9. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	<b>Staff costs 2014 £</b>	<b>Depreciation 2014 £</b>	<b>Other costs 2014 £</b>	<b>Total 2014 £</b>	<b>Total 2013 £</b>
Costs of generating voluntary income	295,195	5,047	190,960	491,202	288,273
Training centres (non Brigade use)	175,433	-	211,298	386,731	345,946
Investment management costs	-	-	3,451	3,451	2,724
<b>Costs of generating funds</b>	<b>470,628</b>	<b>5,047</b>	<b>405,709</b>	<b>881,384</b>	<b>636,943</b>
Grants to Battalions and Districts	-	-	280,423	280,423	169,960
Subscription to Global Fellowship	-	-	3,000	3,000	3,000
Training centres (Brigade use)	63,138	4,129	80,192	147,459	121,252
Management and delivery of the charity's purpose	537,546	-	510,283	1,047,829	1,006,133
Supplies - cost of sales	-	-	372,789	372,789	327,868
Supplies - administration	-	-	76,551	76,551	81,920
<b>Charitable activities</b>	<b>600,684</b>	<b>4,129</b>	<b>1,323,238</b>	<b>1,928,051</b>	<b>1,710,133</b>
<b>Governance</b>	<b>-</b>	<b>-</b>	<b>107,849</b>	<b>107,849</b>	<b>45,104</b>
	<b>1,071,312</b>	<b>9,176</b>	<b>1,836,796</b>	<b>2,917,284</b>	<b>2,392,180</b>

**THE BOYS' BRIGADE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**10. ADMINISTRATION EXPENSES**

**General Fund transactions:**

	Cost of generating funds £	Supplies £	Management and delivery of charity's purposes £	2014 £	2013 £
Staff costs	295,195	-	207,201	502,396	498,223
Staff training	931	-	762	1,693	1,351
Outsourcing management fee	-	52,348	-	52,348	57,441
Training/development officer expenses	1,056	-	864	1,920	1,390
Travelling	12,974	-	10,615	23,589	22,393
Development	9,404	-	9,302	18,706	15,300
Training courses	21,277	-	17,408	38,685	43,412
Rent and office services	13,934	-	11,400	25,334	29,447
Insurance	76,107	-	62,270	138,377	123,927
Printing and stationery	10,007	-	8,188	18,195	18,355
Computer expenses	18,713	-	15,311	34,024	34,784
Postage and carriage	7,126	24,203	5,830	37,159	37,994
Repairs and maintenance	6,228	-	5,095	11,323	9,441
Leasing	10,941	-	8,952	19,893	24,004
Depreciation	5,047	-	-	5,047	9,027
Communications	33,488	-	27,400	60,888	58,079
Sundries	8,838	-	7,388	16,226	16,261
Irrecoverable Vat	16,585	-	13,570	30,155	17,318
Bank charges	9,202	-	7,529	16,731	16,546
Pension scheme finance costs/return	(81,000)	-	-	(81,000)	(48,000)
Pension scheme costs	15,149	-	9,717	24,866	36,268
Direct expenditure attributable to Designated Funds	-	-	38,391	38,391	71,476
	<u>491,202</u>	<u>76,551</u>	<u>467,193</u>	<u>1,034,946</u>	<u>1,094,437</u>

**THE BOYS' BRIGADE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**11. NET INCOMING RESOURCES / (RESOURCES EXPENDED)**

This is stated after charging:

	2014	2013
	£	£
Amortisation charged	265	265
Depreciation of tangible fixed assets:		
- owned by the charity	9,176	9,028
Auditors' remuneration	16,662	17,250
Pension costs	17,000	21,000
Trustee and officer indemnity insurance	4,198	4,664
	<u>          </u>	<u>          </u>

13 Trustees received reimbursement of expenses amounting to £3,972 in the current year, (2013 - 9 Trustees - £3,550).

**12. STAFF COSTS**

Staff costs were as follows:

	2014	2013
	£	£
Wages and salaries	975,601	784,729
Social security costs	78,710	62,216
Other pension costs (Note 23)	17,000	21,000
	<u>          </u>	<u>          </u>
	1,071,311	867,945
	<u>          </u>	<u>          </u>

The average monthly number of employees during the year was as follows:

	2014	2013
	No.	No.
Full time	37	30
Part time	21	16
	<u>          </u>	<u>          </u>
	58	46
	<u>          </u>	<u>          </u>

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

Staff costs are expended through the charitable funds as follows:-

	2014	2013
	£	£
Restricted funds	303,841	150,599
Unrestricted funds	767,470	717,346
	<u>          </u>	<u>          </u>
	1,071,311	867,945
	<u>          </u>	<u>          </u>

**THE BOYS' BRIGADE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**13. INTANGIBLE FIXED ASSETS**

	Access Rights to Felden Lodge £	Copyrights £	Total £
<b>Cost</b>			
At 1 April 2013	33,047	-	33,047
Additions	-	1	1
At 31 March 2014	33,047	1	33,048
<b>Amortisation</b>			
At 1 April 2013	1,586	-	1,586
Charge for the year	265	-	265
At 31 March 2014	1,851	-	1,851
<b>Net book value</b>			
At 31 March 2014	31,196	1	31,197
At 31 March 2013	31,461	-	31,461

The Brigade holds copyright protection over various badges and names which expire over the next 10 years. These are recognised at a nominal £1.

**14. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures & fittings £	Total £
<b>Cost</b>			
At 1 April 2013	3,588,232	253,960	3,842,192
Additions	-	3,173	3,173
At 31 March 2014	3,588,232	257,133	3,845,365
<b>Depreciation</b>			
At 1 April 2013	21,044	223,453	244,497
Charge for the year	-	8,912	8,912
At 31 March 2014	21,044	232,365	253,409
<b>Net book value</b>			
At 31 March 2014	3,567,188	24,768	3,591,956
At 31 March 2013	3,567,188	30,507	3,597,695



**THE BOYS' BRIGADE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**15. FIXED ASSET INVESTMENTS**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2014 £
1 April 2013	202,764	67,844	33,253	303,861
Additions	191,483	9,334	15,379	216,196
Disposals	(18,495)	(10,404)	(13,817)	(42,716)
Investment Brokers capital cash movements	95	778	(846)	27
Net realised and unrealised gains and losses	14,018	2,582	214	16,814
31 March 2014	<u>389,865</u>	<u>70,134</u>	<u>34,183</u>	<u>494,182</u>
<b>Historical cost</b>				
31 March 2014	<u>326,500</u>	<u>51,735</u>	<u>29,326</u>	<u>407,561</u>
31 March 2013	<u>151,852</u>	<u>49,352</u>	<u>24,611</u>	<u>225,815</u>

**16. STOCKS**

	2014 £	2013 £
Consumables	8,719	8,680
Supplies for resale	187,633	221,295
	<u>196,352</u>	<u>229,975</u>

**17. DEBTORS**

	2014 £	2013 £
Trade debtors	62,523	45,025
Other debtors	9,321	3,491
Prepayments and accrued income	135,890	102,152
	<u>207,734</u>	<u>150,668</u>

**THE BOYS' BRIGADE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**18. CREDITORS:**

Amounts falling due within one year

	2014 £	2013 £
Energy Savings Trust	5,951	12,443
Other loans	7,000	7,000
Payments received on account	9,843	10,293
Trade creditors	179,576	132,035
Other taxation and social security	30,026	43,881
Other creditors	34,018	15,087
Accruals and deferred income	73,914	49,008
	340,328	269,747
	340,328	269,747

**19. ACCRUALS AND DEFERRED INCOME**

	2014 £	2013 £
Annual capitation contributions received in advance	391,144	367,651
	391,144	367,651

**20. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>Designated funds</b>						
Freehold Property Fund	3,567,189	-	-	-	-	3,567,189
David White Memorial Fund	1,947	-	(285)	-	-	1,662
Jubilee Fund	9,286	-	(8,066)	-	-	1,220
Lockett Fidler KGV1 Fund	1,991	-	-	-	-	1,991
Brigade Secretary's Reserve Fund	1,905	1,816	(299)	-	-	3,422
Scotland Director's Reserve Fund	2,772	4,688	(6,099)	-	-	1,361
Britannia Dinner	2,409	1,000	(1,370)	-	-	2,039
Development Fund	90,212	-	(5,483)	-	-	84,729
Building Fund	29,593	-	(16,789)	36,000	-	48,804
Unite Christian Festivals England	3,201	130	-	-	-	3,331
	3,710,505	7,634	(38,391)	36,000	-	3,715,748
	3,710,505	7,634	(38,391)	36,000	-	3,715,748

**THE BOYS' BRIGADE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**20. STATEMENT OF FUNDS (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>General funds</b>						
General Funds - all funds	324,411	2,546,786	(2,235,101)	(36,000)	15,635	615,731
Pension reserve	-	-	118,000	-	(118,000)	-
	<u>324,411</u>	<u>2,546,786</u>	<u>(2,117,101)</u>	<u>(36,000)</u>	<u>(102,365)</u>	<u>615,731</u>
Total Unrestricted funds	<u>4,034,916</u>	<u>2,554,420</u>	<u>(2,155,492)</u>	<u>-</u>	<u>(102,365)</u>	<u>4,331,479</u>

Designated funds have arisen where the Brigade has set aside capital sums, with the income derived therefrom to be applied as follows:

- Freehold Property Fund - To represent the book value of freehold property held within the accounts.
- David White Memorial Fund - Young officer training.
- Firm Foundations - Annual festival held in England.
- Jubilee Fund - For commemorative events.
- Lockett / Fidler KGV Fund - For work with King George VI officer training.
- Brigade Secretary's Reserve Fund - To be used at the Brigade Secretary's discretion for the benefit of the Brigade.
- Scotland Director's Reserve Fund - To be used at the Scottish Director's discretion for the benefit of the Brigade.
- Britannia Dinner - For development work in Scotland.
- Development Fund - For Brigade development.
- Building Fund - For property maintenance.
- Unite Christian Festivals England - to support Christian events within England.

	<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	33,253	786	(585)	-	810	34,264

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 50:50 between the London District and the Boys' Brigade.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. STATEMENT OF FUNDS (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>						
Sir William Smith Memorial	2,380	-	(800)	-	-	1,580
E L Taylor Bequest	3,519	-	-	-	-	3,519
National Training Appeal	9,010	-	(2,000)	-	-	7,010
John Burke Fund	35,087	1,028	(569)	-	1,895	37,441
KJC Fund	753	-	-	-	-	753
Edith Blanche Bevis Fund	4,631	-	-	-	-	4,631
Thomas Bequest	16,756	-	(9,512)	-	-	7,244
Friends of Carronvale	212	2,123	(1,953)	-	-	382
Friends of Felden	906	2,674	(385)	-	-	3,195
1st Hurlford KGV1	7,653	-	(4,049)	-	-	3,604
Norma Leigh Trust	3,012	-	-	-	-	3,012
8th Grimsby Funds	33,518	1,045	(2,096)	-	1,126	33,593
International Projects	545	-	(545)	-	-	-
Make a Difference	80,694	-	(26,146)	-	-	54,548
Caribbean Fund	7,213	1,623	(7,064)	-	-	1,772
Cash Back and Stirling & District Battalion	33,762	15,000	(28,376)	-	-	20,386
SCVO and Highland Battalion BB Internship	(1,814)	1,814	-	-	-	-
Youthlink Cashback	840	34,900	(35,340)	-	-	400
Felden New Bed Scheme	610	100	(541)	-	-	169
Youthlink Lanarkshire	-	30,500	(22,299)	-	-	8,201
Youthlink Support 2013	21,227	-	(16,276)	-	-	4,951
Youthlink Support 2012	6,432	-	(6,432)	-	-	-
Youth United Central	13,553	64,835	(86,349)	8,800	-	839
Youth United Regions	66,233	287,166	(265,645)	(11,800)	-	75,954
Youth United Start Up Matched Funding	12,115	-	(10,209)	-	-	1,906
Youth United Start Up Core Funding	265,300	87,262	(138,738)	23,000	-	236,824
Youth United Community	29,376	5,420	(8,612)	(20,000)	-	6,184
Youth United London African Caribbean Churches	15,465	-	(15,465)	-	-	-
Youth United Soul Survivor	19,526	-	(13,711)	-	-	5,815
Carronvale Appeal 2013	-	1,068	(13)	-	-	1,055
Youthlink Glasgow	-	28,388	(18,096)	-	-	10,292
Young People Take the Lead	-	48,188	(39,986)	-	-	8,202
Youth United - Inkind Direct	-	10,000	-	-	-	10,000
	<b>688,514</b>	<b>623,134</b>	<b>(761,207)</b>	<b>-</b>	<b>3,021</b>	<b>553,462</b>
<b>Total of funds</b>	<b>4,756,683</b>	<b>3,178,340</b>	<b>(2,917,284)</b>	<b>-</b>	<b>(98,534)</b>	<b>4,919,205</b>

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**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:

Sir William Smith Memorial - For uniform and resources for new companies.  
E L Taylor Bequest - £60 to 6th London Company (now closed) and balance to the Brigade.  
National Training Appeal - For Brigade training.  
John Burke Fund - For outdoor activity.  
KJC Fund - HQ Music Group.  
Edith Blanche Bevis Fund - For Methodist companies within the area of Clacton-on-Sea.  
Thomas Bequest - For Brigade development in Scotland  
Friends of Carronvale - To be applied towards Carronvale House.  
Friends of Felden - To be applied towards Felden Lodge.  
1st Hurlford KGVI - For officer training in Scotland.  
Norma Leigh Trust - website and resource development.  
8th Grimsby Funds - For Anglican companies in formation.  
International Projects - For overseas work.  
Make a Difference - For the development of the Brigade.  
Caribbean Fund - For overseas work in the Caribbean.  
Cash Back and Stirling & District Battalion - Development worker for mid Scottish region.  
SCVO BB Internship - For creation of jobs in the third sector across Scotland.  
Youthlink Cashback - To support local youthgroups within Scotland.  
Youthlink - Lanarkshire - development worker for Lanarkshire region.  
Youthlink Support Fund - For IT training and progressive programme of education and sporting activities in Scotland.  
Youthlink Development worker 2011-2012 - To fund a development worker post.  
Youthlink Development worker 2012-2013 - To fund a development worker post.  
Youth United Central - Central organisational support grant.  
Youth United Regions - Support grant for London, Manchester, Birmingham, Middlesbrough, Stoke-on Trent & Bradford.  
Youth United Start Up Matched Funding - For marketing & promotional material to support development workers and 2 new units in Birmingham B28 postcode area.  
Youth United Start Up Core Funding - For the funding of core start-up costs within the specified regions.  
Youth United Community - For a series of community events within the specified regions.  
Youth United London African Caribbean Churches - For joint working with African Caribbean Churches in the London region.  
Youth United Soul Survivor - development of website and social media.  
Carronvale Appeal 2013 - for the refurbishment of Carronvale House and grounds.  
Youthlink Glasgow - sports development worker in Glasgow.  
Young People Take The Lead - Scottish development worker and support to companies.  
Youth United Inkind Direct - goods and supplies to support new units.

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

	Unrestricted funds 2014 £	Restricted funds 2014 £	Endowment funds 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	3,591,955	-	-	3,591,955	3,597,694
Intangible fixed assets	31,198	-	-	31,198	31,462
Fixed asset investments	389,932	70,068	34,182	494,182	303,861
Current assets	1,049,868	483,394	82	1,533,344	1,461,065
Creditors due within one year	(340,330)	-	-	(340,330)	(269,748)
Pension reserve and deferred income	(391,144)	-	-	(391,144)	(367,651)
	<u>4,331,479</u>	<u>553,462</u>	<u>34,264</u>	<u>4,919,205</u>	<u>4,756,683</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. CONTINGENT LIABILITIES**

Since the 2000 accounting period, the Brigade received grants from the Sports Foundation, totalling £211,915 in respect of the Carronvale recreation centre. These are repayable in full if the property is sold within 12 years, and a fixed charge dated March 2003 has accordingly been given by the Brigade over Carronvale House. The Brigade Executive does not believe that this contingent liability will ever crystallise and has accordingly not made any balance sheet provision for repayment of this grant in these accounts.

As explained in note 23 the Brigade operates a defined benefit pension scheme as the principal employer. A number of Battalions & Districts have also contributed to the scheme as associated employers. There are no remaining active members within the associated employers which has triggered a cessation event under the Pensions Act 2005. This has resulted in a liability on the associated employers under S.75 of the Act which is due to the Scheme. The associated employers continued to make contributions under the Scheme recovery plan after the cessation event which may become repayable to them. Should the amounts not be refunded by the Scheme Trustees the liability may fall on the Brigade. The liability, which amounts to £143,402, is not provided for in these accounts as no claim on the Brigade has been made and there is sufficient uncertainty about whether an obligation exists. The Brigade and Scheme Trustees are taking legal advice.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**23. PENSION COMMITMENTS**

The Brigade operates a Defined benefit pension scheme, which is funded.

The assets of the scheme are held separately from those of the Brigade, being invested with insurance companies.

The pension cost and provision for the year ending 31 March 2014 is based on the advice of a professionally qualified actuary. The most recent formal valuation is dated 31 March 2014. This showed a surplus of £186,000. The trustees have not recognised this surplus in the Financial Statements on the basis that they cannot be reasonably certain that future economic benefits in the form of reduced contributions or a scheme refund will result.

Contributions are made at a level recommended by the actuary. The contribution for the 2014 scheme year excluding employee contributions is expected to be:-

Recovery plan	£69,000
Current members - annual contribution	£23,000
Total	£92,000

The assumptions that have the most significant effect on the results of the valuation were:-

	2014	2013
Rate of increase in salaries	3.0%	3.0%
Rate of increase in pensions (in line with RPI, capped at 5%)	3.3%	3.1%
Discount rate	4.3%	4.1%
Inflation assumption	3.3%	3.0%

The scheme is closed to new members since November 2000 so under the projected unit method the current service cost will increase as the members of the scheme approach retirement.

**Value of scheme assets and liabilities**

	Value at 2014 £	Value at 2013 £
Market value of assets	5,289,000	5,154,000
Present value of scheme liabilities	(5,289,000)	(5,154,000)
Net pension asset	-	-

	2014 £	2013 £
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**Movements in surplus during the year:**

Surplus/(deficit) in scheme at beginning of year	-	(204,000)
Current year service cost	(17,000)	(21,000)
Contributions	92,000	90,000
Other finance income	81,000	48,000
Actuarial (loss)/gain	(118,000)	123,000
Expenses paid by fund	(38,000)	(36,000)
Surplus in scheme at end of year	-	-

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

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**24. OPERATING LEASE COMMITMENTS**

At 31 March 2014 the Brigade had annual commitments under non-cancellable operating leases as follows:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Expiry date:</b>		
Between 2 and 5 years	22,679	23,685

**25. RELATED PARTY TRANSACTIONS**

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

A material proportion of the Other loans, totalling £7,000 (2013 - £7,000), which the Brigade originally received and has not yet repaid, were from related parties.