

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 2023**



Whitings LLP
Chartered Accountants & Business Advisers
Statutory Auditors

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

	Page
Reference and administrative details of the charity, its trustees and advisers	1 - 2
Brigade Executive's Annual Report	3 - 9
Independent auditors' report	10 - 12
Statement of financial activities	13
Balance sheet	14
Cash flow statement & analysis of net debt	15
Notes to the financial statements	16 - 38

THE BOYS' BRIGADE

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

Office Bearers

President Rev Dez Johnston

Vice Presidents David Aubrey KC
Alison Chambers
Mervyn Murdock
Ian Rumbelow

Treasurer Stephen Mann

Chaplain Rev Leigh Maydew (term of office completed 2nd September 2022)
Rev Stewart Cutler (appointed 3rd September 2022)

Trustees David Aubrey KC (term of office completed 2nd September 2022)
Lee Bird
Stewart Buchanan
Ronald Campbell
Robert Cunningham
Rev Stewart Cutler (appointed 3rd September 2022)
Philip Daley
Jaime Ellis
Thom Hammond (resigned 1st December 2022)
Michael MacAulay (term of office completed 2nd September 2022)
Stephen Mann
Rev Leigh Maydew (term of office completed 2nd September 2022)
Paul McCarroll (resigned 7th March 2023)
Margaret Pang (appointed 26th January 2023)
Ian Rumbelow
Sam Templeton (appointed 3rd September 2022)

Company registered number 145122

Charity registered numbers 305969 and SC038016

Registered office Felden Lodge
Hemel Hempstead
Hertfordshire
HP3 0BL

**Company Secretary and
Chief Executive Officer** Jonathan Eales

THE BOYS' BRIGADE

(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Statutory Auditors

Whitings LLP
Chartered Accountants
Greenwood House
Greenwood Court
Skyliner Way
Bury St Edmunds
Suffolk
IP32 7GY

Principal Bankers

Barclays Bank Plc
1 Churchill Place
London
E14 5HP

Investment Managers

Rathbone Investment Management Limited
Rathbone Brothers Plc
8 Finsbury Circus
London
EC2M 7AZ

THE BOYS' BRIGADE

(A company limited by guarantee)

BRIGADE EXECUTIVE'S ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023

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 2023. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements of the Charities Act 2011 and the Companies Act 2006, the requirements of the charity's governing document, 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and UK Generally Accepted Accounting Practice.

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 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

(A company limited by guarantee)

BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

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 £3,036,729 at 31st March 2023 (2022 - £3,432,645). 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 Boys' Brigade (Brigade/BB) has fulfilled its obligations under the Health & Safety at Work Act 1974. The Brigade has made all reasonable and practical efforts to ensure that all employees have a safe and healthy place in which to work with adequate welfare facilities. Furthermore, it has ensured that all other persons e.g., contractors, visitors, guests, and members of the public are not adversely affected by their work activities or by being present in the surrounding environments.

The prevention of all accidents and dangerous occurrences is essential to avoid hardship and suffering to individuals as well as to the efficient operation of the organisation. The Brigade has sought to conform to all health and safety legislation in order to achieve this objective.

It shall be the duty of the Management at all levels to set standards, promote and maintain safety in its facilities and activities.

The Brigade consults regularly with the work force on health and safety matters. It seeks expert advice, as necessary, from the HSE and other independent consultants on health, medical, fire, environmental and safety matters relating to the work activities.

The Brigade provides all relevant information concerning the risks and hazards associated with the jobs, tasks & duties undertaken by their employees and ensures they are adequately trained and supervised in their work functions.

All employees must exercise personal responsibility in preventing injury to themselves, other employees and third parties and comply with all the safety measures/procedures taken and set down by the Brigade and statutory bodies.

The Brigade provides all relevant information on the health and safety aspects of its work to clients and to regulatory and public authorities, as required.

THE BOYS' BRIGADE

(A company limited by guarantee)

BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

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.

The Trustees consider the key management personnel of the Charity to be the Brigade Executive and the management team who are 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.

- **Pay policy for staff**

The pay of the 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 children and young people.

- **Grant making policies**

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

Achievements and performance (including strategic report)

- **Review of achievements and performance**

The primary focus for the organisation has continued to be the delivery of our five-year strategy **to improve the quality and consistency of experience for children and young people**. The strategy has helped shape the priorities for the Trustees, Sub-Committees, and staff team over the period.

Our strategy is aligned to our **Vision** that through the organisation children and young people have the opportunity to live life to the full. 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.

The focus of the past twelve months has been centred on further developing the programme resources and support provided to volunteer leaders. These are the priorities volunteers have told us are important to them.

Key achievements in Year Two of the Strategy have included:

- Launch of Young Leaders Network
- Roll out of our first National Company Census
- Development of our Programme Hub - providing ease of access to resources
- Roll out of training to new Leader Development Community
- Launch of Company Management Training
- Re-introduction of National Competitions

THE BOYS' BRIGADE

(A company limited by guarantee)

BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

The Company Census was completed by over 75% of BB groups across the country and provided an important insight into the health of groups. It demonstrated that the priorities of our strategy to resource and equip leaders continues to align with the views and the needs of our volunteer leaders. The findings have been shared across the organisation and leaders have been encouraged to use the data for their local area to help shape their plans and priorities. It has been pleasing to see the number of our groups that have been able to grow their membership over the past year.

There has also been a focus on embedding the mandatory e-learning training and Leaders' Code of Conduct as part of our drive to ensure volunteers practice and knowledge is up to date. Providing ease of access to our safeguarding training and resources has also been a priority. The new Company Management Training puts the emphasis on developing a team approach to the management and oversight of local groups and aims to equip Captains and Leaders-in-Charge with the tools to run the local group effectively.

During the year we have received funding from the Youth Investment Fund via the Department for Digital, Culture, Media & Sport (DCMS). This has enabled us to develop a PR Campaign co-designed and delivered by young people and led by our Young Leaders Group working in partnership with Refresh PR. Workshops have been run in IMD 1-5 Upper Tier areas reaching and engaging with current members aged 11-18 to assist with increasing capacity and raising awareness of the skills that can be gained by being involved with the organisation along with the barriers that prevent young people from joining.

We have also commissioned some research, which Youthscape are undertaking on our behalf, looking at the changing priorities and needs of young people. This report will be published later in the year and will help inform and equip leaders.

Over the past year we also commenced a three-year partnership with Bolton University in raising the aspirations of teenagers, and the focus for this year has been in providing programme resources and some financial support for groups to provide team-based challenges for members.

At the beginning of 2023 we secured significant funding via the Uniformed Youth Fund (DCMS) which will support the delivery of our strategy over the next two years. It will be focussed on increasing capacity in existing groups and expanding our reach into new areas. A priority will be to engage with church partners as we explore new opportunities to establish connections with young people. As part of the funding, we have appointed a ministry lead and support worker to assist us in this approach.

Funding will also enable us to expand the programme hub, develop Online Brigade Manager (OBM) functionality, and invest in raising the profile and impact of our work in local communities and beyond.

We continue to work closely with a range of partner organisations, especially in the Uniformed Youth Sector in partnership like 'Cashback for Communities'. We also continue to share best practice within the youth sector and highlight to UK and devolved Governments the value of our work with children and young people. Through our membership of Youth United one of our groups has been involved in a pilot project in collaboration with Intergenerational Music Making (IMM). The project has involved The Boys' Brigade group partnering a local care home and is aimed at helping young people increase their sense of citizenship and develop respect and empathy for older people in their community. It is hoped that this pilot can be rolled out across more communities in the coming year.

As part of the financial strategy the Felden Lodge property has been put up for sale, and although a sale has been agreed, the contract negotiations are ongoing. The Trustees have agreed that the proceeds will be invested for the long term, with the income used to fund the delivery of the strategic aims and objectives of the organisation. Alternative office accommodation for staff will be secured following the sale.

During the year members of the Northern Ireland District voted in favour of seeking to operate as a separate entity. Discussions are ongoing as to how this could work in practice.

Strategic oversight is provided by the Brigade Executive (Board of Trustees) and the delivery of the five-year strategy is supported by a range of sub-committees. These include groups covering the areas of Programme, Leader Development, Faith, Safeguarding, Finance, Young Leaders, International, Governance, Health & Safety and Pay & Remuneration.

During the year a skills audit has been undertaken by the Trustee Board and external training has been provided to support the board.

The operational delivery is overseen by the Senior Management Team, led by the Chief Executive.

THE BOYS' BRIGADE

(A company limited by guarantee)

BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

- **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 charity reports an operating surplus for the year for all funds of £106,065 (2022 – loss of £172,846 after exceptional pension costs and £91,846 before). The net operating surplus for the year disclosed in the Unrestricted Funds was £106,058 (2022 - £71,907 before exceptional pension costs and £152,907 after). The Brigade in total reports a surplus after all movements of £71,065 (2022 – loss of £106,846) on funds. These results exclude funds held as custodian.

- **Reserves policy**

The charity maintains a level of reserves to allow it to meet its operational obligations and to mitigate against the financial costs of identified risks.

The level of reserves is set in the light of risks identified in the Risk Register, which is reviewed quarterly by the board. The key risks identified concern short term cash fluctuations due to timing of receipt of capitation fee income, loss of membership and reduced income from house activity due the Covid 19 pandemic and unforeseen expenditure.

The trustees consider that a level of reserves of £800,000, with £200,000 held as cash is appropriate given the level of risk identified. Such a level of reserves is currently maintained by the charity.

The trustees review the level of reserves quarterly and update the policy annually as part of the strategic planning process.

- **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, the UK Government and Falkirk Council. The fees paid by Companies and Leaders largely fund the Brigade, and the Brigade Executive is fully aware of the burden this places upon Companies.

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

THE BOYS' BRIGADE

(A company limited by guarantee)

BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

- **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**

Improving the quality of experience for children and young people remains the priority for the organisation, alongside maintaining financial stability. Supporting and equipping leaders will continue to be a focus, as well as raising the profile and voice of young leaders in shaping future plans.

The third year workplan will be centred on delivering the DCMS funding objectives to increase capacity in existing groups and expand the reach of our work, which supports the priorities set out in the five-year strategy.

Later in the year the organisation will mark its 140th anniversary and will provide the opportunity to celebrate all our volunteers do, together with the positive impact The Boys' Brigade has on the lives of children and young people.

- **Going Concern**

The Trustees have prepared the financial statements on the going concern basis, and as part of their assessment have considered the five-year financial strategy and forecasts that take into consideration the possibility of Northern Ireland operating as a separate entity as well as the pending sale of Felden Lodge.

Budgets continue to be prepared in line with the financial strategy and expenditure will be managed closely, including the deployment of the staff resource, to ensure there is a focus on our strategy to improve the quality of experience for children and young people.

- **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 2023, the actuary calculated that there was a funding surplus of £1,866,000 (2022- £1,394,000) 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 2021 indicated a scheme surplus of £691,000.

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

THE BOYS' BRIGADE

(A company limited by guarantee)

BRIGADE EXECUTIVE'S ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

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 2019 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent; and
- 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
- the 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the Trustees on ^{1st July 2023} and signed on their behalf by:


Jonathan Eales
Company Secretary

THE BOYS' BRIGADE

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOYS' BRIGADE FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of The Boys' Brigade (the 'Charity') for the year ended 31 March 2023 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 2023 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.

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

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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; and
- the Trustees' report incorporating the Strategic report has been prepared in accordance with applicable legal requirements.

THE BOYS' BRIGADE

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOYS' BRIGADE (continued) FOR THE YEAR ENDED 31 MARCH 2023

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 and the Charities Accounts (Scotland) Regulations 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 are 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- enquiry with management around actual and potential litigation and claims;
- reviewing minutes of meetings of those charged with governance;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- performing audit work over the risk of management override of controls, including review of journal entries and other adjustments for appropriateness, and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

THE BOYS' BRIGADE

(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BOYS' BRIGADE (continued)
FOR THE YEAR ENDED 31 MARCH 2023**

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.

Whitings LLP

Jonathan Moore (Senior statutory auditor)

For and on behalf of

Whitings LLP

Chartered Accountants
Statutory Auditor

Greenwood House
Greenwood Court
Skyliner Way
Bury St Edmunds
Suffolk
IP32 7GY

Date: *01/02/23*

Whitings LLP 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 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:						
Donations and legacies	4	415,271	33,305	-	448,576	204,605
Training centres		566,834	-	-	566,834	306,181
Investments	6	57,283	2,337	1,059	60,679	40,696
Charitable activities:						
Annual capitation contributions		917,412	-	-	917,412	755,261
Supplies sales	3	523,195	-	-	523,195	391,955
Grants receivable	5	108,197	354,703	-	462,900	342,293
Annual festival and other events		26,349	-	-	26,349	2,950
Total income and endowments		2,614,541	390,345	1,059	3,005,945	2,043,941
Expenditure on:						
Raising funds:						
Cost of raising funds	9	181,242	-	-	181,242	201,725
Training centres (non-Brigade use)		455,854	-	-	455,854	394,213
Investment management		8,206	949	396	9,551	11,940
Charitable activities:						
Supplies - Cost of sales	3	299,335	-	-	299,335	244,549
Supplies - Administration	3	98,486	-	-	98,486	86,671
Grants payable	7	115,529	102,054	-	217,583	171,706
Training centres (Brigade use)		80,445	-	-	80,445	43,801
Management and delivery of activities	9	1,191,933	280,718	670	1,473,321	1,014,042
Exceptional pension costs	2	-	-	-	-	81,000
Total expenditure		2,431,030	383,721	1,066	2,815,817	2,249,647
Net income / (expenditure) before investment gains/(losses)		183,511	6,624	(7)	190,128	(205,706)
Net (losses)/gains on investments	14	(77,453)	(3,957)	(2,653)	(84,063)	32,860
Net income / (expenditure) before transfers		106,058	2,667	(2,660)	106,065	(172,846)
Transfers between Funds	19	46,366	(46,366)	-	-	-
Net income / (expenditure) before other gains and losses		152,424	(43,699)	(2,660)	106,065	(172,846)
Actuarial (losses)/gains on defined benefit pension scheme	24	(35,000)	-	-	(35,000)	66,000
Net movement in funds		117,424	(43,699)	(2,660)	71,065	(106,846)
Reconciliation of funds:						
Total funds at 1 April 2022		4,348,682	271,743	36,169	4,656,594	4,763,440
Total funds at 31 March 2023	19	4,466,106	228,044	33,509	4,727,659	4,656,594

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 2023

		2023		2022	
	Note	£	£	£	£
Fixed assets					
Intangible assets	12		1		29,083
Tangible assets	13		3,567,188		3,567,188
Investments	14		815,565		897,730
			<u>4,382,754</u>		<u>4,494,001</u>
Current assets					
Stocks	15	230,952		188,977	
Debtors	16	306,321		197,458	
Cash at bank and in hand	23	590,475		402,940	
			<u>1,127,748</u>		<u>789,375</u>
Creditors: amounts falling due within one year	17	(433,907)		(302,824)	
Net current assets			<u>693,841</u>		<u>486,551</u>
Total assets less current liabilities			<u>5,076,595</u>		<u>4,980,552</u>
Deferred income	18		(348,936)		(323,958)
Net assets			<u><u>4,727,659</u></u>		<u><u>4,656,594</u></u>
Charity Funds					
Endowment funds	19		33,509		36,169
Restricted funds	19		228,044		271,743
Unrestricted funds	19		4,466,106		4,348,682
Total funds			<u><u>4,727,659</u></u>		<u><u>4,656,594</u></u>

The financial statements were approved by the Trustees on 01/07/23 and signed on their behalf, by:

Stephen Mann
Brigade Treasurer

Stewart Buchanan
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 2023

Cash flow statement		2023	2022
	Note	£	£
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	22	164,302	(81,062)
Cash flows from investing activities:			
Dividends, interest and rents from investments		23,233	20,960
Transfer from investment portfolio		-	100,000
Net cash provided by investing activities		23,233	120,960
Change in cash and cash equivalents in the year		187,535	39,898
Cash and cash equivalents brought forward		402,940	363,042
Cash and cash equivalents carried forward	23	590,475	402,940

Analysis of net debt	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	402,940	187,535	590,475
Loans falling due within one year	(5,000)	-	(5,000)
	397,940	187,535	585,475

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

THE BOYS' BRIGADE

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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 2022 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 income in the statement of financial activities.

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 2023

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 expenditure is inclusive of any irrecoverable VAT.

1.6 Intangible fixed assets and amortisation

Amortisation is provided at the following rates:

Access rights to Felden Lodge	-	Fully amortised in year
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.

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

THE BOYS' BRIGADE

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation (continued)

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

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 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.

Investments in non-derivative instruments that are equity to the issuer 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.

1.14 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.

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.

THE BOYS' BRIGADE

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES (continued)

1.16 Pensions

The Charity operates a defined contribution pension scheme for the benefit of its employees. Contributions are expensed as they become payable.

The Charity also operates a defined benefit pension scheme. A liability for the charity's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Further details on the two pension schemes are detailed in note 24.

1.17 Loans

For 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 Redundancy and termination payments

Redundancy and termination payments are recognised where there is a present legal or constructive obligation. These are recognised within staff and employment costs.

1.19 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

1.20 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. Deferred capitation income

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

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. 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 2023

2. INCOMING AND EXPENDITURE ON UNRESTRICTED FUNDS

	2023	2022
	£	£
Income from:		
Donations and legacies	415,271	163,766
Training centres and other rental income	566,834	306,181
Investment income	57,283	37,828
Annual capitation contributions	917,412	755,261
Supplies sales	523,195	391,955
Grants	108,197	185,369
Annual festivals and other events	26,349	2,950
Total income	2,614,541	1,843,310
Expenditure on:		
Cost of raising funds	181,242	201,725
Training centres (non-Brigade use)	455,854	394,213
Investment management fees	8,206	10,482
Supplies – cost of sales	299,335	244,549
Supplies – administration	98,486	86,671
Grants to Battalions and Districts	115,529	101,079
Training centres (Brigade use)	80,445	43,801
Management and delivery of the charity's purposes	1,191,933	865,297
Exceptional pension costs	-	81,000
Total expenditure	2,431,030	2,028,817
Net income/(expenditure) before investment gains	183,511	(185,507)
Investment (losses)/gains	(77,453)	32,600
Net operating surplus/(deficit)	106,058	(152,907)
Transfers from other funds	46,366	-
	152,424	(152,907)
Actuarial (losses)/gains on defined benefit pension scheme	(35,000)	66,000
Net movement in funds for year	117,424	(86,907)

Exceptional pension costs relate to an estimate of the additional liabilities arising from addressing Guaranteed Minimum Pensions ("GMP"). This is as a result of a High Court ruling which held that relevant defined benefit pension schemes with GMP accruals between certain dates must equalise for the different effect of the GMPs between men and women. A past service cost of £nil (2022 - £81,000) has been recognised in the year.

THE BOYS' BRIGADE

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3. SUPPLIES

	2023	2022
	£	£
Sales	523,195	391,955
Cost of sales	(299,335)	(244,549)
	<u>223,860</u>	<u>147,406</u>
Administration	(98,486)	(86,671)
Net surplus	<u>125,374</u>	<u>60,735</u>

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

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	79,561	33,305	-	112,866	102,925
Legacies	335,710	-	-	335,710	101,680
	<u>415,271</u>	<u>33,305</u>	<u>-</u>	<u>448,576</u>	<u>204,605</u>

In 2022, the total income from donations and legacies was £163,766 to unrestricted funds and £40,839 to restricted funds.

THE BOYS' BRIGADE

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5. GRANTS RECEIVABLE

	2023	2022
	£	£
General fund: -		
Children, Young People and Families Early Intervention Fund	63,000	60,000
Falkirk Council Covid-19 Support	4,245	15,100
Dacorum Council Hospitality	-	6,000
Coronavirus Job Retention Scheme	-	55,032
	<u>67,245</u>	<u>136,132</u>
Restricted funds: -		
NVYO Support Fund	10,000	18,500
Youth Scotland Generation Cashback Phase 5	118,823	120,860
Church of Scotland – Guild Project	1,095	5,781
Coronavirus Job Retention Scheme	-	11,783
Bolton University	35,500	-
Uniformed Youth Fund – DCMS	66,616	-
Youth Investment Fund – DCMS	122,669	-
	<u>354,703</u>	<u>156,924</u>
Designated funds: -		
Landfill Trusts	40,952	49,237
	<u>40,952</u>	<u>49,237</u>
	<u>462,900</u>	<u>342,293</u>

6. INVESTMENT INCOME

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
Deposit interest	1,300	-	-	1,300	64
Income from investments	18,983	2,337	1,059	22,379	21,632
Pension income	37,000	-	-	37,000	19,000
	<u>57,283</u>	<u>2,337</u>	<u>1,059</u>	<u>60,679</u>	<u>40,696</u>

In 2022, of the total investment income, £37,828 was to unrestricted funds, £1,932 was to restricted funds and £936 was to endowment funds.

THE BOYS' BRIGADE

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. GRANTS PAYABLE

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Northern Ireland District	115,529	-	115,529	101,079
Other Battalions, Districts and Companies	-	102,054	102,054	70,627
	<u>115,529</u>	<u>102,054</u>	<u>217,583</u>	<u>171,706</u>

In 2022, of the total grants payable, £101,079 was to unrestricted funds and £70,627 was to restricted funds.

8. GOVERNANCE COSTS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
Auditors' remuneration – audit services	9,500	-	-	9,500	9,500
Auditors' remuneration – other services	13,266	-	-	13,266	13,181
Committee expenses	5,548	-	-	5,548	3,375
Legal and professional fees	63,206	-	-	63,206	10,763
Annual report	1,750	-	-	1,750	760
Staff training	751	-	-	751	-
	<u>94,021</u>	<u>-</u>	<u>-</u>	<u>94,021</u>	<u>37,579</u>

THE BOYS' BRIGADE

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9. ADMINISTRATION AND SUPPORT COSTS

	Cost of generating funds £	Supplies £	Management and delivery of charity's purposes £	Total 2023 £	2022 £
Staff costs	83,531	10,716	429,819	524,066	534,879
Staff training	106	-	554	660	1,849
Outsourcing management fee	-	52,726	-	52,726	45,737
Travelling	4,518	-	23,717	28,235	18,831
Development	1,326	-	6,959	8,285	11,986
Training courses	4,666	-	24,495	29,161	1,696
Office services	5,407	-	28,388	33,795	24,301
Insurance	20,719	-	108,773	129,492	132,582
Printing and stationery	969	-	5,085	6,054	4,254
IT expenses	6,684	-	35,093	41,777	40,623
Postage and carriage	364	35,044	1,910	37,318	29,886
Repairs and maintenance	324	-	1,700	2,024	2,807
Leasing	2,188	-	11,489	13,677	15,589
Amortisation	4,653	-	24,428	29,081	265
Communications	5,364	-	28,159	33,523	61,083
Sundries	914	-	4,799	5,713	8,809
Irrecoverable VAT	9,744	-	51,155	60,899	36,751
Bank charges	2,094	-	11,144	13,238	9,085
Subscription to Global & European Fellowship	-	-	1,500	1,500	1,500
Online Brigade Manager	6,646	-	34,903	41,549	43,266
Pension scheme costs	-	-	64,725	64,725	37,441
Governance costs	21,025	-	72,996	94,021	37,579
Direct expenditure attributable to Designated Funds	-	-	260,142	260,142	92,894
Internal recharges to training centres	-	-	(40,000)	(40,000)	(40,000)
	<u>181,242</u>	<u>98,486</u>	<u>1,191,933</u>	<u>1,471,661</u>	<u>1,153,693</u>

Included above are support costs of: -

Staff costs	-	-	57,726	57,726	50,958
Other costs	-	-	3,737	3,737	2,333
Governance costs	21,025	-	72,996	94,021	37,579
Operations	-	-	2,427	2,427	-
	<u>21,025</u>	<u>-</u>	<u>136,886</u>	<u>157,911</u>	<u>90,870</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 2023**

10. NET INCOME / (EXPENDITURE)

This is stated after charging:

	2023	2022
	£	£
Operating lease expense	63,064	65,547
Amortisation charged	29,082	264
Auditors' remuneration – audit services	9,500	9,500
Auditors' remuneration – other services	13,266	13,181
Trustee and officer indemnity insurance	<u>4,823</u>	<u>4,580</u>

During the year, no Trustees received any remuneration (2022 - £NIL).

During the year, no Trustees received any benefits in kind (2022 - £NIL).

8 Trustees received reimbursement of expenses amounting to £1,996 in the current year (2022 - 8 Trustees - £670).

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

11. STAFF COSTS

Staff costs were as follows:

	2023	2022
	£	£
Wages and salaries	682,668	736,539
Social security costs	59,105	49,908
Defined contribution pension costs	28,653	28,094
Defined benefit pension operating costs	14,000	16,000
Redundancy costs	-	18,485
	<u>784,426</u>	<u>849,026</u>

The average monthly number of employees was 43 (2022 - 37) and the average monthly number of employees during the year expressed as full-time equivalents was as follows (including casual and part-time staff):

	2023	2022
	No.	No.
Full time	24	26
Part time	10	5
	<u>34</u>	<u>31</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 £241,839 (2022 - £232,179).

THE BOYS' BRIGADE

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. INTANGIBLE FIXED ASSETS

	Access Rights to Felden Lodge £	Copyrights £	Total £
Cost			
At 1 April 2022 and 31 March 2023	<u>33,047</u>	<u>1</u>	<u>33,048</u>
Amortisation			
At 1 April 2022	3,965	-	3,965
Charge for the year	<u>29,082</u>	<u>-</u>	<u>29,082</u>
At 31 March 2023	<u>33,047</u>	<u>-</u>	<u>33,047</u>
Net book value			
At 31 March 2023	<u>-</u>	<u>1</u>	<u>1</u>
At 31 March 2022	<u>29,082</u>	<u>1</u>	<u>29,083</u>

13. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures & fittings £	Total £
Cost			
At 1 April 2022 and 31 March 2023	<u>3,588,232</u>	<u>257,133</u>	<u>3,845,365</u>
Depreciation			
At 1 April 2022	21,044	257,133	278,177
Charge for the year	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2023	<u>21,044</u>	<u>257,133</u>	<u>278,177</u>
Net book value			
At 31 March 2023	<u>3,567,188</u>	<u>-</u>	<u>3,567,188</u>
At 31 March 2022	<u>3,567,188</u>	<u>-</u>	<u>3,567,188</u>

THE BOYS' BRIGADE

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. FIXED ASSET INVESTMENTS

Investment portfolio: -

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
1 April 2022	774,410	87,151	36,169	897,730
Additions	232,345	1,503	7,095	240,943
Disposals	(229,536)	(2,407)	(7,102)	(239,045)
Net realised and unrealised gains/(losses)	(77,453)	(3,957)	(2,653)	(84,063)
31 March 2023	<u>699,766</u>	<u>82,290</u>	<u>33,509</u>	<u>815,565</u>

The fair value of listed investments is determined by reference to the quoted price at 31 March 2023.

The fair value of investments comprise Equities £767,683 (2022 - £881,637) and cash held within the portfolio of £47,882 (2022 - £16,093). The original cost of investments excluding cash is £656,292 (2022 - £658,112).

15. STOCKS

	2023 £	2022 £
Consumables	10,712	7,224
Supplies for resale	220,240	181,753
	<u>230,952</u>	<u>188,977</u>

16. DEBTORS

	2023 £	2022 £
Trade debtors	141,055	39,532
Other debtors	1,058	5,287
Prepayments and accrued income	164,208	152,639
	<u>306,321</u>	<u>197,458</u>

THE BOYS' BRIGADE

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. CREDITORS:

Amounts falling due within one year

	2023	2022
	£	£
Other loans	5,000	5,000
Payments received on account	11,179	3,526
Trade creditors	196,763	171,641
Other taxation and social security	32,623	21,334
Other creditors	69,728	31,218
Accruals and deferred income	118,614	70,105
	<u>433,907</u>	<u>302,824</u>

18. ACCRUALS AND DEFERRED INCOME

	2023	2022
	£	£
Annual capitation contributions received in advance	<u>348,936</u>	<u>323,958</u>

THE BOYS' BRIGADE

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19. STATEMENT OF FUNDS – CURRENT YEAR

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Carried forward £
Designated funds						
Freehold Property Fund	3,567,189	-	-	-	-	3,567,189
Building Fund	4,592	40,953	(40,770)	1,007	-	5,782
Unite Christian Festival England	11,809	14,731	(13,830)	-	-	12,710
Carronvale Appeal	1,007	-	-	(1,007)	-	-
Children and Youthwork Fund	84,438	-	(173,950)	225,000	-	135,488
England Support	25,367	-	(6,310)	-	-	19,057
Minibus Fund	549	-	(449)	-	-	100
KGVI Fund	2,737	-	-	-	-	2,737
Scottish Development	5,414	15,000	-	(5,000)	-	15,414
Strategic Plan Fund	31,496	64,640	(20,502)	51,366	-	127,000
Kerr Charitable Trust	5,000	-	(4,331)	-	-	669
	<u>3,739,598</u>	<u>135,324</u>	<u>(260,142)</u>	<u>271,366</u>	<u>-</u>	<u>3,886,146</u>
General funds						
General Fund	609,084	2,442,217	(2,168,888)	(225,000)	(77,453)	579,960
Pension reserve	-	37,000	(2,000)	-	(35,000)	-
	<u>609,084</u>	<u>2,479,217</u>	<u>(2,170,888)</u>	<u>(225,000)</u>	<u>(112,453)</u>	<u>579,960</u>
Total Unrestricted funds	<u>4,348,682</u>	<u>2,614,541</u>	<u>(2,431,030)</u>	<u>46,366</u>	<u>(112,453)</u>	<u>4,466,106</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.

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 leader 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.

Kerr Charitable Trust – For development work in Scotland.

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Carried forward £
Endowment funds						
Cave Allan Legacy	<u>36,169</u>	<u>1,059</u>	<u>(1,066)</u>	<u>-</u>	<u>(2,653)</u>	<u>33,509</u>

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

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

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

THE BOYS' BRIGADE

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

19. STATEMENT OF FUNDS – CURRENT YEAR (continued)

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Carried forward £
Restricted funds						
National Training Appeal	3,406	-	(3,406)	-	-	-
John Burke Fund	55,319	1,242	(5,929)	-	(2,560)	48,072
Friends of Carronvale	-	2,381	(2,187)	-	-	194
Friends of Felden	1,980	300	(2,152)	-	-	128
8th Grimsby Funds	44,809	1,096	(445)	-	(1,397)	44,063
Overseas work	2,946	-	-	-	-	2,946
Youth Scotland Generation						
CashBack Phase 5	71,223	118,823	(128,408)	-	-	61,638
Events England Region	7,850	-	(676)	-	-	7,174
Youthlink NVYO Support	49,179	10,000	(11,913)	(10,000)	-	37,266
Church of Scotland – Guild						
Project	21,719	1,095	(37,814)	15,000	-	-
Friends of Felden – Name a						
Chair	3,830	-	-	-	-	3,830
John Scott Charitable Trust	9,482	-	(4,614)	-	-	4,868
London District Fund	-	30,624	(30,624)	-	-	-
Bolton University	-	35,500	(25,037)	-	-	10,463
Uniformed Youth Fund	-	66,615	(36,615)	(30,000)	-	-
Youth Investment Fund	-	122,669	(93,901)	(21,366)	-	7,402
	<u>271,743</u>	<u>390,345</u>	<u>(383,721)</u>	<u>(46,366)</u>	<u>(3,957)</u>	<u>228,044</u>
Total funds	<u>4,656,594</u>	<u>3,005,945</u>	<u>(2,815,817)</u>	<u>-</u>	<u>(119,063)</u>	<u>4,727,659</u>

THE BOYS' BRIGADE

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

19. STATEMENT OF FUNDS – PRIOR YEAR (continued)

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Carried forward £
Designated funds						
Freehold Property Fund	3,567,189	-	-	-	-	3,567,189
Building Fund	2,609	54,236	(52,253)	-	-	4,592
Unite Christian Festival England	14,420	2,950	(5,561)	-	-	11,809
Carronvale Appeal	1,007	-	-	-	-	1,007
Children and Youthwork Fund	109,216	-	(24,778)	-	-	84,438
England Support	26,909	4,138	(5,680)	-	-	25,367
Minibus Fund	3,348	-	(2,799)	-	-	549
KGVI Fund	2,737	-	-	-	-	2,737
Scottish Development	414	5,000	-	-	-	5,414
Strategic Plan Fund	31,732	1,587	(1,823)	-	-	31,496
Kerr Charitable Trust	-	5,000	-	-	-	5,000
	3,759,581	72,911	(92,894)	-	-	3,739,598
General funds						
General Fund	676,008	1,751,399	(1,850,923)	-	32,600	609,084
Pension reserve	-	19,000	(85,000)	-	66,000	-
	676,008	1,770,399	(1,935,923)	-	98,600	609,084
Total Unrestricted funds	4,435,589	1,843,310	(2,028,817)	-	98,600	4,348,682
	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Carried forward £
Endowment funds						
Cave Allan Legacy	37,939	936	(2,033)	-	(673)	36,169

THE BOYS' BRIGADE

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

19. STATEMENT OF FUNDS – PRIOR YEAR (continued)

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Carried forward £
Restricted funds						
National Training Appeal	3,914	-	(508)	-	-	3,406
John Burke Fund	54,519	1,010	(547)	-	337	55,319
Friends of Carronvale	626	738	(1,364)	-	-	-
Friends of Felden	1,955	25	-	-	-	1,980
8th Grimsby Funds	43,772	922	(481)	-	596	44,809
Overseas work	2,946	-	-	-	-	2,946
Roy Inglis Legacy	4,619	-	(4,619)	-	-	-
Cashback - Young People Take the Lead	19,583	2,999	(22,582)	-	-	-
Youth Scotland Generation CashBack Phase 4	15,070	1,513	(16,583)	-	-	-
Youth Scotland Generation CashBack Phase 5	35,183	120,859	(84,819)	-	-	71,223
Events England Region	7,850	-	-	-	-	7,850
Youthlink NVYO Support	39,822	18,500	(9,143)	-	-	49,179
Church of Scotland – Guild Project	42,013	5,796	(26,090)	-	-	21,719
Wales Development	4,640	18,979	(23,619)	-	-	-
Friends of Felden – Name a Chair	3,400	430	-	-	-	3,830
John Scott Charitable Trust	10,000	-	(518)	-	-	9,482
London District Fund	-	27,924	(27,924)	-	-	-
	<u>289,912</u>	<u>199,695</u>	<u>(218,797)</u>	<u>-</u>	<u>933</u>	<u>271,743</u>
Total funds	<u>4,763,440</u>	<u>2,043,941</u>	<u>(2,249,647)</u>	<u>-</u>	<u>98,860</u>	<u>4,656,594</u>

THE BOYS' BRIGADE

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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.

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.

Overseas Work - For overseas work.

Young People Take The Lead - Scottish development worker and support to companies.

Roy Inglis Legacy - Development work in Scotland.

Youth Scotland Generation CashBack Phase 4 - Offering a programme of engaging activities to young people in deprived communities.

Youth Scotland Generation CashBack Phase 5 - Offering a programme of engaging activities to young people in deprived communities.

Events England Region - For events in England.

Youthlink NVYO Support Fund - Support for the young leaders network in Scotland.

Church of Scotland Guild Project - Small grant scheme for Boys Brigade companies in 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.

Bolton University – Engagement Partnership including grants to companies.

Uniformed Youth Fund – UYF funding year 1 to increase capacity.

Youth Investment Fund – YIF funding to support new units and re-launch existing units.

SUMMARY OF FUNDS – CURRENT YEAR

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Carried forward £
Designated funds	3,739,598	135,324	(260,142)	271,366	-	3,886,146
General funds	609,084	2,479,217	(2,170,888)	(225,000)	(112,453)	579,960
	4,348,682	2,614,541	(2,431,030)	46,366	(112,453)	4,466,106
Endowment funds	36,169	1,059	(1,066)	-	(2,653)	33,509
Restricted funds	271,743	390,345	(383,721)	(46,366)	(3,957)	228,044
	4,656,594	3,005,945	(2,815,817)	-	(119,063)	4,727,659

THE BOYS' BRIGADE

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19. STATEMENT OF FUNDS – PRIOR YEAR (continued)

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/(losses) £	Carried forward £
Designated funds	3,759,581	72,911	(92,894)	-	-	3,739,598
General funds	676,008	1,770,399	(1,935,923)	-	98,600	609,084
	<u>4,435,589</u>	<u>1,843,310</u>	<u>(2,028,817)</u>	<u>-</u>	<u>98,600</u>	<u>4,348,682</u>
Endowment funds	37,939	936	(2,033)	-	(673)	36,169
Restricted funds	289,912	199,695	(218,797)	-	933	271,743
	<u>4,763,440</u>	<u>2,043,941</u>	<u>(2,249,647)</u>	<u>-</u>	<u>98,860</u>	<u>4,656,594</u>

20. FINANCIAL INSTRUMENTS

	2023 £	2022 £
Financial assets		
Financial assets that are measured at fair value	815,565	897,730
	<u>815,565</u>	<u>897,730</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 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
Tangible fixed assets	3,567,188	-	-	3,567,188	3,567,188
Intangible fixed assets	1	-	-	1	29,083
Fixed asset investments	699,766	82,290	33,509	815,565	897,730
Current assets	981,994	145,754	-	1,127,748	789,375
Creditors due within one year	(433,907)	-	-	(433,907)	(302,824)
Deferred income	(348,936)	-	-	(348,936)	(323,958)
	<u>4,466,106</u>	<u>228,044</u>	<u>33,509</u>	<u>4,727,659</u>	<u>4,656,594</u>

THE BOYS' BRIGADE

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Tangible fixed assets	3,567,188	-	-	3,567,188	3,567,188
Intangible fixed assets	29,083	-	-	29,083	29,347
Fixed asset investments	774,410	87,151	36,169	897,730	976,073
Current assets	604,783	184,592	-	789,375	690,941
Creditors due within one year	(302,824)	-	-	(302,824)	(264,024)
Deferred income	(323,958)	-	-	(323,958)	(236,085)
	<u>4,348,682</u>	<u>271,743</u>	<u>36,169</u>	<u>4,656,594</u>	<u>4,763,440</u>

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

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	106,065	(172,846)
Adjustment for:		
Depreciation and amortisation charges	29,082	264
Losses/(gains) on investments	84,063	(32,860)
Dividends, interest and rents from investments	(23,679)	(21,696)
Donations of investments	(11,000)	-
Investment management fees	9,548	11,939
Adjustment in respect of defined benefit pension scheme	(35,000)	66,000
(Increase)/decrease in stocks	(41,975)	21,681
(Increase) in debtors	(108,863)	(80,217)
Increase in creditors	156,061	126,673
Net cash provided by/(used in) operating activities	<u>164,302</u>	<u>(81,062)</u>

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash at bank and in hand	<u>590,475</u>	<u>402,940</u>

THE BOYS' BRIGADE

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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 £28,653 (2022 - £28,094).

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.

Assets and liabilities of the scheme are based on actuarial valuations. The full valuation was undertaken at 1 June 2021 and updated to 31 March 2023 by a qualified, independent actuary. The major assumptions used by the actuary are shown in the notes below.

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

	2023 £	2022 £
Opening defined benefit obligation	5,454,000	6,000,000
Current service cost	14,000	16,000
Scheme changes - GMP Equalisation	-	81,000
Employee contributions	5,000	4,000
Interest cost	144,000	112,000
Actuarial gains	(1,267,000)	(503,000)
Benefits paid	(294,000)	(256,000)
Closing defined benefit obligation	<u>4,056,000</u>	<u>5,454,000</u>

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

	2023 £	2022 £
Opening fair value of scheme assets	5,454,000	6,000,000
Interest on assets	181,000	131,000
Actuarial losses	(1,302,000)	(437,000)
Contributions by employer	12,000	12,000
Employee contributions	5,000	4,000
Benefits paid	(294,000)	(256,000)
	<u>4,056,000</u>	<u>5,454,000</u>

The amounts recognised in the Balance sheet are as follows:

	2023 £	2022 £
Fair value of scheme assets	5,922,000	6,848,000
Present value of funded obligations	(4,056,000)	(5,454,000)
Surplus not recognised	(1,866,000)	(1,394,000)
Net pension scheme asset/(liability)	<u>-</u>	<u>-</u>

The fair value of scheme assets above has been reduced by the surplus of £1,866,000 (2022 - £1,394,000) which has not been recognised on the basis that the Trustees cannot be reasonably certain that future economic benefits in the form of reduced contributions or a scheme refund will result.

THE BOYS' BRIGADE

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

24. PENSION COMMITMENTS (continued)

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

	2023	2022
	£	£
Current service cost	(14,000)	(16,000)
Scheme changes - GMP Equalisation	-	(81,000)
Interest on obligation	(144,000)	(112,000)
Interest on assets	181,000	131,000
	<u>23,000</u>	<u>(78,000)</u>
Return on scheme assets less interest liabilities	(830,000)	(34,000)
Experience gains arising on scheme liabilities	278,000	76,000
Impact of changes in actuarial assumptions on scheme liabilities	989,000	427,000
Surplus not recognised	(472,000)	(403,000)
	<u>(35,000)</u>	<u>66,000</u>

The Brigade expects to contribute £nil to the defined benefit pension scheme in 2023.

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

	2023	2022
	£	£
Equities	61.0%	63.0%
Bonds	29.0%	32.0%
Cash	4.0%	4.0%
Annuities	6.0%	1.0%

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

	2023	2022
	£	£
Discount rate at 31 March	4.70%	2.70%
Future salary increases	2.50%	2.50%
Future pension increases	3.35%	4.15%
Retail price inflation	3.35%	4.15%

Mortality assumptions used for current pensioners at age 65 were 21.8 years for men and 24.2 years for women. Assumptions for future pensioners at age of 65 were 22.8 years for men and 25.4 years for women.

THE BOYS' BRIGADE

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

25. OPERATING LEASE COMMITMENTS

At 31 March 2023 the Brigade had future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Amounts payable:		
Within one year	7,010	12,258
Between 1 and 5 years	4,800	11,810
	<u>11,810</u>	<u>24,068</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 (2022 - £5,000), which the Brigade originally received and has not yet repaid, were from related parties.