

THE SINGAPORE SCOUT ASSOCIATION

Unique Entity No. S85CC0196D

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

The Singapore Scout Association

General Information

Scout Council

President – Tan Tee How
 Vice President – Professor Lui Pao Chuen
 Vice President – Professor Leo Tan Wee Hin
 Vice President – Raymond Chia
 Honorary Secretary – Ranvir Kumar Singh
 Honorary Treasurer – Fong Heng Boo

 Chief Commissioner – Tan Cheng Kiong
 Deputy Chief and International Commissioner – Chay Hong Leng
 Deputy Chief and Partnership Commissioner – Desmond Chong

Registered Office

1 Bishan Street 12
 Singapore 579808

Auditor

CA.sg PAC

Bankers

Oversea-Chinese Banking Corporation Limited
 The Bank of East Asia Ltd
 CIMB Bank Berhad
 Sing Investments & Finance Limited

Index

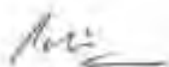
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The Singapore Scout Association

Statement by Scout Council for the year ended 31 December 2016

We, the undersigned, hereby state that in the opinion of the Scout Council, the financial statements of The Singapore Scout Association ("Association") set out on pages 6 to 35 are properly drawn up so as to give a true and fair view of the financial position of the Association as at 31 December 2016 and of the financial performance and cash flows of the Association for the financial year ended on that date.

On behalf of the Scout Council



Tan Tee How
President



Tan Cheng Kiong
Chief Commissioner



Fong Heng Boo
Honorary Treasurer

Singapore, 6 May 2017

INDEPENDENT AUDITOR'S REPORT

to the members of

THE SINGAPORE SCOUT ASSOCIATION (continued)

Report on the Audit of the Financial Statements (continued)

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT

to the members of

THE SINGAPORE SCOUT ASSOCIATION (continued)

Report on the Audit of the Financial Statements (continued)

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT

to the members of

THE SINGAPORE SCOUT ASSOCIATION

Report on Other Legal and Regulatory Requirements

In our opinion:

- a) the accounting and other records required to be kept by the Association have been properly kept in accordance with the Charities Act, Chapter 37 and Regulations and Boy Scouts Association Act, Chapter 26;
- b) the fund-raising appeals listed below conducted by the Association during the financial year, have been carried out in accordance with the Charities Act, Chapter 37 and Regulations and Income Tax Act, Chapter 134 and proper accounts and other records have been kept of the fund-raising appeals:-

<u>Name of fund-raising project</u>	<u>Period of fund-raising</u>
Job Week	12 March 2016 to 18 March 2016
Donation Draw	1 June 2016 to 3 September 2016

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

- (i) the Association has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institution of a Public Character) Regulations; and
- (ii) the Association has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

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Public Accountants and
Chartered Accountants
Singapore

6 May 2017

The Singapore Scout Association

Statement of Financial Position

As at 31 December 2016

	Note	2016 S\$	2015 S\$
ASSETS AND LIABILITIES			
Non-Current Assets			
Property, plant and equipment	3	906,115	905,822
Prepayments	4	1,589,013	1,647,865
		<u>2,495,128</u>	<u>2,553,687</u>
Current Assets			
Inventories	5	256,913	234,209
Trade receivables	6	65,095	8,479
Other receivables	7	729,538	900,201
Prepayments	4	58,852	58,852
Cash and cash equivalents	8	7,136,949	7,064,720
		<u>8,247,347</u>	<u>8,266,461</u>
Total Assets		<u>10,742,475</u>	<u>10,820,148</u>
Current Liabilities			
Trade payables	9	193,104	238,144
Other payables	10	413,408	449,705
Deferred grant	11	58,852	58,852
		<u>665,364</u>	<u>746,701</u>
Non-Current Liability			
Deferred grant	11	1,589,013	1,647,865
Total Liabilities		<u>2,254,377</u>	<u>2,394,566</u>
Net Current Assets		<u>7,581,983</u>	<u>7,519,760</u>
Net Assets		<u>8,488,098</u>	<u>8,425,582</u>
FUNDS			
Unrestricted Funds			
General funds	12	4,593,276	4,239,835
Restricted Funds			
Building fund		925,738	957,660
Scout Foundation fund		578,433	746,539
Other specific funds	13	2,390,651	2,481,548
Total Funds		<u>8,488,098</u>	<u>8,425,582</u>

The annexed notes form an integral part of and should be read in conjunction with these financial statements

FINANCIAL STATEMENTS

The Singapore Scout Association

Statement of Financial Activities
For the year ended 31 December 2016

		←	Restricted Funds	→		
	Note	Building Fund S\$	Scout Foundation Fund S\$	Other Specific Funds (Note 13) S\$	2016 Total Funds S\$	2015 Total Funds S\$
		General Funds (Note 12) S\$				
Incoming resources						
<i>Incoming resources from associated funds</i>						
Voluntary income	14	10,775	-	100,300	3,170	114,245
<i>Activities for generating funds</i>						
- Donation Draw	15	215,236	-	-	147,616	430,157
- Job Week	16	363,192	-	-	363,192	781,758
- Scout Guild events	17	93,810	-	-	-	93,810
Investment income		89,784	-	-	2,949	92,733
<i>Incoming resources from charitable activities</i>						
- Grants		1,055,574	-	-	-	1,055,574
- Membership fees		103,874	-	-	-	103,874
- Fees from participants		391,578	-	-	46,527	1,152,780
- Scout Shop	18	208,491	-	-	-	208,491
- Scout Guild		9,250	-	-	-	9,250
- Scout Groups		-	-	-	-	17,510
- Sands Leadership Development Centre	19	1,104,578	-	-	-	1,104,578
- Use of camp		10,000	-	-	-	10,000
- Use of headquarter's facilities		16,275	-	-	-	16,275
Other incoming resources		204,954	-	-	3,343	208,297
Total incoming resources		3,877,371	-	100,300	566,797	4,544,468
Resources expended						
<i>Costs of generating funds</i>						
<i>Fundraising costs</i>						
- Donation Draw	15	38,744	-	-	26,590	65,334
- Job Week	16	5,761	-	-	5,761	11,522
- Scout Guild events	17	34,045	-	-	-	34,045
<i>Charitable activities</i>						
- Scout Shop	18	105,281	-	-	-	105,281
- Scout Guild		9,231	-	-	-	9,231
- Scout Groups		-	-	-	418,860	418,860
- Area activities		157,594	-	-	-	157,594
- International scout events and programme expenses		500,192	-	-	-	500,192
- Sands Leadership Development Centre	19	1,100,937	-	-	-	1,100,937
- Employee benefits expense	20	944,274	-	252,290	-	1,196,564
Governance costs - audit fees		13,000	-	-	-	13,000
Other resources expended	21	776,004	-	16,116	77,272	869,392
Total resources expended		3,585,063	-	268,406	528,483	4,481,952
Net incoming/(outgoing) resources before amortisation and transfer		192,308	-	(168,106)	38,314	62,516
Amortisation of building fund		31,922	(31,922)	-	-	-
Transfer of funds		129,211	-	-	(129,211)	-
Net incoming/(outgoing) resources		353,441	(31,922)	(168,106)	(90,897)	214,959
Total funds brought forward		4,239,835	957,660	746,539	2,481,548	8,425,582
Total funds carried forward		4,593,276	925,738	578,433	2,390,651	8,425,582

The annexed notes form an integral part of and should be read in conjunction with these financial statements

The Singapore Scout Association

Statement of Cash Flows For the year ended 31 December 2016

	Note	2016 S\$	2015 S\$
Cash flows from operating activities			
Surplus for the year		62,516	214,959
Adjustments for:-			
Depreciation of property, plant and equipment		53,747	199,245
Impairment loss on trade receivables		16,340	-
Interest income		(92,733)	(69,002)
		<u>(22,646)</u>	<u>130,243</u>
Operating surplus before working capital changes		<u>39,870</u>	<u>345,202</u>
Increase in inventories		(22,704)	(24,563)
Decrease/(Increase) in trade and other receivables		156,559	(2,097,109)
(Decrease)/Increase in trade and other payables		<u>(140,189)</u>	<u>1,722,554</u>
		<u>(6,334)</u>	<u>(399,118)</u>
Net cash generated from/(used in) operating activities		<u>33,536</u>	<u>(53,916)</u>
Cash flows from investing activities			
Interest received		92,733	69,002
Purchase of property, plant and equipment		<u>(54,040)</u>	<u>(21,653)</u>
Net cash generated from investing activities		<u>38,693</u>	<u>47,349</u>
Net increase/(decrease) in cash and cash equivalents		72,229	(6,567)
Cash and cash equivalents at 1 January		<u>7,064,720</u>	<u>7,071,287</u>
Cash and cash equivalents at 31 December	8	<u>7,136,949</u>	<u>7,064,720</u>

The annexed notes form an integral part of and should be read in conjunction with these financial statements

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

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

1. General information

The Association (Unique Entity No. S85CC0196D) was registered on 4 January 1912 under the powers granted by the Royal Charter issued under the hand of King George V and Boy Scouts Association Act (Chapter 26, Singapore Statutes, 1985 Revised edition).

The Association is registered as a Charity under the Charities Act, Chapter 37 and has been granted an Institution of Public Character (IPC) status up to 31 August 2019 by its Sector Administrator, the Ministry of Education.

The objects of the Association are to develop good citizenship among young people by forming their character, training them in habits of observation, obedience and self-reliance, inculcating loyalty and thoughtfulness for others, teaching them services useful to the public and skills useful to themselves and promoting their physical, mental and spiritual development.

The Association is domiciled and registered in Singapore. The registered address and principal place of activities of the Association are situated at 1 Bishan Street 12, Singapore 579808.

2. Summary of significant accounting policies

2.1 Basis of accounting

The financial statements are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies, and the provisions of Singapore Financial Reporting Standards ("FRS").

The Association has not applied any new or revised FRS or interpretations that have been issued as of the date of the statement of financial position but are not yet effective. The initial application of these standards and interpretations are not expected to have any material impact on the Association's financial statements. The Association has not considered the impact of the accounting standards issued after the date of the statement of financial position.

2.2 Financial assets

Financial assets within the scope of FRS 39 ("FRS 39") are classified as either financial assets at fair value through profit or loss, loans and receivables or available-for-sale financial assets, as appropriate. Financial assets are recognised on the statement of financial position when, and only when, the Association becomes a party to the contractual provisions of the financial instrument.

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

2. Summary of significant accounting policies (continued)

2.2 Financial assets (continued)

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. The Association determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year end.

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in the statement of financial activities when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

2.3 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is calculated on the straight line method to write off the cost of the assets over their estimated useful lives. The estimated useful lives are as follows:

HQ building	Leasehold period of 30 years
Furniture and fittings	5 years
Sundry equipment	5 years
Air-conditioners	5 years
Computers	3 years
Motor vehicle	5 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful lives and depreciation methods are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. The effect of any changes in estimate is accounted for on a prospective basis.

On disposal of an item of equipment, the difference between the net disposal proceeds and its carrying amount is taken to the statement of financial activities.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

2. Summary of significant accounting policies (continued)

2.4 Inventories

Inventories comprising goods like uniforms, camping equipment and their related accessories, and souvenir items held for resale are stated at the lower of cost and net realisable value with cost being determined on a first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less applicable selling expenses.

2.5 Trade and other receivables

Trade and other receivables are accounted for as loans and receivables under FRS 39. They are recognised and carried at original invoiced amount, which represents their fair value on initial recognition, less allowance for any uncollectible amounts. Allowance for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Trade receivables are non-interest bearing and are generally granted 30 day terms.

2.6 Impairment

(i) Impairment of non-financial assets

The carrying amounts of the Association's assets are reviewed at each date of the statement of financial position to determine whether there is any objective evidence that a financial asset is impaired. If such indication exists, the assets' recoverable amount is estimated. Where it is not possible to estimate the recoverable amount of an individual asset, the management estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

2. Summary of significant accounting policies (continued)

2.6 Impairment (continued)

(i) Impairment of non-financial assets (continued)

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. The impairment loss is recognised immediately in the statement of financial activities unless it reverses a previous revaluation, credited to funds, in which case it will be charged to funds.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount. The increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in the statement of financial activities, unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

(ii) Impairment of financial assets

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the statement of financial activities.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the statement of financial activities, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

2.7 Financial liabilities

Financial liabilities are recognised on the statement of financial position when the Association becomes a party to the contractual provisions of the financial instrument. Financial liabilities are recognised initially at their fair values, plus in the case of financial liabilities other than derivatives, directly attributable transaction costs. Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method, except for derivatives, which are measured at fair value.

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

2. Summary of significant accounting policies (continued)

2.7 Financial liabilities (continued)

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

2.8 Trade and other payables

Trade and other payables are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Association and subsequently measured at amortised cost using the effective interest method. Trade payables are normally settled on 30 to 90 day terms.

2.9 Derecognition of financial assets and liabilities

(i) Financial assets

A loan or receivable is derecognised where the contractual rights to receive cash flows from the asset have expired which usually coincides with receipt of payments for the asset. On derecognition, the difference between the carrying amount and the sum of the consideration received is recognised in the statement of financial activities.

(ii) Financial liabilities

Financial liabilities are derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in the statement of financial activities when the liabilities are derecognised as well as through the amortisation process.

2.10 Grants

A grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in the statement of financial activities of the period in which it becomes receivable.

Grant is recognised at its fair value where there is a reasonable assurance that the grant will be received and the Association will comply with all the attached conditions. Grants relating to costs are deferred and recognised in the statement of financial activities over the period necessary to match them with the costs they are intended to compensate. Grants relating to assets are recognised as deferred capital grants on the statement of financial position and are amortised to the statement of financial activities on a straight line basis over the expected useful life of the relevant assets.

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

2. Summary of significant accounting policies (continued)

2.11 Funds

Funds of the Association comprise mainly the general funds, the building fund, the Scout Foundation Fund and other funds designated for specific objectives (as further described in note 13 to the financial statements).

(i) General Funds

General funds are unrestricted and expendable at the discretion of the Scout Council in furtherance of the Association's objects.

(ii) Building Fund

Designated donations for the renovation/construction of the HQ building, Sarimbun Camp and Sands Training Institute are credited to the Building Fund account. The Building Fund account is amortised to the statement of financial activities to match the depreciation in respect of these buildings and camp.

(iii) Scout Foundation Fund

The Scout Foundation Fund is for projects which support the development of scouting in Singapore, including upgrading of camping and other infrastructure for scouting activities, development of Scout Groups in schools and the community and providing financial support for disadvantaged scouts.

2.12 Income

- (i) Donations, membership fees and other income are recognised to the extent that it is probable that the economic benefits will flow to the Association and the income can be reliably measured. These income are measured at fair value of consideration received or receivable.
- (ii) Interest income from bank deposits are recognised using the effective interest method.
- (iii) Revenue from sale of goods in Scout Shop is measured at the fair value of the consideration received or receivable, net of returns and allowances. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable and the amount of revenue can be measured reliably.
- (iv) Rental income is recognised on the straight-line basis over the term of the lease.

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

2. Summary of significant accounting policies (continued)

2.13 Currency

(i) Functional currency

Items included in the financial statements of the Association are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Association (“functional currency”). The financial statements of the Association are presented in Singapore dollars, which is also the functional currency of the Association.

(ii) Foreign currency transaction

Transactions in foreign currencies are measured in the functional currency of the Association and are recorded on initial recognition at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate of exchange ruling at the date of the statement of financial position. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the date of the statement of financial position are recognised in the statement of financial activities.

2.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to the statement of financial activities on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

2. Summary of significant accounting policies (continued)

2.15 Employee benefits

As required by law, the Association makes contributions to the state pension scheme, the Central Provident Fund ("CPF"). CPF contributions are recognised as an expense in the same period as the employment that gives rise to the contributions.

2.16 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and bank balances. Restricted deposits are excluded from cash and cash equivalents.

2.17 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party when making financial or operational decisions. In considering each possible related party relationship, attention is paid to the substance of the relationship, not merely the legal form.

Related parties include the Association's members, key management personnel, associates and enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by the Association's members or key management personnel.

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

3. Property, plant and equipment

Cost	HQ building SS	Furniture and fittings SS	Sundry equipment SS	Air conditioners SS	Computers SS	Motor vehicles SS	Total SS
As at 1 January 2015	4,033,272	161,666	125,775	84,785	72,452	60,000	4,537,950
Additions	-	-	15,371	6,282	-	-	21,653
As at 31 December 2015	4,033,272	161,666	141,146	91,067	72,452	60,000	4,559,603
Additions	-	9,520	27,716	15,604	1,200	-	54,040
As at 31 December 2016	4,033,272	171,186	168,862	106,671	73,652	60,000	4,613,643
Accumulated depreciation							
As at 1 January 2015	2,991,840	159,608	105,129	82,737	55,222	60,000	3,454,536
Depreciation charge for the year	173,550	661	11,876	2,202	10,956	-	199,245
As at 31 December 2015	3,165,390	160,269	117,005	84,939	66,178	60,000	3,653,781
Depreciation charge for the year	28,929	2,070	14,488	1,918	6,342	-	53,747
As at 31 December 2016	3,194,319	162,339	131,493	86,857	72,520	60,000	3,707,528
Carrying amount							
As at 31 December 2016	838,953	8,847	37,369	19,814	1,132	-	906,115
As at 31 December 2015	867,882	1,397	24,141	6,128	6,274	-	905,822

The location and the corresponding lease expiry dates of the leasehold properties are as follows: -

HQ building: 1 Bisban Street 12, Singapore 579808. (Expiry date: 28 May 2045)

The title deeds to the HQ building are jointly held in trust on behalf of the Association by the Chief Commissioner and the Executive Director.

Sundry equipment comprises training equipment, sea activities equipment, training library, camp equipment, programme equipment and resource library.

Depreciation charge for the year comprises depreciation amounting to S\$47,812 (2015 - S\$195,691) in respect of HQ's property, plant and equipment, S\$270 (2015 - S\$3,554) in respect of Scout Shop's property, plant and equipment and S\$5,665 (2015 - NIL) in respect of Sands Leadership Development Centre's property, plant and equipment.

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

4. Prepayments

The prepaid lease rental relates to a 30-year lease of land for the Association's HQ building at 1 Bishan Street 12, Singapore 579808 commencing on 28 May 2015. It is fully funded through a grant as disclosed in note 11 to the financial statements.

	2016 S\$	2015 S\$
Prepaid lease rental :-		
- not later than one year	<u>58,852</u>	<u>58,852</u>
- later than one year and not later than five years	235,409	235,409
- later than five years	<u>1,353,604</u>	<u>1,412,456</u>
	<u>1,589,013</u>	<u>1,647,865</u>
	<u>1,647,865</u>	<u>1,706,717</u>

5. Inventories

	2016 S\$	2015 S\$
Goods held for resale	229,216	206,786
Medals and plaques	<u>27,697</u>	<u>27,423</u>
	<u>256,913</u>	<u>234,209</u>

6. Trade receivables

	2016 S\$	2015 S\$
Third parties	81,435	8,479
Less:		
Impairment loss	<u>(16,340)</u>	<u>-</u>
	<u>65,095</u>	<u>8,479</u>

Trade receivables are denominated in Singapore dollars, non-interest bearing and are recognised at their original invoice amounts which approximate their fair values on their initial recognition.

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Notes to the financial statements – 31 December 2016

6. Trade receivables (continued)

At the date of the statement of financial position, trade receivables amounting to S\$11,565 (2015 – S\$372) are past due but not impaired. The analysis of their aging at the date of the statement of financial position is as follows:

	2016 S\$	2015 S\$
<u>Trade receivables past due</u>		
1 to 30 days	3,444	2
31 to 60 days	-	-
Above 60 days	8,121	370
	<u>11,565</u>	<u>372</u>

7. Other receivables

	2016 S\$	2015 S\$
Grant and donation receivables	488,003	674,157
Other receivables	123,775	124,274
Prepayments	26,580	10,510
Deposits	91,180	91,260
	<u>729,538</u>	<u>900,201</u>

8. Cash and cash equivalents

Cash and cash equivalents consist of cash and bank balances and fixed deposits that are denominated in Singapore dollars as follows :-

	2016 S\$	2015 S\$
Fixed deposits	5,307,481	5,216,154
Cash and bank balances	1,829,468	1,848,566
	<u>7,136,949</u>	<u>7,064,720</u>

The fixed deposits bear interest at interest rates ranging from 0.20% to 1.95% (2015 – 0.20% to 1.92%) per annum and mature within 5 days to 12 months (2015 – 5 days to 12 months) from the end of the financial year.

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Notes to the financial statements – 31 December 2016

9. Trade payables

Trade payables are denominated in Singapore dollars, non-interest bearing and are normally settled on 30 to 90 day terms.

10. Other payables

	2016 SS	2015 SS
Other payables	31,122	9,603
Accrued expenses	250,186	261,597
Grants received in advance	122,015	131,077
Fees received in advance	10,085	47,428
	<u>413,408</u>	<u>449,705</u>

11. Deferred grant

The deferred grant comprises funding for the Association's lease of land for its building as disclosed in note 4 to the financial statements.

	2016 SS	2015 SS
Deferred grant :-		
- not later than one year	<u>58,852</u>	<u>58,852</u>
- later than one year and not later than five years	235,409	235,409
- later than five years	<u>1,353,604</u>	<u>1,412,456</u>
	<u>1,589,013</u>	<u>1,647,865</u>
	<u>1,647,865</u>	<u>1,706,717</u>

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Notes to the financial statements – 31 December 2016

12. General funds

	Headquarter S\$	North Area S\$	South Area S\$	East Area S\$	West Area S\$	Scout Shop S\$	Scout Guild S\$	Scout Leadership Development Centre S\$	New Unit Development Funds S\$	Total S\$
Increasing resources										
Increasing resources from generated funds										
Voluntary income	10,775	-	-	-	-	-	-	-	-	10,775
Activities for generating funds										
- Donations Draw	193,161	6,043	5,735	4,748	5,549	-	-	-	-	215,236
- Job Week	508,713	11,864	17,291	13,079	12,245	-	-	-	-	563,192
- Scout Guild events	-	-	-	-	-	-	93,810	-	-	93,810
Investment income	64,745	1,000	1,000	1,000	1,000	19,108	1,031	-	-	89,784
Increasing resources from charitable activities										
- Grants	1,055,574	-	-	-	-	-	-	-	-	1,055,574
- Membership fees	103,874	-	-	-	-	-	-	-	-	103,874
- Fees from participants	277,258	28,533	28,056	27,120	30,609	-	-	636,914	-	1,028,492
- Scout Guild	-	-	-	-	-	-	9,250	-	-	9,250
- Scout Shop	-	-	-	-	-	208,491	-	-	-	208,491
- Use of camp	10,000	-	-	-	-	-	-	440,518	-	450,518
- Use of headquarter's facilities	16,275	-	-	-	-	-	-	-	-	16,275
Other incoming resources	203,830	85	40	-	295	-	704	27,146	-	212,100
Total incoming resources	2,344,205	47,527	53,122	45,947	49,698	327,599	105,695	1,104,578	-	3,877,371

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Notes to the financial statements – 31 December 2016

12. General funds (continued)

	Headquarter S\$	North Area S\$	South Area S\$	East Area S\$	West Area S\$	Scout Shop S\$	Scout Guild S\$	Sands Leadership Development Centre S\$	New Unit Development Funds S\$	Total S\$
Resources expended										
Costs of accounting funds										
Fundraising costs										
- Donation Draw	34,768	1,089	1,933	855	999	-	-	-	-	38,744
- Job Week	4,897	188	274	208	194	-	-	-	-	5,761
- Scout Guild events	-	-	-	-	-	-	34,045	-	-	34,045
Charitable activities										
- Scout Shop	-	-	-	-	-	105,281	-	-	-	105,281
- Scout Guild	-	-	-	-	-	-	9,231	-	-	9,231
- Area activities	-	36,449	34,263	35,463	51,419	-	-	-	-	137,594
- International scout events and programmic expenses	500,192	-	-	-	-	-	-	-	-	500,192
- Sands Leadership Development Centre	-	-	-	-	-	-	802,037	-	-	802,037
- Employee benefits expense	886,588	13,419	15,426	15,424	13,417	-	298,900	-	-	1,243,174
Governance events - audit fees	13,000	-	-	-	-	-	-	-	-	13,000
Other resources expended	772,195	913	1,018	965	913	-	-	-	-	776,004
Total resources expended	2,211,640	52,038	52,014	52,915	66,942	105,281	43,276	1,100,937	-	3,685,053
Net incoming/outgoing resources before transfer	32,565	(4,531)	108	(6,908)	(17,244)	122,318	62,419	3,641	-	192,308
Amortisation of building fund	31,922	-	-	-	-	-	-	-	-	31,922
Transfer of funds from other specific funds	129,211	-	-	-	-	-	-	-	-	129,211
Net incoming/outgoing resources	193,698	(4,531)	108	(6,908)	(17,244)	122,318	62,419	3,641	-	353,441
Total funds brought forward	1,382,980	168,928	159,101	162,097	143,004	1,711,303	325,069	(116,006)	503,361	4,239,855
Total funds carried forward	1,576,678	164,397	159,209	155,129	125,760	1,833,621	387,488	(112,367)	303,561	4,591,276

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Notes to the financial statements – 31 December 2016

13. Other specific funds

	Scout Groups S\$	Benjamin Henry Sheares S\$	Scout Discovery Centre S\$	Scout Campsite Development S\$	Total S\$
Incoming resources					
<u>Incoming resources from generated funds</u>					
Voluntary income	3,170	-	-	-	3,170
Activities for generating funds					
- Donation Draw	147,616	-	-	-	147,616
- Job Week	363,192	-	-	-	363,192
Investment income	489	2,460	-	-	2,949
<u>Incoming resources from charitable activities</u>					
- Fees from participants	46,527	-	-	-	46,527
Other incoming resources	2,721	-	622	-	3,343
Total incoming resources	<u>563,715</u>	<u>2,460</u>	<u>622</u>	<u>-</u>	<u>566,797</u>
Resources expended					
<u>Costs of generating funds</u>					
Fundraising costs					
- Donation Draw	26,590	-	-	-	26,590
- Job Week	5,761	-	-	-	5,761
<u>Charitable activities</u>					
- Scout Groups	418,860	-	-	-	418,860
Other resources expended	-	-	1,129	76,143	77,272
Total resources expended	<u>451,211</u>	<u>-</u>	<u>1,129</u>	<u>76,143</u>	<u>528,483</u>
Net incoming/(outgoing) resources before transfer	<u>112,504</u>	<u>2,460</u>	<u>(507)</u>	<u>(76,143)</u>	<u>38,314</u>
Transfer of funds to general funds	(129,211)	-	-	-	(129,211)
Net (outgoing)/incoming resources	<u>(16,707)</u>	<u>2,460</u>	<u>(507)</u>	<u>(76,143)</u>	<u>(90,897)</u>
Total funds brought forward	<u>2,265,153</u>	<u>138,003</u>	<u>18,301</u>	<u>60,091</u>	<u>2,481,548</u>
Total funds carried forward	<u>2,248,446</u>	<u>140,463</u>	<u>17,794</u>	<u>(16,052)</u>	<u>2,390,651</u>

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Notes to the financial statements – 31 December 2016

13. Other specific funds (continued)

Scout Groups Fund

The Scout Groups Fund is a designated fund of the Association that supports scouting activities of the scout groups registered with the Association. The Fund is set up using donations received that are designated for use by specific scout groups, the share of Donation Draw and Job Week proceeds that each scout group receives and other fund raising activities by the scout groups. As at 31 December 2016, there are 243 (2015 – 235) scout groups registered with the Association.

Dr. Benjamin Henry Sheares Scholarship Fund

The Dr. Benjamin Henry Sheares Scholarship Fund was set up for the purpose of using the income from the fund to provide educational scholarships for needy scouts.

Scout Discovery Centre

The Scout Discovery Centre fund is used for the maintenance and upkeep of the centre and for the requisition of relevant scouting artifacts as part of the upgrading process.

Scout Campsite Development Fund

The Scout Campsite Development Fund is used for camp maintenance and facilities/infrastructure upgrade.

14. Voluntary income

	2016 S\$	2015 S\$
<u>General funds</u>		
Donations (tax exempt)	6,525	24,200
Donations (non-tax exempt)	4,250	69,061
	<u>10,775</u>	<u>93,261</u>
<u>Scout Foundation fund</u>		
Donations (tax exempt)	96,900	197,790
Donations (non-tax exempt)	3,400	10,000
	<u>100,300</u>	<u>207,790</u>
<u>Other specific funds</u>		
Donations (tax exempt)	3,160	4,400
Donations (non-tax exempt)	10	5,270
	<u>3,170</u>	<u>9,670</u>
	<u>114,245</u>	<u>310,721</u>

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Notes to the financial statements – 31 December 2016

15. **Donation Draw**

	2016 SS	2015 SS
Income		
Sale of tickets	296,361	369,765
Donations (tax exempt)	16,350	10,300
Donations (non-tax exempt)	50,141	50,092
	<u>362,852</u>	<u>430,157</u>
Less: Expenses		
Administration and advertising expenses	4,341	3,504
Printing, stationery and miscellaneous	9,095	8,932
Prizes	51,400	51,800
Refreshments	98	79
Unclaimed prizes donated to Community Chest	400	-
	<u>65,334</u>	<u>64,315</u>
Net Income	<u>297,518</u>	<u>365,842</u>
Net income allocated as follows:		
<u>Area (Note 12)</u>		
North Area	4,954	6,558
South Area	4,702	5,365
East Area	3,893	5,116
West Area	4,550	6,175
Total Area	<u>18,099</u>	<u>23,214</u>
Scout groups (Note 13)	121,026	156,890
Headquarter	<u>158,393</u>	<u>185,738</u>
Net Income	<u>297,518</u>	<u>365,842</u>

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

16. Job Week

	2016 S\$	2015 S\$
Income		
Collections	674,099	728,097
Donations (tax exempt)	2,000	2,000
Donations (non-tax exempt)	50,285	51,661
	<u>726,384</u>	<u>781,758</u>
Less: Expenses		
Administration expenses	1,944	1,920
Incentive awards	4,815	4,815
Printing of cards	4,205	3,082
Photography, stationery and miscellaneous	558	193
	<u>11,522</u>	<u>10,010</u>
Net Income	<u>714,862</u>	<u>771,748</u>
Net income allocated as follows:		
<u>Area (Note 12)</u>		
North Area	11,676	12,030
South Area	17,017	14,686
East Area	12,871	13,366
West Area	12,051	13,949
Total Area	<u>53,615</u>	<u>54,031</u>
Scout groups (Note 13)	357,431	360,207
Headquarter	<u>303,816</u>	<u>357,510</u>
Net Income	<u>714,862</u>	<u>771,748</u>

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The Singapore Scout Association

Notes to the financial statements – 31 December 2016

17. Scout Guild events

	2016 S\$	2015 S\$
Charity Golf Income		
Donations (non-tax exempt)	7,200	17,800
Sponsorship donations (tax exempt)	85,250	59,000
Fees collected	1,360	-
	<u>93,810</u>	<u>76,800</u>
Less: Expenses		
Green fees and dinner	31,420	15,521
Miscellaneous expenses	2,218	1,405
Souvenir programme	407	407
	<u>34,045</u>	<u>17,333</u>
Net Income	<u>59,765</u>	<u>59,467</u>

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

18. Scout Shop

	2016 S\$	2015 S\$
Income		
Sales, net of discount allowed	449,254	617,520
Cost of goods sold	<u>(240,763)</u>	<u>(364,716)</u>
Gross profit	208,491	252,804
Other operating income		
Interest income	19,108	13,321
Write-back of long outstanding creditors	-	11,564
Total income	<u>227,599</u>	<u>277,689</u>
Less: Expenses		
Selling and distribution expenses	1,000	1,959
Employee benefits expense	83,125	73,948
Other operating expenses	<u>21,156</u>	<u>22,210</u>
	105,281	98,117
Net Income	<u>122,318</u>	<u>179,572</u>

Included in the cost of goods sold of the Scout Shop is a reversal of write-down of inventories for the year amounting to S\$1,440 (2015 - S\$1,440). The reversal of write-down of inventories was made when the related inventories were sold above their carrying amounts.

Included in the other operating expenses of the Scout Shop is depreciation of property, plant and equipment for the year amounting to S\$270 (2015 – S\$3,554).

19. Sands Leadership Development Centre

	2016 S\$	2015 S\$
Income		
Fees from participants	636,914	480
Use of camp	440,518	-
Other incoming resources	<u>27,146</u>	<u>-</u>
	1,104,578	480
Less: Expenses		
Direct expenses	457,940	-
Employee benefits expense	298,900	84,931
Other operating expenses	<u>344,097</u>	<u>31,557</u>
	1,100,937	116,488
Net Income/(Deficit)	<u>3,641</u>	<u>(116,008)</u>

Included in other operating expenses of the Sands Leadership Development Centre are depreciation of property, plant and equipment for the year amounting to S\$5,665 (2015 – NIL) and impairment loss on trade receivables amounting to S\$16,340 (2015 – NIL).

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The Singapore Scout Association

Notes to the financial statements – 31 December 2016

20. Employee benefits expense

	2016 S\$	2015 S\$
Staff salaries	1,064,236	1,126,765
CPF contributions and skills development levies	129,125	139,942
Staff training	696	2,196
Staff welfare	2,507	828
	<u>1,196,564</u>	<u>1,269,731</u>

21. Other resources expended

	2016 S\$	2015 S\$
<u>General Funds</u>		
AGM expenses	1,338	792
Adult resources expenses	14,542	23,411
Bank charges	969	561
Depreciation of property, plant and equipment	47,812	195,691
Entertainment and refreshments	4,040	2,764
General expenses	6,287	3,945
Infrastructure	426,600	436,482
Insurance	27,939	25,227
Lease of HQ land	58,852	58,852
Rental of office equipment	9,104	9,104
Medical	5,133	5,016
Membership expenses	17,365	16,403
Printing, stationery and postage	6,059	6,319
Public relations	24,425	9,188
Repairs and maintenance	637	1,008
Software maintenance	19,239	46,260
Staff retreat	7,335	8,320
Temporary staff	579	1,141
Telephone and internet	7,216	7,855
Training and courses	50,626	51,118
Travelling and transport	1,321	1,515
Water and electricity	26,308	31,166
Other resources expended	12,278	623
	<u>776,004</u>	<u>942,761</u>

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

21. Other resources expended (continued)

	2016 S\$	2015 S\$
<u>Scout Foundation Fund</u>		
Scout Foundation Fund expenses	16,116	22,316
<u>Other Specific Funds</u>		
Scout Campsite Development expenses		
- Addition and alteration works	53,750	207,060
- Others	22,393	11,676
	76,143	218,736
Scout Discovery Centre expenses	1,129	698
	77,272	219,434
	869,392	1,184,511

22. Taxation

The Association is registered as a charity under the Charities Act and is exempted from tax.

23. Related party transactions

Key management compensation

	2016 S\$	2015 S\$
Staff salaries	224,349	238,896
CPF contributions	21,977	16,516
	246,326	255,412

The number of the Association's key management personnel which falls within the following remuneration bands is as follows:

	2016	2015
S\$50,000 - S\$100,000	1	1
S\$101,000 - S\$150,000	1	1

There are no other related party transactions.

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

24. Lease commitment

At the date of the statement of financial position, the Association has commitment for future minimum lease payments in respect of its Sarimbun Camp as follows :-

	2016 S\$	2015 S\$
Commitments due :-		
- not later than one year	363,500	362,072
- later than one year and not later than five years	408,938	772,438
	<u>772,438</u>	<u>1,134,510</u>

25. Overseas expenditure and capital outlay

	2016 S\$
Overseas expenditure exempted from detailed reporting :-	
- overseas retreats / seminars / courses	10,155
- overseas travel / accommodation	31,397
	<u>41,552</u>

No comparative figures are presented in respect of this note as the disclosure requirement is only effective for the financial year ended 31 December 2016.

26. Significant accounting estimates and judgements

The preparation of financial statements, in conformity with FRSs, requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources.

26.1 Judgements made in applying accounting policies

The following are the judgements made by management in the process of applying the Association's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(i) Impairment of property, plant and equipment

The carrying values of property, plant and equipment are reviewed for impairment when there are indications of impairment. As at 31 December 2016, there is no indication of impairment and the carrying value of the Association's property, plant and equipment was S\$906,115.

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

26. Significant accounting estimates and judgements (continued)

26.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the date of the statement of financial position, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below :-

(i) Useful lives of property, plant and equipment

The cost of property, plant and equipment for the Association's activities is depreciated on a straight line basis over the useful lives of the property, plant and equipment. Management estimates the useful lives of these property, plant and equipment to be within 3 to 30 years. These are common life expectancies applied in the industry. Changes in the expected levels of usage could impact the economic useful lives and the residual value of these assets and accordingly, future depreciation charges could be revised. The carrying values of the Association's property, plant and equipment are as disclosed in note 3.

(ii) Impairment of non-financial assets

The Association assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

(iii) Impairment of receivables

The Association assesses at each date of statement of financial position whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Association considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Association's receivables at the date of the statement of financial position is S\$768,053 (2015 – S\$898,170).

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

27. Financial instruments

27.1 Categories of financial instruments

The following sets out the financial instruments of the Association as at the date of the statement of financial position:-

	2016 S\$	2015 S\$
Financial assets		
Trade and other receivables	768,053	898,170
Cash and cash equivalents	<u>7,136,949</u>	<u>7,064,720</u>
	<u>7,905,002</u>	<u>7,926,890</u>
Financial liabilities		
Trade and other payables	<u>606,512</u>	<u>687,849</u>

27.2 Risk management policies

The main risks arising from the Association's financial instruments are credit risk, liquidity risk and price risk, primarily changes in interest rates. However, the Association's activities expose it to minimal financial risks and the management monitors and controls its main risks in the following manner:

(i) Credit risk

Financial instruments contain an element of risk in that the counterparties may be unable to meet their obligations. The management minimises this risk by analysing the credibility of its debtors. In addition, it monitors the repayment terms of its debtors on a regular basis.

(ii) Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments.

In the management of liquidity risk, the Association monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Association's activities and mitigate the effects of fluctuation in cash flows. The Scout Council exercises prudent liquidity and cash flow risk management policies and aims at maintaining a high level of liquidity and cash flows at all times.

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

27. **Financial instruments** (continued)

27.2 **Risk management policies** (continued)

(iii) **Interest rate risk**

Interest rate risk relates primarily to the risk that the value of financial instruments will fluctuate as a result of changes to market interest rates. Surplus cash and cash equivalents are placed with established financial institutions at favorable interest rates and terms and conditions available to the Association. The Association's income and operating cash flows are substantially independent of changes in market interest rates. The Association's policy is to have no gearing.

Sensitivity analysis

The following demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Association's net incoming resources.

	Increase/(Decrease) in net incoming resources	
	2016	2015
	S\$	S\$
Fixed deposits interest rate		
-increase by 50 basis points	26,537	26,081
-decrease by 50 basis points	<u>(26,537)</u>	<u>(26,081)</u>

(iv) **Other price risk**

The management also adopts a prudent approach towards maintenance of the Association's reserves and investments as follows:

Reserves

The Association regards its unrestricted general funds as its reserve. The Association aims to maintain sufficient reserve to ensure long-term financial sustainability and continuity for the purpose of operating effective programmes. The maximum reserve shall be five years of annual operating expenditure.

Investments

The Association currently places its available funds in fixed deposits on tenors that range from 5 days to 12 months. The Association may consider other forms of investments after they have been approved by the Scout Council.

The Singapore Scout Association

Notes to the financial statements – 31 December 2016

27. Financial instruments (continued)

27.3 Fair values

The management is of the view that the fair values of the financial assets and liabilities as at the date of the statement of financial position approximate their carrying amounts as disclosed in the statement of financial position and in the notes to the financial statements.

28. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation as follows:-

	2015 balance as reclassified SS	2015 balance as previously reported SS
Statement of Financial Activities		
<u>Incoming resources</u>		
Fees from participants	1,152,780	1,153,260
Sands Leadership Development Centre	480	-
<u>Resources expended</u>		
Sands Leadership Development Centre	116,488	-
Employee benefits expense	1,269,731	1,354,662
Other resources expended	<u>1,184,511</u>	<u>1,216,068</u>

29. Authorisation of financial statements

The financial statements of the Association for the financial year ended 31 December 2016 were authorised for issue in accordance with a resolution of the Scout Council on 6 May 2017.