

Girl Guides Singapore
(Registered Under the Charities Act, Chapter 37)
(Established in the Republic of Singapore)
(UEN S67SS0005D)

**Annual Report for the financial year ended
31 December 2012**

Associated With

Smith & Williamson

Nexia TS Public Accounting Corporation

UEN: 200507237N

Incorporated with limited liability

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Girl Guides Singapore
Statement By National Council

We, Mrs Chua-Lim Yen Ching and Miss Eleanor Lee Kim Lin, hereby state that in the opinion of the National Council of Girl Guides Singapore, the financial statements set out on pages 5 to 30 are drawn up so as to give a true and fair view of the state of affairs of Girl Guides Singapore as at 31 December 2012 and of the results, changes in funds and cash flows of Girl Guides Singapore for the financial year ended on that date.

On behalf of the National Council



.....
Mrs Chua-Lim Yen Ching
Chief Commissioner



.....
Miss Eleanor Lee Kim Lin
Honorary Treasurer

Singapore
13 April 2013

Independent Auditor's Report to the National Council of Girl Guides Singapore

Report on the Financial Statements

We have audited the accompanying financial statements of Girl Guides Singapore, which comprise the balance sheet as at 31 December 2012, the statement of comprehensive income, the statement of changes in accumulated fund and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

National Council's Responsibility for the Financial Statements

The National Council is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Charities Act, Chapter 37 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safe guarded against loss from unauthorised use or disposition, that transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the National Council, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Independent Auditor's Report to the National Council of
Girl Guides Singapore
(Cont'd...)**

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provision of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of Girl Guides Singapore as at 31 December 2012 and the results, changes in funds and cash flows of Girl Guides Singapore for the financial year ended on that date.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by regulations enacted under the Charities Act to be kept by Girl Guides Singapore have been properly kept in accordance with the provision of the Act.

During the course of our audit, nothing came to our attention that caused us to believe that:

- (a) Girl Guides Singapore did not comply with the requirements of Regulation 15 (fund-raising expenses) in the Charities (Institutions of a Public Character) (Amendment) Regulations 2008.
- (b) the funds have not been used in accordance with the objectives of Girl Guides Singapore as an institution of a public charter.



**Nexia TS Public Accounting Corporation
Public Accountants and Certified Public Accountants**

**Singapore
13 April 2013**

	Note	2012 \$	2011 \$ (Restated)
Current Assets			
Cash and cash equivalents	3	2,437,949	2,821,893
Other receivables	4	184,299	163,552
Inventories	5	70,473	103,976
Other current assets	6	10,249	33,556
		<u>2,702,970</u>	<u>3,122,977</u>
Non-Current Assets			
Property, plant and equipment	7	3,010,801	2,807,066
		<u>5,713,771</u>	<u>5,930,043</u>
Total Assets			
Current Liabilities			
Other payables and accruals	8	145,328	111,041
Specific grants and donations received in advance	9	250	199,000
		<u>145,578</u>	<u>310,041</u>
Non-current Liabilities			
Deferred capital grants and donations	10	2,932,898	2,664,585
		<u>3,078,476</u>	<u>2,974,626</u>
Total Liabilities			
		<u>2,635,295</u>	<u>2,955,417</u>
Net Assets			
Representing:			
Funds			
Accumulated fund		1,804,445	2,004,745
Dorothy Chan fund	11	16,559	19,085
Fixed assets replacement reserve	13	-	120,000
Division fund	14	93,624	93,577
Trefoil fund	15	7,387	5,990
Training fund	16	39,018	36,400
		<u>1,961,033</u>	<u>2,279,797</u>
Total		<u>1,961,033</u>	<u>2,279,797</u>
Building fund	12	674,262	675,620
		<u>2,635,295</u>	<u>2,955,417</u>
Total funds			

The accompanying notes form an integral part of the financial statements

	Note	2012 \$	2011 \$ (Restated)
Net surplus of shop account	17	29,948	59,063
Other income	18	914,321	989,071
Land premium grant	24	433,652	431,762
Amortisation of deferred capital grant	10	96,983	74,678
Amortisation of building fund	10	115,252	114,224
		1,590,156	1,668,798
Less: Expenses			
Operating expenses	19	(382,427)	(344,236)
Guiding programme and development	20	(582,775)	(607,670)
Campsite expenses	21	(184,714)	(173,485)
Depreciation of property, plant and equipment at headquarters		(206,888)	(204,557)
Land premium	24	(433,652)	(431,762)
		(1,790,456)	(1,761,710)
Total comprehensive (loss)/income, representing (deficit)/surplus for the financial year		(200,300)	(92,912)

The accompanying notes form an integral part of the financial statements

	2012	2011
	\$	\$
Accumulated Fund		
Balance at beginning of financial year	2,004,745	2,097,657
Total comprehensive (loss)/income for the financial Year	(200,300)	(92,912)
Balance at the end of financial year	<u>1,804,445</u>	<u>2,004,745</u>

The accompanying notes form an integral part of the financial statements

	Note	2012 \$	2011 \$
<u>Cash flows from operating activities</u>			
(Deficit) / surplus for the financial year		(200,300)	(92,912)
Adjustment for:			
- Depreciation of property, plant and equipment	7	280,878	259,430
- Interest received		(11,915)	(6,705)
- Amortisation of deferred capital grants and donations	10	(212,235)	(188,902)
		<u>(143,572)</u>	<u>(29,089)</u>
Changes in working capital:			
- Inventories		33,503	(25,130)
- Other receivables		(20,747)	(6,582)
- Other current assets		23,307	(15,180)
- Other payables and accruals		34,287	3,036
		<u>(73,222)</u>	<u>(72,945)</u>
<u>Net cash used in by operating activities</u>			
<u>Cash flows from investing activities</u>			
Additions to property, plant and equipment	7	(484,613)	(31,716)
Interest received		11,915	6,705
		<u>(472,698)</u>	<u>(25,011)</u>
<u>Net cash used in investing activities</u>			
<u>Cash flows from financing activities</u>			
Capital donations received		160,190	-
Dorothy Chan fund		(2,526)	(260)
Division fund		47	78
MOE Div fund		44,400	36,400
Training fund		(41,782)	(47,505)
Trefoil fund		1,397	1,447
Grants and donation received in advance		250	199,000
Grants and donation used		-	(336,000)
		<u>161,976</u>	<u>(146,840)</u>
<u>Net cash provided/(used) in by financing activities</u>			
Net (decrease) in cash and cash equivalents		(383,944)	(244,796)
Cash and cash equivalents at beginning of financial year		2,821,893	3,066,689
Cash and cash equivalents at end of financial year	3	<u>2,437,949</u>	<u>2,821,893</u>

The accompanying notes form an integral part of the financial statements

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

1 General Information

Girl Guides Singapore is a society established in Singapore. Its principal place of business is at 9 Bishan Street 14 Singapore 579785.

The principal activity of Girl Guides Singapore is to train girls and young women to develop themselves as responsible citizens.

2 Summary of Significant Accounting Policies

(a) *Basis of preparation*

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"), including related interpretation promulgated by the Accounting Standards Council. The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with FRS requires the National Council to exercise its judgement in the process of applying Girl Guides Singapore's accounting policies. It also requires the use of certain critical accounting estimates and assumptions.

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements.

Interpretations and amendments to published standards effective in 2011

On 1 January 2011, the Girl Guides Singapore adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the accounting policies of Girl Guides Singapore have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of Girl Guides Singapore and had no material effect on the amounts reported for the current and prior financial years.

(b) *Property, plant and equipment*

Property, plant and equipment are initially stated at cost. Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use.

2 Summary of Significant Accounting Policies (Cont'd...)

(b) Property, plant and equipment (Cont'd...)

Depreciation

Depreciation is calculated on a straight line basis to write off the cost of property, plant and equipment over their estimated useful lives. The annual depreciation rate has been taken as follows:

Furniture & fittings	-	5 years
Office, camping, electrical & training equipment	-	3 – 5 years
Public address system & musical equipment	-	5 years
Headquarters renovation	-	5 years
Campsite and renovation	-	5 – 20 years
Headquarters leasehold land & building	-	28 years

Useful life and depreciation method are reviewed at each 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.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to Girl Guides Singapore and the cost can be reliably measured. Other subsequent expenditure which does not provide future economic benefit is recognised as an expense during the year in which it is incurred.

Disposal

On disposal of a property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the statement of comprehensive income; any amount in revaluation reserve relating to that asset is transferred to retained earnings.

(c) Currency translation

The financial statements are presented in Singapore Dollar, which is the functional currency of Girl Guides Singapore.

Transactions in a currency other than Singapore Dollar ("foreign currency") are translated into Singapore Dollar using the exchange rates prevailing at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in the statement of comprehensive income. Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Currency translation differences on these items are included in the fair value reserve.

2 Summary of Significant Accounting Policies (Cont'd...)

(d) *Employee benefits*

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the entity pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis.

Employee leave entitlement

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of service rendered by employees up to the balance sheet date.

(e) *Donations*

Donations for operations and activities are included in the statement of comprehensive income or in the fund accounts on a cash basis, except for donations specifically designated for future events or expenditure which are included in the statement of comprehensive income in the same period as the designated expenditure.

Donations that are specifically related to capital assets are presented on the balance sheet and recorded in accordance to note (g) below.

(f) *Grants*

Grants from the government are recognised at their fair values where there is a reasonable assurance that the grant will be received and Girl Guides Singapore will comply with attached conditions.

Government grants to support activities and projects for the financial period are recognised as income in the period it becomes receivable. Government grants related to capital assets are presented on the balance sheet and treated according to note (g) below.

(g) *Capital Grants and Donations*

Capital grants represent grants received from the Singapore Government for the construction of the campsite at Jalan Bahtera and the Girl Guides Singapore headquarters cum training centre at Bishan Street 14. Capital donations represent donations received specifically for construction or purchase of property, plant and equipment.

Grants and donations are taken to the deferred capital grants and donations accounts upon utilisation of the grant/donation for the purchase of assets which are capitalised, or to income or expenditure for purchases of assets which are expensed off. Grants and donations relating to such capital expenditure are deferred and taken to statement of comprehensive income over the period necessary to match them with the costs they are intended to compensate. Grants and donations relating to assets are presented on the balance sheet as appropriate and are recognised in the statement of comprehensive income on a straight-line basis over the expected useful lives of the related assets.

2 Summary of Significant Accounting Policies (Cont'd...)

(h) *Revenue recognition*

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the entity's activities. Revenue is presented, net of goods and services tax, rebates and discounts.

Revenue from sale of merchandise and cookies is recognised when the entity has delivered the products to the customer, the customer has accepted the products and the collectability of the related receivables is reasonably assured.

Interest income is recognised on accrual basis using the effective interest method.

(i) *Other receivables*

Other receivables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method less impairment.

An allowance for impairment of trade and other receivables is recognised when there is objective evidence that Girl Guides Singapore will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

(j) *Inventories*

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the year in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the year the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the year in which the reversal occurs.

2 Summary of Significant Accounting Policies (Cont'd...)

(k) Impairment of non-financial assets

Property, plant and equipment are reviewed for impairment whenever there is any objective evidence or indication that these assets may be impaired

For the purpose of impairment testing of the assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the statement of comprehensive income.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in the statement of comprehensive income.

(l) Provisions

Provisions required for asset dismantlement, removal or restoration, warranty, restructuring and legal claims are recognised when the Girl Guides Singapore has a legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

(m) Other payables

Other payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits which are subject to insignificant risk of changes in value.

(o) Fair value estimation of financial assets and liabilities

The fair values of financial assets traded in active markets are based on quoted market bid-prices at the balance sheet date.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

3 Cash and Cash Equivalents

	2012 \$	2011 \$
Cash at bank and on hand	624,325	483,004
Short term bank deposits		
- Fixed assets replacement reserve (Note 13)	-	120,000
- Division fund (Note 14)	93,624	93,577
- Other funds	1,720,000	2,125,312
	1,813,624	2,338,889
	<u>2,437,949</u>	<u>2,821,893</u>

Cash and cash equivalents consist of short-term bank deposits and cash at bank and on hand.

Short-term bank deposits at the balance sheet date have an average maturity date between 3 to 9 months from the end of the financial year with the average effective interest rates:

	2012	2011
Singapore Dollar	<u>0.24%</u>	<u>0.24%</u>

The exposure of short term deposits to interest rate risks is disclosed in Note 25.

4 Other Receivables

	2012 \$	2011 \$
Cookie sales receivables	43,800	41,808
Capitation grant receivables	112,860	108,708
Other receivables	26,562	13,036
GST receivable	1,077	-
	<u>184,299</u>	<u>163,552</u>

Cookie sales receivables relate to amounts receivable from schools for the sales of cookies.

Capitation grant receivables of \$112,860(2011: \$108,708) relate to annual Capitation Grant from the Ministry of Education which was subsequently received in February 2013.

5 Inventories

	2012 \$	2011 \$
Uniforms, badges, books and miscellaneous equipment	70,396	81,875
Cookies	77	22,101
	<u>70,473</u>	<u>103,976</u>

The cost of inventories recognised as expense and included in "Cost of sales" amounted to \$174,619(2011: \$146,942) [Note 17].

During the financial year, Girl Guides Singapore recognised a write-down in inventories of \$13,892 (2011: Nil), included within "Cost of sales" in the statement of comprehensive income [Note 17]. The write-down of inventories was provided for shop merchandise which were considered obsolete.

6 Other Current Assets

	2012 \$	2011 \$
Refundable deposits	7,449	6,950
Prepayments	2,800	26,606
	<u>10,249</u>	<u>33,556</u>

7 Property, Plant and Equipment

2012 Cost	Furniture & Fittings	Office, Camping Electrical & Training Equipment	Public Address System & Musical Equipment	Campsite and Renovation	Headquarters Leasehold Land & Building	Headquarters Renovation	Total
	\$	\$	\$	\$	\$	\$	\$
Beginning of financial year	95,853	237,351	1,325	2,803,439	4,934,018	87,560	8,159,546
Additions	7,630	25,080	-	451,903	-	-	484,613
End of financial year	103,483	262,431	1,325	3,255,342	4,934,018	87,560	8,644,159
Accumulated depreciation							
Beginning of financial year	85,876	224,626	1,325	2,703,849	2,285,361	51,443	5,352,480
Charge for the financial year	3,797	13,147	-	73,990	176,532	13,412	280,878
End of the financial year	89,673	237,773	1,325	2,777,839	2,461,893	64,855	5,633,358
Net book value							
End of financial year	13,810	24,658	-	477,503	2,472,125	22,705	3,010,801

7 Property, Plant and Equipment

2011 Cost	Furniture & Fittings	Office, Camping Electrical & Training Equipment	Public Address System & Musical Equipment	Campsite Renovation and Renovation	Headquarters Leasehold Land & Building	Headquarters Renovation	Total
	\$	\$	\$	\$	\$	\$	\$
Beginning of financial year	87,699	234,396	1,325	2,782,832	4,934,018	87,560	8,127,830
Additions	8,154	2,955	-	20,607	-	-	31,716
End of financial year	95,853	237,351	1,325	2,803,439	4,934,018	87,560	8,159,546
Accumulated depreciation							
Beginning of financial year	84,074	211,812	1,325	2,648,977	2,108,835	38,027	5,093,050
Charge for the financial year	1,802	12,814	-	54,872	176,526	13,416	259,430
End of financial year	85,876	224,626	1,325	2,703,849	2,285,361	51,443	5,352,480
Net book value							
End of financial year	9,977	12,725	-	99,590	2,648,657	36,117	2,807,066

7 Property, Plant and Equipment (Cont'd...)

The leasehold land & building is fully funded by monetary capital grants and donation and the analysis is as follows:

	2012 \$	2011 \$
Gross amount		
Deferred capital grants [Note 10(a)]	1,854,231	1,854,231
Deferred capital donations [Note 10(a)]	3,079,787	3,079,787
Total	<u>4,934,018</u>	<u>4,934,018</u>
Net of amortisation		
Deferred capital grants [Note 10(a)]	927,117	993,340
Deferred capital donations Note 10(a)]	1,545,009	1,655,317
Total	<u>2,472,126</u>	<u>2,648,657</u>

8 Other Payables and Accruals

	2012 \$	2011 \$
GST payables	-	22,280
Accrued operating expenses	85,928	75,915
Other payables	59,400	12,846
	<u>145,328</u>	<u>111,041</u>

9 Specific Grants and Donations Received in Advance

	2012 \$	2011 \$
Government grant for Camp Christine refurbishment	-	199,000
Specific Event – Walkathon 2013 – donation received	250	-
	<u>250</u>	<u>199,000</u>

Government grant for Camp Christine refurbishment is grant received from Ministry of Education. The refurbishment construction was completed in June 2012 and the grant was transferred to Deferred Capital Grants and Donations [Note 10(c)].

The Walkathon was scheduled on 16 February 2013.

10 Deferred Capital Grants and Donations

<u>Composition:</u>	2012 \$	2011 \$ (Restated)
Girl Guide Singapore Headquarters		
- Grants [Note (a)(i)]	927,117	993,340
- Donations [Note (a)(ii)]	1,545,009	1,655,317
Upgrading of Heritage Gallery [Note (b)]	5,542	9,128
Campsite - Camp Christine		
- Grants [Note (c)(i)]	303,050	6,800
- Donations [Note (c)(ii)]	152,180	-
	<u>2,932,898</u>	<u>2,664,585</u>
	2012 \$	2011 \$
(a) <u>Girl Guides Singapore Headquarters</u>		
(i) Grants		
Amount utilised		
Beginning and end of financial year	<u>1,854,231</u>	<u>1,854,231</u>
Accumulated amortisation		
Beginning of financial year	860,891	794,673
Charge for the financial year	66,223	66,218
End of financial year	<u>927,114</u>	<u>860,891</u>
Net book value	<u>927,117</u>	<u>993,340</u>
(ii) Donations		
Amount utilised		
Beginning and end of financial year	<u>3,079,787</u>	<u>3,079,787</u>
Accumulated amortisation		
Beginning of financial year	1,424,470	1,314,162
Charge for the financial year	110,308	110,308
End of financial year	<u>1,534,778</u>	<u>1,424,470</u>
Net book value	<u>1,545,009</u>	<u>1,655,317</u>

The total amortisation expenses of \$176,531 (2011: \$176,526) were included in the statement of comprehensive income.

10 Deferred Capital Grants and Donations (Cont'd...)

	2012 \$	2011 \$ (Restated)
(b) <u>Upgrading of Heritage Gallery</u>		
Amount utilised		
Beginning of financial year	23,011	23,011
Utilised for the year	1,358	-
End of financial year	<u>24,369</u>	<u>23,011</u>
Accumulated amortisation		
Beginning of financial year	13,883	9,967
Charge for the financial year	4,944	3,916
End of financial year	<u>18,827</u>	<u>13,883</u>
Net book value	<u>5,542</u>	<u>9,128</u>

In 2007, Girl Guides Singapore received donation of \$30,000 from Shaw Foundation. This donation was ear-marked for the upgrading of the Heritage Gallery at Girl Guides Singapore Headquarters. The balance of the unutilised fund as at year-end of \$5,631 (2011: 6,989) is included in note 12.

The amortisation expenses of \$4,944 (2011: \$3,916) were included in the statement of comprehensive income.

	2012 \$	2011 \$
(c) <u>Campsite – Camp Christine</u>		
(i) Grants		
Amount Utilised		
Beginning of financial year	100,900	100,900
Transfer from specific grants and donations received in advance [Note 9]	199,000	-
Transfer from fixed asset replacement fund [Note 13]	120,000	-
Balance at end of financial year	<u>419,900</u>	<u>100,900</u>
Accumulated amortisation		
Beginning of financial year	94,100	85,640
Charge for the financial year	22,750	8,460
End of financial year	<u>116,850</u>	<u>94,100</u>
Net book value	<u>303,050</u>	<u>6,800</u>

10 Deferred Capital Grants and Donations (Cont'd...)

	2012 \$	2011 \$
(c) <u>Campsite – Camp Christine</u> (Cont'd...)		
(i) Donations		
Amount utilitised		
Beginning of financial year	-	-
Utilitised during the year	160,190	-
End of financial year	<u>160,190</u>	<u>-</u>
Accumulated amortisation		
Beginning of financial year	-	-
Charge for the financial year	8,010	-
End of financial year	<u>8,010</u>	<u>-</u>
Net book value	<u>152,180</u>	<u>-</u>

The total amortization expenses of \$30,760 (2011: \$8,460) were included in the statement of comprehensive income.

11 Dorothy Chan Fund

This fund is set up to account for donations received for camp fees subsidy.

	2012 \$	2011 \$
Beginning of financial year	19,085	19,345
Utilisation of fund – subsidised camp fees	(2,526)	(260)
End of financial year	<u>16,559</u>	<u>19,085</u>

12 Building Fund

Building Fund represents specific donations for capital expenditure that have not been utilised.

	2012 \$	2011 \$ (Restated)
Non-designated building fund	668,631	668,631
Heritage gallery fund	5,631	6,989
	<u>674,262</u>	<u>675,620</u>

13 Fixed Assets Replacement Reserve

This reserve is set up for the purpose of future property, plant and equipment asset replacements.

	2012 \$	2011 \$
Beginning of financial year	120,000	120,000
Transfer to deferred capital grants and donations	(120,000)	-
End of financial year	<u>-</u>	<u>120,000</u>

The fund has been utilised for the enhancement and refurbishment of Camp Christine and has been transferred to Deferred Capital Grants and Donations [Note 10(c)].

14 Division Fund

This represents funds raised by the Girl Guides Singapore's four divisions. These are set aside for the respective divisions' guiding activities.

	2012 \$	2011 \$
Beginning of financial year	93,577	93,499
Interest received	47	78
End of financial year	<u>93,624</u>	<u>93,577</u>

15 Trefoil Fund

This fund is set up for the support of the alumni of Girl Guides Singapore. The Trefoil Guild is self-sufficient in supporting their activities.

	2012 \$	2011 \$
Beginning of financial year	5,990	4,543
Contributions received from members	1,397	1,594
Utilisation for activities [Note 19]	-	(147)
End of financial year	<u>7,387</u>	<u>5,990</u>

16 Training Fund

<u>Composition:</u>	2012 \$	2011 \$
Project 5G [Note (a)]	-	-
Fund from Ministry of Education [Note (b)]	39,018	36,400
	<u>39,018</u>	<u>36,400</u>

(a) Project 5G

	2012 \$	2011 \$
Beginning of financial year	-	17,705
Utilisation of grant – Guides training	-	(17,505)
	<u>-</u>	<u>-</u>
End of financial year	-	-

This fund was given by the Council for third Age (Golden Opportunities Fund) to defray the expenses incurred for Project 5G (Girl Guides Garner Granny Generation). The Project is completed and no further funds are expected.

(b) Fund from Ministry of Education

	2012 \$	2011 \$
Beginning of financial year	36,400	30,000
Grant received	44,400	69,200
Utilisation of grant – Guides training [Note 18]	(41,782)	(62,800)
	<u>39,018</u>	<u>36,400</u>
End of financial year	-	-

During the financial year, Girl Guides Singapore received a total of \$44,400 (2011:\$69,200) from the Ministry of Education to support specific training and education activities.

17 Shop Account

	2012 \$	2011 \$
Sales	234,493	239,035
Less: Cost of sales		
Opening inventories	81,875	78,564
Purchases	163,140	150,253
	245,015	228,817
Less: Closing inventories	(70,396)	(81,875)
	174,619	146,942
Gross profit of shop account	59,874	92,093
Shop assistant salaries and related payments	(29,926)	(33,030)
	29,948	59,063
Net surplus of shop account	29,948	59,063

18 Other Income

	2012 \$	2011 \$
Camp fees		
- International Camp Singapore	123,760	-
- Others	849	16,309
Campsite fees	30,176	24,200
Capitation fees	46,318	47,319
Cookies sales	429,882	427,055
Capitation grant	112,860	108,708
Toteboard training grant – International Camp Singapore	8,898	-
Interest received on deposits and savings accounts	11,915	6,705
Utilisation of Ministry of Education training fund [Note 16(b)]	41,782	62,800
National Volunteer & Philanthropy Centre Grant	(566)	41,496
Non-tax exempt donations	1,128	3,229
Specific donations for Thinking Day	-	100,000
Tax exempt donations	26,600	5,000
Training fees	69,582	85,203
Grant for specific activities and projects	11,077	61,047
Others	60	-
	914,321	989,071
	914,321	989,071

19 Operating Expenses

	2012 \$	2011 \$ (Restated)
Provision on allowance for untaken leave	3,230	-
Audit fee	7,200	6,000
Contract cleaning fee	24,850	22,827
Contract services – temporary staff	-	6,938
Insurance charges	13,438	13,444
IT support services	42,000	41,420
Landscape maintenance costs	4,200	5,600
Medical expenses	725	1,059
Postage and bank charges	2,173	889
Printing and stationery	10,043	11,464
Professional fees	5,437	18,837
Refreshments costs	3,846	3,932
Repairs and maintenance costs	16,038	11,888
Souvenir, card and floral basket	662	1,206
Salaries and related costs	197,762	153,210
Staff welfare and training costs	2,413	3,706
Telephone charges	3,291	3,819
Trefoil Guild expenses [Note 15]	-	147
Transportation expenses	268	474
Utilities expenses	43,768	36,344
Other charges	1,083	1,032
	<u>382,427</u>	<u>344,236</u>

20 Guiding Programme and Development

	2012 \$	2011 \$ (Restated)
Brownie and guide branch activities	7,885	5,065
Camp expenses	4,404	11,533
Centenary celebration – Empower Girls	-	24,198
Centenary celebration – International Camp Singapore	139,521	-
Centenary Celebration - other expenses	6,485	-
Communication expenses	6,345	6,700
Guide training expenses	40,529	49,567
International expenses	30,458	51,961
Membership promotion expenses	9,329	9,444
Programme and division expenses	10,980	6,296
Salaries and related costs	314,447	343,432
Thinking Day celebration	10,685	95,656
Young Adults expenses	1,707	3,818
	<u>582,775</u>	<u>607,670</u>

21 Campsite Expenses

	2012 \$	2011 \$
Depreciation of campsite and renovation [Note 7]	73,990	54,872
Insurance charges	4,501	3,028
Laundry expenses	1,286	2,502
Repairs and maintenance costs	20,816	20,350
Staff salaries and related costs	68,393	75,212
Utilities expenses	15,728	17,521
	184,714	173,485

22 Employees Compensation

	2012 \$	2011 \$
Wages and salaries	560,294	557,731
Employer's contribution to Central Provident Fund	57,861	54,044
	618,155	611,775
Subsidy from Special Employment Credit	(5,984)	-
	612,171	611,775

The Special Employment Credit was introduced in 2011 and enhanced in 2012 to provide support for employers to hire older Singaporean workers aged above 50 and earning up to \$4,000 a month. This Credit applies for five years from 1st January 2012.

23 Income Tax

Under the provisions of Section 13U(1) of the Income Tax Act, the income of an approved not-for-profit organisation such as Girl Guides Singapore is exempted from tax. Therefore no provision was made for the financial year.

24 Land Premium/Grant

On 5 May 1999, the Ministry of Finance agreed to provide Girl Guides Singapore 100% grant for the land premium pertaining to the state land on which its headquarters cum training centre is located.

The grant covers the entire 30-year lease of the said state land commencing from 15 May 1997. The annualised land premium is \$267,293 plus GST.

24 Land Premium/Grant (Cont'd...)

On 21 February 2005, the Ministry of Finance agreed to provide Girl Guides Singapore 100% grant for the annualised land premium of \$166,359 (2011:\$164,472) plus GST for the Temporary Occupancy License (TOL) of Camp Christine.

As at 31 December 2012, the Girl Guides Singapore has received, on a cumulative basis, land premium grant and stamp duty amounting to \$5,497,746 (2011:\$5,064,094), exclusive of GST, comprising \$4,290,157 (2011: \$4,022,864) and \$1,207,589 (2011: \$1,041,230) for the Girl Guides Singapore Headquarters and Camp Christine, respectively. The land premium grant received in 2012 of \$433,652 (2011: \$431,762) has accordingly been paid to the Singapore Land Authority.

25 Financial Risk Management

The Girl Guides Singapore's activities expose it to a variety of financial risk: interest rate risk, credit risk and liquidity risk. The Girl Guides Singapore's overall risk management programme focuses on the unpredictability of financial market and seeks to minimise potential adverse effects on the Girl Guides Singapore's financial performance.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Girl Guides Singapore's exposure to interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Girl Guides Singapore's interest rate risk mainly arises from short-term bank deposits. The Girl Guides Singapore's exposure to interest rate risk is controlled and monitored on a regular basis.

The Girl Guides Singapore's policy is to obtain the most favorable interest rates. Surplus funds are placed with reputable banks.

Sensitivity analysis for interest rate risk

At the balance sheet date, if SGD interest rate had been 25 (2011: 25) basis points higher/lower with all other variables held constant, the Girl Guides Singapore's net surplus for the financial year would have been \$1,450 (2011: \$1,450) higher/lower, arising mainly as a result of higher/lower interest income from fixed deposits placed with the banks.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Girl Guides Singapore's exposure to credit risk arises primarily from other receivables and cash and cash equivalents.

The Girl Guides Singapore's objective is to minimise losses incurred due to credit exposure. Credit risk is managed through the application of credit evaluation and monitoring procedures.

At balance sheet date, approximately 74% (2011: 75%) of the cash and cash equivalents relates to deposits with a financial institution with high credit rating. Other than this, the Girl Guides Singapore has no significant concentration of credit risk. The Girl Guides Singapore's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheet.

25 Financial Risk Management (Cont'd...)

Credit risk (Cont'd...)

Financial assets that are neither past due nor impaired

Other receivables that are neither past due nor impaired are credit worthy debtors with good payment record with the Girl Guides Singapore. Cash and cash equivalents that are neither past due nor impaired are placed with financial institutions with high credit ratings.

As at the balance sheet date the Girl Guides Singapore does not have any financial assets that are past due and/or impaired.

Liquidity risk

Liquidity risk is the risk that the Girl Guides Singapore will encounter difficulty in meeting financial obligations due to shortage of funds. The Girl Guides Singapore's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The objective of liquidity management is to ensure that the Girl Guides Singapore has sufficient funds to meet its contractual and financial obligations. To manage liquidity risk, the Girl Guides Singapore's policy is to monitor its net operating cash flows and to maintain an adequate level of cash and cash equivalents to meet its working capital requirement.

The table below summarises the maturity profile of the Girl Guides Singapore's financial liabilities as at the balance sheet date based on contractual undiscounted payments.

	2012 \$	2011 \$
<u>Less than one year</u>		
Other payables and accruals	145,328	111,041

Fair value of financial instruments

The carrying amounts of financial assets and liabilities included in the financial statements approximate their fair values due to the relatively short term maturity of these financial instruments.

26 Capital Management

The primary objective of the Girl Guides Singapore when managing its capital is to safe guard the entity's ability as a going concern and to maintain an optimal capital structure so as to continue the Girl Guides Singapore's principal activities of training girls and young women to develop themselves as responsible citizens.

The Girl Guides Singapore monitors capital by reviewing the level of total assets and total liabilities. The review of the Girl Guides Singapore's capital management policy and objective is conducted by the National Council. As part of the review, the Girl Guides Singapore makes use of the annual budgeting process and takes into consideration the projected operating cash flow and projected capital expenditure. To maintain or adjust the capital structure, the Girl Guides Singapore may take certain actions like fund raising activities. The Girl Guides Singapore's approach to capital management remains unchanged from the previous financial year.

The Girl Guides Singapore is not subject to externally imposed capital requirements for financial years ended 31 December 2012 and 2011.

26 Capital Management (Cont'd...)

Reserves

Girl Guides Singapore's policy is to build reserves as necessary to support its mission and programmes. Girl Guides Singapore aims to maintain a reserve level of one to two years' operating expenditure. The reserve policy will be reviewed by the National Council from time to time as required.

Reserves level as at the balance sheet date is as follows:

	2012 \$	2011 \$
Total funds (excluding building fund)	1,961,033	2,279,797
Total operating expenditure	1,790,456	1,761,710
Less specifically funded items:		
- Land premium grant [Note 24]	(433,652)	(431,762)
- Depreciation	(96,983)	(74,680)
- Amortisation of deferred capital grants and donations [Note 10]	(115,252)	(114,224)
	<u>1,144,569</u>	<u>1,141,104</u>

Funds in excess of operating expenses is 1.71 times (2011:1.97 times).

27 Compensation of key management personnel

	2012 \$	2011 \$
Short term employee benefits	186,260	195,575
Employer's contributions to Central Provident Fund	21,832	21,291
	<u>208,092</u>	<u>216,866</u>

The number of Girl Guides Singapore's top three (3) employees whose remuneration falls within the following remuneration bands is as follows:

	2012	2011
< \$100,000	<u>3</u>	<u>3</u>

The Girl Guides Singapore National Council members do not receive any remuneration.

28 New or Revised Accounting Standards and Interpretations

Certain new accounting standards, amendments and interpretations to existing standards have been published that are mandatory for accounting periods beginning on or after 1 January 2013. Girl Guides Singapore does not expect that adoption of these accounting standards or interpretations will have a material impact on the Girl Guides Singapore financial statements.

29 Comparatives

The following comparatives relating to building fund, deferred capital grants and donations, operating expenses and Guiding Programme and Development expenses have been reclassified on the balance sheet and on the statement of comprehensive income to better reflect the specific nature of the accounts. There is no impact on the statement of changes in accumulated fund or the statement of cash flows

	As previously reported 2011 \$	As restated 2011 \$
Deferred Capital Grants & Donations [Note 10]	1,000,140	2,664,585
Building Fund [Note 12]	2,340,065	675,620
Operating Expenses [Note 19]	407,728	344,236
Guiding Programme and Development [Note 20]	544,178	607,670

30 Authorisation of financial statements

The financial statements of Girl Guides Singapore for the year ended 31 December 2012 were authorised for issue with the resolution of the Girl Guides Singapore's National Council on 13 April 2013

GIRL GUIDES SINGAPORE
ADDITIONAL DISCLOSURES FOR ANNUAL REPORT 2012

1. Key Office-Holders

The key office-holders in Girl Guides Singapore namely the President, Chief Commissioner, Honorary Secretary and Honorary Treasurer and other members on the National Council for 2012 are:

<u>Designation</u>	<u>Name of Office-Holder</u>	<u>Date of Current Appointment</u>	<u>Date of First Appointment to National Council</u>	<u>Occupation</u>
President	Joy Balakrishnan	2010	2007	Volunteer
Chief Commissioner	Chua Yen Ching*	2010	2005	Director, Curriculum Planning & Development Division, MOE
Honorary Secretary	Teoh Lian Ee	2011	2009	Senior Consultant
Honorary Treasurer	Eleanor Lee	2012	2010	Public Accountant
Vice-President /Fundraising	Caroline Lim			
Vice-President /Finance	Deborah Ong			
Deputy Chief Commissioner	Kim Lay Eng			
Deputy Chief Commissioner	Goh Soon Poh			
Deputy Chief Commissioner	Maz Mindi Peter			
International Commissioner	Tan Ngee Tiang			
Adviser	Anna Tham			
Adviser	Wah Teng Siew			
Adviser	Mas'amah bte Ruah			
Adviser	Chew Soon Gek			
Trefoil Guild President	Eileen Aw			
MOE Representative	Poon Mei Xian			

*Mrs Chua Yen Ching functions as the Chief Executive Officer.

2. Related Entities

Girl Guides Singapore does not have entities related to it.

3. Reserves Policy

Girl Guides Singapore's policy is to build reserves as is necessary to support its mission and programmes. Girl Guides Singapore seeks a reserve level of one to two years' operating expenditure. The reserve policy will be reviewed by the National Council from time to time as needed.

4. Funds in Deficit

Girl Guides Singapore does not have any funds that are in deficit

5. Principal Funding Sources

Girl Guides Singapore's operations and activities in 2012 are funded principally from the following sources:

- Government grants
- Cookies Sales
- Donations
- Training, camp and campsite fees
- Sales of items at Guide shop
- Interest received on deposits and savings accounts