
**PROPOSED STATUTORY BOARD FINANCIAL
REPORTING STANDARD GUIDANCE NOTE 1**

**Accounting and Disclosure for Funds, Grants,
Accumulated Surplus and Reserves**
Illustrative Examples

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ACCOUNTING AND DISCLOSURE FOR FUNDS, GRANTS, ACCUMULATED SURPLUS AND
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Illustrative Examples

These examples accompany, but are not part of, SB-FRS Guidance Note 1. They illustrate aspects of SB-FRS Guidance Note 1 but are not intended to provide interpretative guidance.

A Restricted Funds Separately Presented and Disclosed

- IE1. Example 1 illustrates the presentation of Restricted Fund A and Restricted Fund B in the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, and Notes to the Accounts. Restricted Fund A and Restricted Fund B are different in nature.
- IE2. For the financial year ended 31 March 2017, the total comprehensive income of the General Fund, Restricted Fund A and Restricted Fund B for Statutory Board A is \$243,500, \$21,100 and \$8,100 (2016: \$206,600, \$18,300 and \$7,200) respectively. As at 31 March 2017, the net assets of Statutory Board A are \$566,900.

Statement of Profit or Loss and Other Comprehensive Income

For the financial year ended 31 March 2017

	<u>General Fund</u>		<u>Restricted Fund A</u>		<u>Restricted Fund B</u>		<u>Total</u>	
	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$
Operating revenue	540,000	478,000	39,000	35,000	25,000	23,000	604,000	536,000
Less:								
Operating expenditure	(189,000)	(174,000)	(6,300)	(5,600)	(9,700)	(8,900)	(205,000)	(188,500)
Deficit before government grants	351,000	304,000	32,700	29,400	15,300	14,100	399,000	347,500
Government grants:								
Operating grants	(48,000)	(48,000)	(7,000)	(7,000)	(5,000)	(5,000)	(60,000)	(60,000)
Long-term grants	(5,200)	(4,700)	(600)	(400)	(700)	(600)	(6,500)	(5,700)
(Deficit) / Surplus before contribution to Consolidated Fund	297,800	251,300	25,100	22,000	9,600	8,500	332,500	281,800
Contribution to Consolidated Fund	(50,000)	(40,000)	(4,000)	(3,700)	(1,500)	(1,300)	(55,500)	(45,000)
Net (deficit) / surplus for the financial year	247,800	211,300	21,100	18,300	8,100	7,200	277,000	236,800
Other comprehensive income	(4,300)	(4,700)	-	-	-	-	(4,300)	(4,700)
Total comprehensive (loss) / income	243,500	206,600	21,100	18,300	8,100	7,200	272,700	232,100

Statement of Financial Position

As at 31 March 2017

	Note	2017 \$	2016 \$
ASSETS			
Current assets			
Cash		528,800	286,300
Trade and other receivables		23,400	18,900
Total current assets		552,200	305,200
Non-current assets			
Property, plant and equipment		214,800	189,500
Other non-current assets		2,800	1,500
Total non-current assets		217,600	191,000

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Total assets		769,800	496,200
LIABILITIES			
Current liabilities			
Trade and other payables		1,000	3,600
Borrowings		8,000	8,000
Grants received in advance		69,300	70,000
Contribution to Consolidated Fund		58,100	45,000
Total current liabilities		136,400	126,600
Non-current liabilities			
Trade and other payables		2,500	3,400
Borrowings		64,000	72,000
Total non-current liabilities		66,500	75,400
Total liabilities		202,900	202,000
NET ASSETS		566,900	294,200
EQUITY			
Capital Account		10,000	10,000
Share capital		25,000	25,000
Accumulated surplus / (deficit)			
- General fund		473,900	230,400
- Restricted fund A	13	40,400	19,300
- Restricted fund B	14	17,600	9,500
Total equity		566,900	294,200
Trust Fund A			
- Net assets		133,000	158,000

Statement of Changes in Equity

For the financial year ended 31 March 2017

	Capital account \$	Share capital \$	General Fund \$	Restricted fund A \$	Restricted fund B \$	Total equity \$
At 1 Apr 2015	10,000	25,000	23,800	1,000	2,300	62,100
Total comprehensive income for the year						
Net surplus / (deficit) for the financial year	-	-	211,300	18,300	7,200	236,800
Other comprehensive income	-	-	(4,700)	-	-	(4,700)
Total comprehensive income for the year	-	-	206,600	18,300	7,200	232,100
At 31 Mar 2016	10,000	25,000	230,400	19,300	9,500	294,200
At 1 Apr 2016	10,000	25,000	230,400	19,300	9,500	294,200
Total comprehensive income for the year						
Net surplus / (deficit) for the financial year	-	-	247,800	21,100	8,100	277,000
Other comprehensive income	-	-	(4,300)	-	-	(4,300)
Total comprehensive income for the year	-	-	243,500	21,100	8,100	272,700
At 31 Mar 2017	10,000	25,000	473,900	40,400	17,600	566,900

Notes to the financial statements

For the financial year ended 31 March 2017

13. **Restricted Fund A**

(To include a brief write-up on Restricted Fund A as required by the Standard)

The fund is accounted for as follows:

	2017 \$	2016 \$
Net surplus / (deficit) for the year	21,100	18,300
Accumulated surplus / (deficit) brought forward	<u>19,300</u>	<u>1,000</u>
Accumulated surplus / (deficit) carried forward	<u>40,400</u>	<u>19,300</u>
Represented by:		
Property, Plant and Equipment	14,000	7,350
Cash	25,000	11,500
Trade and other receivables	3,500	1,300
Trade and other payables	(2,100)	(850)
	<u>40,400</u>	<u>19,300</u>

14. **Restricted Fund B**

(To include a brief write-up on Restricted Fund B as required by the Standard)

The fund is accounted for as follows:

	2017 \$	2016 \$
Net surplus / (deficit) for the year	8,100	7,200
Accumulated surplus / (deficit) brought forward	<u>9,500</u>	<u>2,300</u>
Accumulated surplus / (deficit) carried forward	<u>17,600</u>	<u>9,500</u>
Represented by:		
Property, Plant and Equipment	7,400	5,340
Cash	6,900	4,800
Trade and other receivables	4,200	3,100
Trade and other payables	(900)	(3,740)
	<u>17,600</u>	<u>9,500</u>

B Restricted Funds Combined and Disclosed as Single Group

- IE3. Example 2 illustrates the presentation of a single class / group of restricted fund in the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, and Notes to the Accounts.
- IE4. Restricted Fund A and Restricted Fund B are similar in nature. In addition, the individual fund balances of Restricted Fund A and Restricted Fund B are not considered material. Therefore, Statutory Board A assessed that Restricted Fund A and Restricted Fund B can be combined together, and disclosed as a single group of funds in the notes to the financial statements.
- IE5. For the financial year ended 31 March 2017, the total comprehensive income of the General Fund, Restricted Fund A and Restricted Fund B for Statutory Board A is \$243,500, \$21,100 and \$8,100 (2016: \$206,600, \$18,300 and \$7,200) respectively.
- IE6. As at 31 March 2017, the net assets of Statutory Board A are \$566,900. The accumulated surplus of Restricted Fund A and Restricted Fund B are \$40,400 and \$17,600 (2016: \$19,300 and \$9,500) respectively.

Statement of Profit or Loss and Other Comprehensive Income

SB-FRS Guidance Note 1

For the financial year ended 31 March 2017

	General Fund		Restricted Fund		Total	
	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$
Operating revenue	540,000	478,000	64,000	58,000	604,000	536,000
Less:						
Operating expenditure	(189,000)	(174,000)	(16,000)	(14,500)	(205,000)	(188,500)
Deficit before government grants	351,000	304,000	48,000	43,500	399,000	347,500
Government grants:						
Operating grants	(48,000)	(48,000)	(12,000)	(12,000)	(60,000)	(60,000)
Long-term grants	(5,200)	(4,700)	(1,300)	(1,000)	(6,500)	(5,700)
(Deficit) / Surplus before contribution to Consolidated Fund	297,800	251,300	34,700	30,500	332,500	281,800
Contribution to Consolidated Fund	(50,000)	(40,000)	(5,500)	(5,000)	(55,500)	(45,000)
Net (deficit) / surplus for the financial year	247,800	211,300	29,200	25,500	277,000	236,800
Other comprehensive income	(4,300)	(4,700)	-	-	(4,300)	(4,700)
Total comprehensive (loss) / income	243,500	206,600	29,200	25,500	272,700	232,100

Statement of Financial Position

As at 31 March 2017

	Note	2017	2016
		\$	\$
ASSETS			
Current assets			
Cash		528,800	286,300
Trade and other receivables		23,400	18,900
Total current assets		552,200	305,200
Non-current assets			
Property, plant and equipment		214,800	189,500
Other non-current assets		2,800	1,500
Total non-current assets		217,600	191,000
Total assets		769,800	496,200
LIABILITIES			
Current liabilities			
Trade and other payables		1,000	3,600
Borrowings		8,000	8,000
Grants received in advance		69,300	70,000
Contribution to Consolidated Fund		58,100	45,000
Total current liabilities		136,400	126,600
Non-current liabilities			
Trade and other payables		2,500	3,400
Borrowings		64,000	72,000
Total non-current liabilities		66,500	75,400
Total liabilities		202,900	202,000
NET ASSETS		566,900	294,200
EQUITY			
Capital Account		10,000	10,000
Share capital		25,000	25,000
Accumulated surplus / (deficit)			
- General fund		473,900	230,400
- Restricted funds	15	58,000	28,800
Total equity		566,900	294,200
Trust Fund A			
- Net assets		133,000	158,000

Statement of Changes in Equity*For the financial year ended 31 March 2017*

	Capital account \$	Share capital \$	General Fund \$	Restricted funds \$	Total \$
At 1 Apr 2015	10,000	25,000	23,800	3,300	62,100
Total comprehensive income for the year					
Net surplus / (deficit) for the financial year	-	-	211,300	25,500	236,800
Other comprehensive income	-	-	(4,700)	-	(4,700)
Total comprehensive income for the year	-	-	206,600	25,500	232,100
At 31 Mar 2016	10,000	25,000	230,400	28,800	294,200
At 1 Apr 2016	10,000	25,000	230,400	28,800	294,200
Total comprehensive income for the year					
Net surplus / (deficit) for the financial year	-	-	247,800	29,200	277,000
Other comprehensive income	-	-	(4,300)	-	(4,300)
Total comprehensive income for the year	-	-	243,500	29,200	272,700
At 31 Mar 2017	10,000	25,000	473,900	58,000	566,900

Notes to the financial statements*For the financial year ended 31 March 2017***15. Restricted Funds***(To include a brief write-up on Restricted Fund A and B as required by the Standard)*

The fund is accounted for as follows:

	2017 \$	2016 \$
Net surplus / (deficit) for the year	29,200	25,500
Accumulated surplus / (deficit) brought forward	28,800	3,300
Accumulated surplus / (deficit) carried forward	58,000	28,800
Represented by:		
Property, Plant and Equipment	21,400	12,690
Cash	31,900	16,300
Trade and other receivables	7,700	4,400
Trade and other payables	(3,000)	(4,590)
	58,000	28,800