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

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

Contents

**SB-FRS GUIDANCE NOTE 1
ACCOUNTING AND DISCLOSURE FOR FUNDS, GRANTS, ACCUMULATED SURPLUS AND
RESERVES**

ILLUSTRATIVE EXAMPLES

A Restricted Funds Separately Presented and Disclosed	IE1
B Restricted Funds Combined and Disclosed as Single Group	IE3

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 \$361,100, \$36,300 and \$19,500 (2016: \$323,400, \$33,100 and \$18,400) respectively. As at 31 March 2017, the net assets of Statutory Board A are \$853,900 (2016: \$437,000).

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) / Surplus 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	7,800	6,700	600	400	700	600	9,100	7,700
(Deficit) / Surplus before contribution to Consolidated Fund	406,800	358,700	40,300	36,800	21,000	19,700	468,100	415,200
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	356,800	318,700	36,300	33,100	19,500	18,400	412,600	370,200
Other comprehensive income	4,300	4,700	-	-	-	-	4,300	4,700
Total comprehensive (loss) / income	361,100	323,400	36,300	33,100	19,500	18,400	416,900	374,900

Statement of Financial Position

As at 31 March 2017

	2017	2016
	\$	\$
ASSETS		
Current assets		
Cash	556,800	213,200
Trade and other receivables	23,400	18,900
Total current assets	580,200	232,100
Non-current assets		
Property, plant and equipment	355,800	296,000
Other non-current assets	120,800	110,900

SB-FRS Guidance Note 1 IE

Total non-current assets		476,600	406,900
Total assets		1,056,800	639,000
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		853,900	437,000
EQUITY			
Capital Account		10,000	10,000
Share capital		25,000	25,000
Accumulated surplus / (deficit)			
- General fund		708,300	347,200
- Restricted fund A	13	70,400	34,100
- Restricted fund B	14	40,200	20,700
Total equity		853,900	437,000
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	-	-	318,700	33,100	18,400	370,200
Other comprehensive income	-	-	4,700	-	-	4,700
Total comprehensive income for the year	-	-	323,400	33,100	18,400	374,900
At 31 Mar 2016	10,000	25,000	347,200	34,100	20,700	437,000
At 1 Apr 2016	10,000	25,000	347,200	34,100	20,700	437,000
Total comprehensive income for the year						
Net surplus / (deficit) for the financial year	-	-	356,800	36,300	19,500	412,600
Other comprehensive income	-	-	4,300	-	-	4,300
Total comprehensive income for the year	-	-	361,100	36,300	19,500	416,900
At 31 Mar 2017	10,000	25,000	708,300	70,400	40,200	853,900

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 Guidance Note)

The fund is accounted for as follows:

	2017 \$	2016 \$
Net surplus / (deficit) for the year	36,300	33,100
Accumulated surplus / (deficit) brought forward	<u>34,100</u>	<u>1,000</u>
Accumulated surplus / (deficit) carried forward	<u>70,400</u>	<u>34,100</u>
Represented by:		
Property, Plant and Equipment	14,000	7,350
Cash	55,000	26,300
Trade and other receivables	3,500	1,300
Trade and other payables	(2,100)	(850)
	<u>70,400</u>	<u>34,100</u>

14. **Restricted Fund B**

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

The fund is accounted for as follows:

	2017 \$	2016 \$
Net surplus / (deficit) for the year	19,500	18,400
Accumulated surplus / (deficit) brought forward	<u>20,700</u>	<u>2,300</u>
Accumulated surplus / (deficit) carried forward	<u>40,200</u>	<u>20,700</u>
Represented by:		
Property, Plant and Equipment	7,400	5,340
Cash	29,500	16,000
Trade and other receivables	4,200	3,100
Trade and other payables	(900)	(3,740)
	<u>40,200</u>	<u>20,700</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. 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 \$361,100, \$36,300 and \$19,500 (2016: \$323,400, \$33,100 and \$18,400) respectively.
- IE6. As at 31 March 2017, the net assets of Statutory Board A are \$853,900 (2016: \$437,000). The accumulated surplus of Restricted Fund A and Restricted Fund B are \$70,400 and \$40,200 (2016: \$34,100 and \$20,700) respectively.

Statement of Profit or Loss and Other Comprehensive Income

SB-FRS Guidance Note 1 IE

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) / Surplus 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	7,800	6,700	1,300	1,000	9,100	7,700
(Deficit) / Surplus before contribution to Consolidated Fund	406,800	358,700	61,300	56,500	468,100	415,200
Contribution to Consolidated Fund	(50,000)	(40,000)	(5,500)	(5,000)	(55,500)	(45,000)
Net (deficit) / surplus for the financial year	356,800	318,700	55,800	51,500	412,600	370,200
Other comprehensive income	4,300	4,700	-	-	4,300	4,700
Total comprehensive (loss) / income	361,100	323,400	55,800	51,500	416,900	374,900

Statement of Financial Position

As at 31 March 2017

	Note	2017	2016
		\$	\$
ASSETS			
Current assets			
Cash		556,800	213,200
Trade and other receivables		23,400	18,900
Total current assets		580,200	232,100
Non-current assets			
Property, plant and equipment		355,800	296,000
Other non-current assets		120,800	110,900
Total non-current assets		476,600	406,900
Total assets		1,056,800	639,000
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		853,900	437,000
EQUITY			
Capital Account		10,000	10,000
Share capital		25,000	25,000
Accumulated surplus / (deficit)			
- General fund		708,300	347,200
- Restricted funds	15	110,600	54,800
Total equity		853,900	437,000

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	-	-	318,700	51,500	370,200
Other comprehensive income	-	-	4,700	-	4,700
Total comprehensive income for the year	-	-	323,400	51,500	374,900
At 31 Mar 2016	10,000	25,000	347,200	54,800	437,000
At 1 Apr 2016	10,000	25,000	347,200	54,800	437,000
Total comprehensive income for the year					
Net surplus / (deficit) for the financial year	-	-	356,800	55,800	412,600
Other comprehensive income	-	-	4,300	-	4,300
Total comprehensive income for the year	-	-	361,100	55,800	416,900
At 31 Mar 2017	10,000	25,000	708,300	110,600	853,900

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 Guidance Note)

The fund is accounted for as follows:

	2017 \$	2016 \$
Net surplus / (deficit) for the year	55,800	51,500
Accumulated surplus / (deficit) brought forward	54,800	3,300
Accumulated surplus / (deficit) carried forward	110,600	54,800
Represented by:		
Property, Plant and Equipment	21,400	12,690
Cash	84,500	42,300
Trade and other receivables	7,700	4,400
Trade and other payables	(3,000)	(4,590)
	110,600	54,800