

**GUERNSEY INTERNATIONAL  
INSURANCE ASSOCIATION**

**(formerly the Guernsey Insurance Company  
Management Association)**

**Report and Financial Statements**

**For the year to 30 June 2011**

# **GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION** (formerly the Guernsey Insurance Company Management Association)

## **OFFICERS & COMMITTEE**

The following individuals represent the officers and members of the Committee of the Association who served during the year:

### Officers

Martin Le Pelley – Chairman (appointed Chairman 9 February 2011, formerly Treasurer)  
Paul Sykes – Deputy Chairman (appointed 9 February 2011, formerly Committee Member)  
Derek Maddison – Treasurer (appointed 9 February 2011, formerly Committee Member)  
Peter Child – Secretary  
Dominic Wheatley - Former Chairman (retired 9 February 2011)  
Chris Le Conte – Former Deputy Chairman (retired as Deputy Chairman 9 February 2011)

### Committee

Chris Le Conte (formerly Deputy Chairman until 9 February 2011)  
Clair Le Poidevin (appointed 9 February 2011)  
Francis Kehoe  
Mike Johns  
Richard Paris-Smith  
Nick Wild  
Vanessa Pipe – Representing the Category B Members  
Peter Niven – Representing the Category C Members (retired 9 February 2011)  
Ken Gregson - Representing the Category C Members (appointed 9 February 2011, deceased 16 March 2011)

### Permanent Secretary

Sarah Winsall

**GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION**  
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**STATEMENT OF TREASURER'S RESPONSIBILITIES**

In accordance with Rule 45 of the Rules of the Guernsey International Insurance Association ("the Association") the Treasurer is responsible for the preparation of financial statements which give a true and fair view and comply with the Rules of the Association and United Kingdom Generally Accepted Accounting Principles ("UK GAAP").

In preparing the financial statements, the Treasurer is required to select suitable accounting policies and then apply them consistently, make judgements and estimates that are reasonable and prudent, and to prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Association will continue in business. The Treasurer is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities. It is the responsibility of the Committee of the Association to approve the financial statements.

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

**GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION**

We have audited the non-statutory financial statements of the Guernsey International Insurance Association (the "Association") for the year ended 30 June 2011 which comprise the Income Statement, the Balance Sheet and the related notes 1 to 6. The financial reporting framework that has been applied in their preparation is United Kingdom Generally Accepted Accounting Principles ("UK GAAP") and the Rules of the Association.

This report is made solely to the members of the Association in accordance with the terms of our engagement letter dated 13 January 2012. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in the auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of Treasurer and auditor**

As explained more fully in the Treasurer's Responsibilities Statement set out on page 2, The Treasurer is responsible for the preparation of the financial statements in accordance with the Rules of the Association. Our responsibility is to audit and express an opinion on the financial statements in accordance with International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with UK GAAP and are properly prepared in accordance with the Rules of the Association. We also report to you if, in our opinion, the Association has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Association's circumstances, consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Association; and the overall presentation of the financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION**  
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**Independent auditors' report to the members of Guernsey International Insurance Association (continued)**

**Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 30 June 2011 and of its deficit for the year then ended; and
- have been properly prepared in accordance with United Kingdom Accounting Principles and the Rules of the Association.

*Ernst & Young LLP*

Ernst & Young LLP

Guernsey, Channel Islands

*20 January 2012*

**GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION**  
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**INCOME STATEMENT**  
**Year ended 30 June 2011**

	Note	Year ended 30 June 2011 £	Year ended 30 June 2010 £
<b>INCOME</b>			
Annual subscriptions	1	15,400	12,150
Bank deposit interest	1	40	40
Income on account of GTA Training Course		724	1,461
Income relating to AML/CFT Training Course		820	-
Income relating to GIIA Dinner		6,700	5,937
		<u>23,684</u>	<u>19,588</u>
<b>EXPENDITURE</b>			
Sundries		50	39
Permanent Secretary fees		2,913	3,274
Legal and professional fees		50	50
Function costs		3,864	923
Insurance		350	350
Website maintenance		65	312
Website design costs		250	800
GIBA Membership		6,025	5,200
Expenses relating to GIIA Dinner		8,852	7,719
Expenses relating to AML/CFT Training		1,364	-
Bad debt expense		775	650
IAIS Membership		-	3,653
		<u>24,558</u>	<u>22,970</u>
<b>(DEFICIT) OF INCOME OVER EXPENDITURE BEFORE TAX</b>		(874)	(3,382)
Taxation	2	-	(814)
<b>DEFICIT OF INCOME OVER EXPENDITURE FOR THE YEAR</b>		<u>(874)</u>	<u>(2,568)</u>

All activities derive from continuing operations.

There are no recognised gains or losses for the current year or preceding financial year other than as stated in the income and expenditure account.

The notes on pages 7 to 9 form an integral part of these financial statements.

**GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION**  
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**BALANCE SHEET**  
**as at 30 June 2011**

	Note	30 June 2011 £	30 June 2010 £
<b>CURRENT ASSETS</b>			
Debtors	3	3,558	8,900
Cash at bank and in hand		79,797	75,279
		<u>83,355</u>	<u>84,179</u>
<b>CREDITORS: amounts falling due within one year</b>			
Creditors	4	<u>(410)</u>	<u>(360)</u>
<b>NET CURRENT ASSETS</b>		<u>82,945</u>	<u>83,819</u>
<b>ACCUMULATED FUNDS</b>	5	<u>82,945</u>	<u>83,819</u>

These financial statements were approved by the Committee on 12 January 2012

Signed on behalf of the Committee.



M Le Pelley

Chairman

**GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION**  
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**NOTES TO THE ACCOUNTS**  
**as at 30 June 2011**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with the accounting policies described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards and with the Rules of the Association.

**Going Concern**

The financial statements have been prepared on a going concern basis. Despite the deficit in the Income and Expenditure Account, the Committee continue to believe that this basis of preparation is appropriate as the Association maintains a significant net asset position and is expected to continue in operation for the foreseeable future.

**Foreign Exchange**

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the balance sheet date. Exchange differences are taken to the Income and Expenditure Account.

**Annual Subscriptions**

At the Annual General Meeting of the Association, held on 3 February 2010, the Members voted to adopt a revised Constitution which, inter alia, amended the subscription year to 1 July to 30 June from being aligned with the calendar year. The effect of this change was to bring the subscription year into alignment with the financial year. These accounts contain amounts due from members up to and including 30 June 2011.

**Income and expenses**

All income and expenses are accounted for on an accruals basis.

**Cash Flow Statement**

The Association is a small entity within the meaning of Financial Reporting Standard 1 and is not therefore required to present a cash flow statement.



**GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION**  
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**NOTES TO THE ACCOUNTS (CONTINUED)**  
**as at 30 June 2011**

**2. TAXATION**

	Year to 30/06/2011	Year to 30/06/2010
	£	£
Tax (Credit)/Charge on deficit @ 0%	-	-
Adjustment to prior years for over accrual of taxation	-	(814)
	-	(814)

With effect from 1 January 2008, the standard rate of income tax for Guernsey entities changed. From this date the Association has been subject to tax at the standard rate of 0%.

The Association could be required to deduct or account for tax at the difference between the tax rate suffered by the Association and the members' individual rate of 20% in respect of actual dividends and deemed distributions and pay that tax over to the Director of Income Tax in respect of Guernsey resident individual members. However, the Association does not pay dividends to members and the Income Tax Office has confirmed that the deemed distribution provisions do not apply to the Association in its current form

**3. DEBTORS**

	30/06/2011	30/06/2010
	£	£
Subscriptions receivable	150	5,550
Deferred Costs and prepayments	3,058	3,000
Insurance prepayments	350	350
	3,558	8,900

**4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30/06/2011	30/06/2010
	£	£
Subscriptions received in advance	200	-
Accruals	35	-
Company Secretary fees payable	175	360
	410	360

**GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION**  
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**NOTES TO THE ACCOUNTS (CONTINUED)**  
**as at 30 June 2011**

**5. RECONCILIATION OF MEMBERS FUNDS**

	<b>30/06/2011</b>	<b>30/06/2010</b>
	<b>£</b>	<b>£</b>
Balance brought forward	83,819	86,387
Deficit for the year	(874)	(2,568)
Balance carried forward	<u>82,945</u>	<u>83,819</u>

**6. OWNERSHIP AND CONTROL**

The Association has no ultimate controlling party as it is controlled by its members, each of whom has one vote at general meetings, with the exception of Category AM members, each of whom has ten votes.

According to the Rules of the Association, upon dissolution the remaining assets of the Association will be realised and after discharge of all liabilities shall be paid to the Chartered Insurance Institute Benevolent Fund or such other charitable purpose benefiting or supporting the education of persons in the insurance industry.