

**GUERNSEY INTERNATIONAL
INSURANCE ASSOCIATION**

Annual Report and Financial Statements

For the year ended 30 June 2016

GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION

OFFICERS & COMMITTEE

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

Officers

Peter Child – Chairman

Derek Maddison – Deputy Chairman (appointed 18 February 2016)

Mike Johns – Deputy Chairman (resigned 18 February 2016)

Ian Drillot – Treasurer

Derek Maddison – Company Secretary (resigned 18 February 2016)

Committee

Richard Bates

Mark Elliott (resigned 3 December 2015; appointed 18 February 2016)

Clive James (resigned 18 February 2016)

Mike Johns

Francis Kehoe

Clair Le Poidevin

Jamie Polson (resigned 19 January 2017)

Paul Sykes

Simon Walker (appointed 19 January 2017)

Andrew Symes (appointed 18 February 2016)

Vanessa Pipe – Representing the Category B Members

Steve Hogg - Representing the Category C Members

Permanent Secretary

Lorraine Allen

GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION

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 Accounting Standards (principally FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS102") and Section 1A Small Entities thereof).

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 Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION

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

We have audited the financial statements of the Guernsey International Insurance Association for the year ended 30 June 2016 which comprise the Statement of Comprehensive Income and Retained Earnings, the Statement of Financial Position and the related notes 1 to 6. The financial reporting framework that has been applied in their preparation is the Rules of the Association and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the association's members, as a body, in accordance with the terms of our letter of engagement dated 16 December 2016. Our audit work is undertaken so that we might state to the Association's members those matters we are required to state to them in an 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 Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the treasurer and auditor

As explained more fully in the Statement of Treasurer's Responsibilities on page 2, the treasurer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

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 and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Association; and the overall presentation of the financial statements.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 30 June 2016 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Rules of the Association.

Chartered Accountants
Place du Pré
Rue du Pré
St Peter Port
Guernsey

Date:

GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION

STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS Year ended 30 June 2016

	Note	30 June 2016 £	30 June 2015 £
INCOME			
Annual subscriptions	1	18,750	18,250
Bank deposit interest	1	149	540
Income relating to AML/CFT Training Course		880	880
Income relating to Annual GIIA Dinner		12,300	13,050
		<hr/>	<hr/>
		32,079	32,720
EXPENDITURE			
Data protection fees	50	50	
Expenses relating to AML/CFT Training	-	1,446	
Expenses relating to Annual GIIA Dinner	11,874	16,011	
Function costs	110	1,282	
GIBA Membership	9,500	5,537	
Insurance	380	370	
Marketing and Newsletter	1,300	-	
Permanent Secretary fees	2,620	2,720	
Sundries	269	525	
Website costs	1,978	348	
		<hr/>	<hr/>
		28,081	28,289
SURPLUS OF INCOME OVER EXPENDITURE FOR THE YEAR			
		<hr/>	<hr/>
		3,998	4,431
		<hr/>	<hr/>

STATEMENT OF RETAINED EARNINGS		30 June 2016 £	30 June 2015 £
Retained earnings at 1 July		99,793	95,362
Surplus for the year		3,998	4,431
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Retained earnings at 30 June		103,791	99,793
		<hr/>	<hr/>

The notes on pages 6 to 8 form an integral part of these audited financial statements.

GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION

STATEMENT OF FINANCIAL POSITION As at 30 June 2016

	Note	30 June 2016 £	30 June 2015 £
CURRENT ASSETS			
Debtors and prepayments	3	1,450	10,225
Cash and cash equivalents		108,808	93,805
		<u>110,258</u>	<u>104,030</u>
CREDITORS: amounts falling due within one year			
Creditors and accruals	4	<u>(6,467)</u>	<u>(4,237)</u>
NET CURRENT ASSETS		<u>103,791</u>	<u>99,793</u>
RETAINED EARNINGS		<u>103,791</u>	<u>99,793</u>

These financial statements were approved and authorised for issue by the Committee on 28 February 2017.

Signed on behalf of the Committee.

Peter Child

Chairman

The notes on pages 6 to 8 form an integral part of these audited financial statements.

GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The Association is a non profit organisation based in Guernsey representing the combined interests of both Guernsey insurers and Guernsey insurance managers. The principle place of operations for the Association is currently Heritage Hall, Le Marchant Street, St Peter Port, Guernsey GY1 4HY.

These financial statements have been prepared in accordance with FRS102 adopting section 1A. FRS102 is mandatory for accounting periods beginning on or after 1 January 2015. Section 1A of FRS102 is applicable for accounting periods beginning on or after 1 January 2016 but may be applied early to accounting periods ended on or after 31 December 2103. The Associations' members have taken the option to apply the standard early in preparation of these financial statements. Information on the impact of the first time adoption of FRS102 is given in note 6.

The preparation of the financial statements in compliance with FRS102 section 1A required management to exercise judgement in applying the Association's accounting policies. In the opinion of the members, there are no significant judgements included within these financial statements.

Functional and presentation currency

Items included in the financial statements are measured in sterling which is the currency of the economic environment in which the Association operates. The financial statements are also presented in sterling which is the Association's financial and presentation currency.

Going Concern

The financial statements have been prepared on a going concern basis. The Committee continues 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.

Annual Subscriptions

The subscription year runs from 1 July to 30 June. These financial statements contain amounts due from members up to and including 30 June 2016.

Financial instruments

Financial assets

Basic financial instruments, including debtors and cash and cash equivalents, are initially recognised at transition price, and are subsequently carried at amortised cost.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. None of the financial assets at the year end are deemed to be impaired.

Financial assets are de-recognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the asset are transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial liabilities

All financial liabilities, including creditors, are initially recognised at transition price, and are subsequently carried at amortised cost.

Financial liabilities are de-recognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Income and expenses

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

2. TAXATION

The Association is 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 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.

3. DEBTORS

	2016 £	2015 £
Subscriptions receivable	950	3,100
Dinner receipts due	500	-
GIBA membership prepayment	-	7,125
	<u>1,450</u>	<u>10,225</u>

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Charitable monies awaiting presentation of cheques	3,582	3,200
Accrued GIBA membership	2,375	-
Permanent Secretary fees payable	260	370
Sundry accruals	250	667
	<u>6,467</u>	<u>4,237</u>

GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016 (continued)

5. CONTROLLING PARTIES AND RELATED PARTY TRANSACTIONS

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.

The Association considers all Committee Members to be related parties. All Committee Members are either primarily employed by a Corporate Member of the Association or are an individual member of the Association.

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.

6. TRANSITION TO FRS102

This is the first year that the Association has presented its results under FRS102 section 1A. The last financial statements were for the year ended 30 June 2015 and were prepared under UK GAAP. The date of transition to FRS102 was 1 July 2014 and there are no reconciling items as a result of adopting FRS102.