

**GUERNSEY INTERNATIONAL  
INSURANCE ASSOCIATION**

**Annual Report and Financial Statements**

**For the year ended 30 June 2017**

# **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

Derek Maddison – Chairman (appointed 28 February 2017)

Peter Child – Chairman (resigned 28 February 2017)

Mark Elliott - Deputy Chairman (appointed 28 February 2017)

Ian Drillot – Treasurer

### Committee

Richard Bates

Peter Child (appointed 28 February 2017)

Mark Elliott (resigned 28 February 2017)

Mike Johns

Francis Kehoe

Clair Le Poidevin

Richard Le Tocq (appointed 18 July 2017)

Jamie Polson (resigned 19 January 2017)

Paul Sykes

Andrew Symes (resigned 28 February 2017)

Simon Walker (appointed 19 January 2017; resigned 18 July 2017)

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.

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

### **Opinion**

We have audited the financial statements of the Guernsey International Insurance Association (the "Association") for the year ended 30 June 2017 which comprise the Statement of Comprehensive Income and Retained Earnings, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's affairs as at 30 June 2017 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Association in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Treasurer's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Treasurer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Association's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The Treasurer is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION (CONTINUED)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Rules of the Association requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Association; or
- the financial statements are not in agreement with the accounting records; or
- we have failed to obtain all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

### **Responsibilities of the Treasurer**

As explained more fully in the statement of treasurer's responsibilities, the Treasurer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the Treasurer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Treasurer is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

This report is made solely to the Association's members, as a body, in accordance with the Rules of the Association. Our audit work has been 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.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

2018

# GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION

## STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS Year ended 30 June 2017

	30 June 2017 £	30 June 2016 £
<b>INCOME</b>		
Annual subscriptions	18,050	18,750
Bank deposit interest	-	149
Income relating to training course	-	880
Income relating to Annual GIIA Dinner	14,465	12,300
	<u>32,515</u>	<u>32,079</u>
<b>EXPENDITURE</b>		
Consultancy fees	25,750	-
Data protection fees	50	50
Expenses relating to Annual GIIA Dinner	15,852	11,874
Function costs	2,297	110
GIBA membership	9,500	9,500
Insurance	380	380
Marketing and Newsletter	550	1,300
Permanent Secretary fees	2,680	2,620
Sundries	214	269
Website costs	348	1,978
	<u>57,621</u>	<u>28,081</u>
<b>(DEFICIT)/SURPLUS OF INCOME OVER EXPENDITURE FOR THE YEAR</b>	<u>(25,106)</u>	<u>3,998</u>

## STATEMENT OF RETAINED EARNINGS

	30 June 2017 £	30 June 2016 £
Retained earnings at 1 July	103,791	99,793
(Deficit)/surplus for the year	(25,106)	3,998
Retained earnings at 30 June	<u>78,685</u>	<u>103,791</u>

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 2017

	Note	30 June 2017 £	30 June 2016 £
<b>CURRENT ASSETS</b>			
Debtors and prepayments	3	1,530	1,450
Cash and cash equivalents		83,380	108,808
		<u>84,910</u>	<u>110,258</u>
<b>CREDITORS: amounts falling due within one year</b>			
Creditors and accruals	4	<u>(6,225)</u>	<u>(6,467)</u>
<b>NET CURRENT ASSETS</b>		<u>78,685</u>	<u>103,791</u>
 <b>RETAINED EARNINGS</b>		 <u>78,685</u>	 <u>103,791</u>

These financial statements were approved and authorised for issue by the Committee on 13 February 2018.

Signed on behalf of the Committee.

**Derek Maddison**

**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 2017

### 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 principal place of operations for the Association is currently St. Martin's House, Le Bordage, St Peter Port, Guernsey, GY1 4AU.

These financial statements have been prepared in accordance with FRS102 adopting section 1A. 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 Committee 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 current 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 2017.

#### **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

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2017 (continued)

### 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

	2017 £	2016 £
Subscriptions receivable	1,150	950
Dinner receipts due	-	500
Insurance prepayment	380	-
	<u>1,530</u>	<u>1,450</u>

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

	2017 £	2016 £
Charitable monies awaiting presentation of cheques	-	3,582
Accrued GIBA membership	2,375	2,375
Permanent Secretary fees payable	630	260
Consultancy fees payable	2,800	-
Sundry accruals	420	250
	<u>6,225</u>	<u>6,467</u>

## **GUERNSEY INTERNATIONAL INSURANCE ASSOCIATION**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2017 (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.