

**GIBRALTAR DEPOSIT GUARANTEE BOARD**

**FINANCIAL STATEMENTS**

**31 DECEMBER 2010**

# GIBRALTAR DEPOSIT GUARANTEE BOARD

## DIRECTORS AND OFFICERS

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**Board members:** Marcus Killick (Chairman)  
Heidi Bocarisa  
Frederick White  
David J V Dumas QC  
Gillian Balban  
Lawrence Podesta

**Alternative members  
of the board:** Jose Julio Pisharello  
Peter Isola  
Derek Sene  
Roy Clinton

**Secretary:** Stephanie Goodridge

**Auditor:** Deloitte Limited  
Merchant House  
22/24 John Mackintosh Square  
Gibraltar

**Bankers:** Natwest  
57/63 Line Wall Road  
Gibraltar

**Legal advisers:** Triay Stagnetto Neish  
Regal House  
Queensway  
Gibraltar

# GIBRALTAR DEPOSIT GUARANTEE BOARD

## INDEX

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<b>Contents</b>	<b>Page</b>
Auditor's report	1 & 2
Income and expenditure account	3
Balance sheet	4
Notes to the financial statements	5

**AUDITOR'S REPORT**  
**TO THE MEMBERS OF THE**  
**GIBRALTAR DEPOSIT GUARANTEE BOARD**

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We have audited the financial statements of the Gibraltar Deposit Guarantee Board ("the Board") for the year ended 31 December 2010 which comprise the income and expenditure account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Board's members, as a body, in accordance with section 5 of the Deposit Guarantee Scheme Act. Our audit work has been undertaken so that we might state to the Board'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 Board and the Board's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Board members' responsibilities for the financial statements**

The Board members are responsible for the preparation and the true and fair presentation of these financial statements in accordance with the Deposit Guarantee Scheme Act. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's responsibilities**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board members, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements give a true and fair view, in accordance with the Deposit Guarantee Scheme Act, of the state of the Board's affairs as at 31 December 2010 and of its surplus for the year then ended.

**AUDITOR'S REPORT**  
**TO THE MEMBERS OF THE**  
**GIBRALTAR DEPOSIT GUARANTEE BOARD**

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**Report on other legal and regulatory requirements**

In addition to reporting on the financial statements, the Deposit Guarantee Scheme Act also requires us to report to you our opinion as to:

- (a) Whether we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit;
- (b) Whether proper accounting records have been kept by the Board; and
- (c) Whether the Board's balance sheet and accounts dealt with by this report are in agreement with the books of account.

**Opinion**

In our opinion:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit;
- (b) Proper accounting records have been kept by the Board; and
- (c) The Board's balance sheet and accounts dealt with by this report are in agreement with the books of account.

**Daniel Delgado**  
**for and on behalf of Deloitte Limited**  
**Chartered Accountants**  
**Merchant House**  
**22/24 John Mackintosh Square**  
**Gibraltar**

**5 August 2011**

**GIBRALTAR DEPOSIT GUARANTEE BOARD**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	2010		2009	
		£	£	£	£
<b>INCOME</b>	1				
Bank interest			24		34
Administration fees			6,500		6,000
			<u>6,524</u>		<u>6,034</u>
<b>EXPENDITURE</b>					
Audit fees		350		350	
Internet costs		185		150	
Bank charges		122		171	
Secretarial costs		1,000		1,000	
			<u>(1,657)</u>		<u>(1,671)</u>
<b>SURPLUS FOR THE YEAR</b>			4,867		4,363
<b>ADMINISTRATION FUND BROUGHT FORWARD</b>			44,880		40,517
<b>ADMINISTRATION FUND CARRIED FORWARD</b>		£	<u>49,747</u>	£	<u>44,880</u>

There are no recognised gains or losses other than as disclosed above and there have been no discontinued activities or acquisitions in the current or preceding year.

The notes on page 5 form part of these financial statements.

**GIBRALTAR DEPOSIT GUARANTEE BOARD**

**BALANCE SHEET**

**AT 31 DECEMBER 2010**

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	<b>Note</b>	<b>2010</b> <b>£</b>	<b>2009</b> <b>£</b>
<b><u>ASSETS EMPLOYED:</u></b>			
<b>CURRENT ASSETS</b>			
Cash at bank		51,097	46,230
<b>CREDITORS: AMOUNTS DUE WITHIN ONE YEAR</b>			
Accrued expenses	3	(1,350)	(1,350)
		<u>£ 49,747</u>	<u>£ 44,880</u>
<b><u>FINANCED BY:</u></b>			
<b>ADMINISTRATION FUND</b>		<u>£ 49,747</u>	<u>£ 44,880</u>

The financial statements on pages 3 to 5 were approved by the Board on 5 August 2011.

**Marcus Killick**

**Chairman  
Gibraltar Deposit Guarantee Board**

The notes on page 5 form part of these financial statements.

**GIBRALTAR DEPOSIT GUARANTEE BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

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**1. PRINCIPAL ACCOUNTING POLICIES**

**Basis of accounting**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Board's financial statements.

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**Income**

*Bank interest:*

Bank interest receivable is accounted for on an accruals basis.

*Administration fees:*

Administration fees represents annual fees levied by the Board.

**2. TAXATION**

Under the provisions of the Deposit Guarantee Scheme Act the income of the Board is exempt from income tax.

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

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Accrued expenses:		
Audit fees	350	350
Secretarial costs	1,000	1,000
	<hr/>	<hr/>
	1,350	1,350
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Secretarial costs for the year ended 31 December 2010 were subsequently paid on 8 February 2011 (2009: 15 March 2010).