

**GIBRALTAR DEPOSIT GUARANTEE BOARD**  
**FINANCIAL STATEMENTS**  
**PERIOD FROM 1 JULY 2015 TO 6 JULY 2016**

# GIBRALTAR DEPOSIT GUARANTEE BOARD

## DIRECTORS AND OFFICERS

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| <b>Board members:</b>                  | Samantha Barrass (Chairperson)<br>Kathryn Morgan<br>Gillian Balban (membership ceased 30 January 2016)<br>Anthony Perez (membership ceased 30 January 2016)<br>Colin Vaughan (membership ceased 30 January 2016) |
| <b>Alternate members of the board:</b> | Ian Collinson (membership ceased 30 January 2016)<br>Jon Farley (membership ceased 30 January 2016)<br>Peter Isola (membership ceased 30 January 2016)<br>Roy Clinton (membership ceased 30 January 2016)        |
| <b>Secretary:</b>                      | Stephanie Goodridge (Financial Services Commission)  |
| <b>Auditor:</b>                        | Deloitte Limited<br>Merchant House<br>22/24 John Mackintosh Square<br>Gibraltar  |
| <b>Bankers:</b>                        | Natwest<br>57/63 Line Wall Road<br>Gibraltar   |
| <b>Legal advisers:</b>                 | Triay Stagnetto Neish<br>Regal House<br>Queensway<br>Gibraltar   |

# GIBRALTAR DEPOSIT GUARANTEE BOARD

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**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 period ended 6 July 2016 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 6 July 2016 and of its deficit for the period then ended.

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

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**Emphasis of matter - financial statements prepared other than on a going concern basis**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

**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**  
**Statutory Auditor for and on behalf of**

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

Date: **24 JUL 2017**

**GIBRALTAR DEPOSIT GUARANTEE BOARD**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE PERIOD FROM 1 JULY 2015 TO 6 JULY 2016**

|  | Notes | £     | Period Ended<br>6 July 2016<br>£ | 6 Month Period Ended<br>30 June 2015<br>£ |
|--|-------|-------|----------------------------------|---|
| <b>INCOME</b>                                  | 1     |       |                                  |   |
| Bank interest                                  |       |       | 35                               | 17  |
| Administration fees                            |       |       | -                                | -   |
|  |       |       | <u>35</u>                        | <u>17</u>                                 |
| <b>EXPENDITURE</b>                             |       |       |                                  |   |
| Audit fees                                     |       | 1,000 |                                  | 1,000                                     |
| Internet costs                                 |       | 194   |                                  | 67  |
| Bank charges                                   |       | 149   |                                  | 95  |
| Secretarial costs                              |       | -     |                                  | (2,000)                                   |
|  |       |       | <u>(1,343)</u>                   | <u>838</u>                                |
| <b>(DEFICIT)/ SURPLUS FOR<br/>THE PERIOD</b>   |       |       | <u>(1,308)</u>                   | <u>855</u>                                |
| <b>ADMINISTRATION FUND<br/>BROUGHT FORWARD</b> |       |       | 68,521                           | 67,666                                    |
| <b>ADMINISTRATION FUND<br/>CARRIED FORWARD</b> |       | £     | <u><u>67,213</u></u>             | £ <u><u>68,521</u></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 period.

The notes on page 5 and 6 form part of these financial statements.

**GIBRALTAR DEPOSIT GUARANTEE BOARD**

**BALANCE SHEET**

**AT 6 JULY 2016**

|   | Notes | 6 July 2016<br>£ | 30 June 2015<br>£ |
|---|-------|------------------|-------------------|
| <b><u>ASSETS EMPLOYED:</u></b>                        |       |                  |                   |
| <b>CURRENT ASSETS</b>                                 |       |                  |                   |
| Debtors and prepayments                               | 3     | 68               | 68                |
| Cash at bank  |       | 69,145           | 70,453            |
|   |       | <hr/>            | <hr/>             |
|   |       | 69,213           | 70,521            |
|   |       | <hr/>            | <hr/>             |
| <b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b> |       |                  |                   |
| Accrued expenses                                      | 4     | (2,000)          | (2,000)           |
|   |       | <hr/>            | <hr/>             |
|   |       | £ 67,213         | £ 68,521          |
|   |       | <hr/>            | <hr/>             |
| <b><u>FINANCED BY:</u></b>                            |       |                  |                   |
| <b>ADMINISTRATION FUND</b>                            |       | £ 67,213         | £ 68,521          |
|   |       | <hr/>            | <hr/>             |

The financial statements on pages 3 to 6 were approved by the Board on: ....24/7/2016....



Samantha Barrass  
*Chairman*  
 Gibraltar Deposit Guarantee Board

The notes on page 5 and 6 form part of these financial statements.

# GIBRALTAR DEPOSIT GUARANTEE BOARD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 6 JULY 2016

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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.

#### **Going concern**

The Directive 2014/49/EU was transposed into local legislation via an amendment to the Deposit Guarantee Act which was then renamed the Financial Services (Compensation and Resolution Schemes) Act 2015.

This Act, and subsequent amendments, established the Financial Services Resolution and Compensation Committee ("FSRCC") as of 6 July 2016, with the property, rights and liabilities of the Gibraltar Deposit Guarantee Board transferred to and vested in the FSRCC from that date.

As a result of the change in legislation, the Board ceased to exist as at 6<sup>th</sup> July 2016 and these financial statements have therefore been prepared on a basis other than that of a going concern. The Board are of the view that there are no material differences between the accounts prepared on this basis and on the going concern basis. The Board consider that the accounting policies set out below have been consistently applied and are supported by reasonable and prudent judgements and estimates.

The Financial Services Compensation Board ("FSCB") referred to in the 2015 financial statements was never formally established and thus is not relevant for the purposes of the 2016 financial statements.

#### **Income**

##### *Bank interest:*

Bank interest receivable is accounted for on an accruals basis.

##### *Administration fees:*

Administration fees represent 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.

**GIBRALTAR DEPOSIT GUARANTEE BOARD**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 6 JULY 2016**

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**3. DEBTORS**

|             | <b>6 July<br/>2016<br/>£</b> | <b>30 June<br/>2015</b> |
|-------------|------------------------------|-------------------------|
| Prepayments | <u>68</u>                    | <u>68</u>               |

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

|                                 | <b>6 July<br/>2016<br/>£</b> | <b>30 June<br/>2015</b> |
|---------------------------------|------------------------------|-------------------------|
| Accrued expenses:<br>Audit fees | <u>2,000</u>                 | <u>2,000</u>            |
|                                 | <u>2,000</u>                 | <u>2,000</u>            |