

ALDERNEY GAMBLING CONTROL COMMISSION

FINANCIAL STATEMENTS 2012

FOR INFORMATION PURPOSES

PLEASE NOTE THAT THESE STATEMENTS ARE SUBJECT TO FINAL APPROVAL

Balance Sheet as at 31st December 2012

	Note	2012 £	2011 £
Fixed assets			
Computer, office equipment & furniture		90,230	25,004
Leasehold		396,767	312,746
Web hosting		59,985	61,271
	2	<u>546,982</u>	<u>399,021</u>
Current assets			
Cash at bank and in hand	3	2,475,258	2,625,063
Prepayments		15,214	32,574
		<u>2,490,472</u>	<u>2,657,637</u>
Creditors: amounts falling due within one year	4	(1,063,369)	(1,095,574)
Net current assets		<u>1,427,103</u>	<u>1,562,062</u>
Total assets less current liabilities		<u>1,974,085</u>	<u>1,961,083</u>
Capital and reserves			
Retained surplus brought forward		1,961,083	2,107,740
Net surplus/deficit for the year		13,002	(146,657)
Retained surplus		<u>1,974,085</u>	<u>1,961,083</u>

The financial statements on pages ____ to ____ were approved by Alderney Gambling Control Commission on 21st March 2013 and signed on its behalf by:

Mr John Godfrey
Chairman

Income statement for year ending 31st December 2012

	Note	2012 £	2011 £
Income			
Licence fees		4,835,650	4,545,650
Fees charged to applicants and licensees		394,476	416,994
Bank interest		20,751	20,474
		<u>5,250,877</u>	<u>4,983,118</u>
Expenditure			
Staff costs	6	1,617,880	1,387,206
Commissioners' fees	5	106,854	103,241
Premises, furniture and equipment		74,732	66,795
Web hosting		82,000	77,003
Consultancy		176,996	86,769
Conferences and general travel		152,315	123,261
Postage, stationery and telephone		44,581	38,856
Administrative expenses		87,169	218,251
Depreciation	2	94,469	136,359
		<u>2,436,996</u>	<u>2,237,741</u>
Distributions in year	7	2,800,879	2,892,034
Net surplus /deficit		<u>13,002</u>	<u>(146,657)</u>

Notes to the financial statements for the year ending 31st December 2012

1. Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK accounting standards. The income in the financial statements is collected by the Commission on behalf of the States of Alderney. After deduction of the expenses incurred and working capital required to fund the Commission the surplus is distributed to the States of Alderney.

Depreciation

Depreciation is calculated using the straight line method at the following rates:

- | | |
|--|---------------|
| • Office furniture | 25% per annum |
| • Computers and related equipment (including change control) | 33% per annum |
| • St Anne's refurbishment | 10% per annum |

Licence fees

Under the terms of The Alderney e-Gambling Ordinance, 2009, licences granted by the Commission are valid for an indefinite period. A non-refundable licence fee is payable on issue of the licence and in advance of each anniversary of the issue of the licence. The licence fees are recognised in the Revenue account in the period in which they are received.

Cash flow statement

Under Financial Reporting Standard no. 1 the Commission is exempt from the requirements to prepare a cash flow statement on the grounds of its size.

Expenses

Expenses are accounted for on an accruals basis.

Leasehold

The Commission entered into a ten year lease on the office property in Alderney, commencing in April 2008.

The rental amounts for 2012 charged to the Revenue account and included in premises, furniture and equipment expenditure were £43,537 (2011 - £39,175).

The Commission is committed under the lease to make payments of £36,000 per year plus any RPIX increase, subject to review in the fifth year, until the end of the lease. The rental is charged on a straight line basis over the lease term.

At the end of 2011 the Commission entered into a contract to extend the office space at the leasehold premises. The total cost for the extension works was £193,167. The rental payments were also increased in line with the increase in floor space now available at the leasehold premises.

Notes to the financial statements for the year ending 31st December 2012 (continued)

2. Fixed assets	Computer equipment £	Office furniture £	Leasehold £	Web Hosting £	Total £
Cost					
At 1 January 2012	124,058	42,092	498,536	203,448	868,134
Additions	43,801	48,455	142,019	8,154	242,428
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At 31 December 2012	167,859	90,547	640,555	211,602	1,110,562
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 January 2012	103,794	37,352	185,790	142,177	469,113
Charge for year	16,865	10,164	57,999	9,440	94,468
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At 31 December 2012	120,659	47,516	243,789	151,617	563,581
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Net book value					
At 31st December 2012	47,199	43,031	396,767	59,985	546,982
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At 31st December 2011	20,264	4,740	312,746	61,271	399,021
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Notes to the financial statements for the year ending 31st December 2012 (continued)

3. Cash at bank and in hand	2012	2011
	£	£
Cash at bank:		
Business reserve account	402,660	489,998
Applicant and Licensee deposit account	990,123	883,395
Treasury accounts	1,000,017	1,000,017
Current account	82,362	251,524
Petty cash	96	129
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	2,475,258	2,625,063
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4. Creditors: amounts falling due within one year

	2012	2011
	£	£
Refundable deposits	691,846	678,294
Creditors and accruals	371,178	417,280
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	1,063,369	1,095,574
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Refundable deposits are held against the costs of investigating applicants and inspecting licensees and may be refunded in whole or in part.

5. Commissioners' fees

In accordance with the Gambling (Alderney) Law 1999, as amended, the States of Alderney ultimately meets the fees and expenses of the Commissioners, including the Chairman.

Notes to the financial statements for the year ending 31st December 2012 (continued)

6. Pension scheme and life assurance

A defined contributions pension scheme, together with life assurance cover, is provided for employees. The scheme is administered by Anthony Le Blanc and Partners Limited in Alderney and was started in May 2002. The scheme requires employees to contribute 6% of gross salary to the scheme and the Commission contributes a minimum 7.5% of gross salary to the scheme on the employees' behalf. The annual pension contribution of £129,005 (2011 - £112,491) is included in staff costs. At the year end there were no prepaid or outstanding contributions (2011 – £nil).

7. Distributions to the States of Alderney

During 2012 the States of Alderney received distributions from the retained surplus of £2,800,879 (2011 - £2,892,034).

8. Guernsey Income Tax

The Commission is not subject to Guernsey Income Tax.