

ALDERNEY GAMBLING CONTROL COMMISSION

FINANCIAL STATEMENTS 2013

FOR INFORMATION PURPOSES

PLEASE NOTE THESE FINANCIAL STATEMENTS HAVE RECEIVED AUDIT CLEARANCE AND ARE SUBJECT
TO APPROVAL BY THE COMMISSION AT ITS NEXT SCHEDULED MEETING

Alderney Gambling Control Commission

Financial Statements as at 31 December 2013

Balance Sheet as at 31 December 2013

	Note	2013 £	2012 £
Fixed assets			
Computer, office equipment & furniture		76,231	90,230
Leasehold		332,710	396,767
Web hosting		99,507	59,985
	2	<u>508,448</u>	<u>546,982</u>
Current assets			
Cash at bank and in hand	3	2,515,906	2,475,258
Prepayments		8,990	15,214
		<u>2,524,896</u>	<u>2,490,472</u>
Creditors: amounts falling due within one year	4	(1,057,711)	(1,063,369)
Net current assets		<u>1,467,185</u>	<u>1,427,103</u>
Total assets less current liabilities		<u>1,975,633</u>	<u>1,974,085</u>
Capital and reserves			
Retained surplus brought forward		1,974,085	1,961,083
Net surplus for the year		1,548	13,002
Retained surplus		<u>1,975,633</u>	<u>1,974,085</u>

The financial statements on pages ____ to ____ were approved by Alderney Gambling Control Commission on ____ March 2014 and signed on its behalf by:

Mr John Godfrey
Chairman

Income statement for year ended 31 December 2013

	Note	2013 £	2012 £
Income			
Licence fees		4,710,650	4,835,650
Fees charged to applicants and licensees		582,021	394,476
Bank interest		18,746	20,751
		<u>5,311,417</u>	<u>5,250,877</u>
Expenditure			
Staff costs	6	1,793,220	1,617,880
Commissioners' fees	5	110,061	106,854
Premises, furniture and equipment		78,071	74,732
Web hosting		107,471	82,000
Consultancy		183,502	176,996
Conferences and general travel		171,526	152,315
Postage, stationery and telephone		44,127	44,581
Administrative expenses		114,236	87,169
Depreciation	2	143,022	94,469
		<u>2,745,236</u>	<u>2,436,996</u>
Distributions in year	7	2,564,633	2,800,879
Net surplus		<u><u>1,548</u></u>	<u><u>13,002</u></u>

Notes to the financial statements for the year ended 31 December 2013

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 Income statement 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 2013 charged to the Income statement and included in premises, furniture and equipment expenditure were £45,671 (2012 - £43,537).

The Commission is committed under the lease to make payments of £36,000 per year plus any RPI 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.

Notes to the financial statements for the year ended 31 December 2013 (continued)

2. Fixed assets	Computer equipment £	Office furniture £	Leasehold £	Web Hosting £	Total £
Cost					
At 1 January 2013	167,859	90,547	640,555	211,602	1,110,563
Additions	23,644	0	0	80,844	104,488
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2013	191,503	90,547	640,555	292,446	1,215,051
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 January 2013	120,659	47,516	243,789	151,617	563,581
Charge for year	24,402	13,242	64,056	41,322	143,022
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2013	145,061	60,758	307,845	192,939	706,603
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 31 December 2013	46,442	29,789	332,710	99,507	508,448
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2012	47,200	43,031	396,766	59,985	546,982
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes to the financial statements for the year ended 31 December 2013 (continued)

3. Cash at bank and in hand	2013	2012
	£	£
Cash at bank:		
Business reserve account	354,521	402,660
Applicant and Licensee deposit account	943,199	990,123
Treasury accounts	1,000,017	1,000,017
Current account	218,112	82,362
Petty cash	57	96
	<hr/>	<hr/>
	2,515,906	2,475,258
	<hr/>	<hr/>

4. Creditors: amounts falling due within one year

	2013	2012
	£	£
Refundable deposits	712,654	691,846
Creditors and accruals	345,057	371,523
	<hr/>	<hr/>
	1,057,711	1,063,369
	<hr/>	<hr/>

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 ended 31 December 2013 (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 £149,645 (2012 - £129,005) is included in staff costs. At the year end there were no prepaid or outstanding contributions (2012 – £nil).

7. Distributions to the States of Alderney

During 2013 the States of Alderney received distributions from the retained surplus of £2,564,633 (2012 - £2,800,879).

8. Guernsey Income Tax

The Commission is not subject to Guernsey Income Tax.