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**The Gibraltar Regulatory Authority  
Accounts for the Financial Year  
Ended 31 March 2015**

**Certificate of the Principal Auditor**



**TABLE OF CONTENTS**

**Page No.**

**Audit Certificate  
Accounts**

**I  
1**



## Gibraltar Audit Office

### **THE CERTIFICATE OF THE PRINCIPAL AUDITOR TO THE GIBRALTAR REGULATORY AUTHORITY**

I certify that I have audited the financial statements of the Gibraltar Regulatory Authority for the financial year ended 31 March 2015 in accordance with the provisions of Section 15(2) of the Gibraltar Regulatory Authority Act 2000. These statements comprise the Receipts and Payments Account, the Capital Account, the Balance Sheet and the related notes. These financial statements have been prepared using the cash receipts and disbursements basis of accounting.

#### **Respective responsibilities of the Gibraltar Regulatory Authority and the Principal Auditor**

The Gibraltar Regulatory Authority is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. The Gibraltar Regulatory Authority's policy is to prepare the financial statements on the cash receipts and disbursements basis. On this basis revenue is recognised when received rather than when earned, and expenses are recognised when paid rather than when incurred.

My responsibility is to audit, certify and report on the financial statements in accordance with the provisions of Sections 15(2) and 15(4) of the Gibraltar Regulatory Authority Act 2000. I conducted my audit of the financial statements in accordance with generally accepted government auditing standards.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Gibraltar Regulatory Authority's circumstances and have been consistently applied and adequately disclosed; and the overall presentation of the financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements has been applied to the purposes intended by the Gibraltar Regulatory Authority Act 2000 and the

financial transactions recorded in the financial statements conform to the authorities, which govern them.

### **Opinion on regularity**

In my opinion, in all material respects, the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Gibraltar Regulatory Authority Act 2000 and the financial transactions recorded in the financial statements conform to the authorities that govern them.

### **Opinion on financial statements**

In my opinion, the financial statements give a true and fair view of the revenue collected and expenses paid by the Gibraltar Regulatory Authority during the financial year ended 31 March 2015 and the assets and liabilities arising from cash transactions as at the end of that period in accordance with the cash receipts and disbursements basis of accounting.

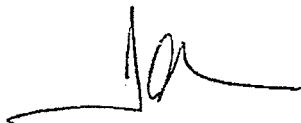
### **Matters on which I report by exception**

I have nothing to report in respect of the following matters, which I report to you if, in my opinion:

- I have not obtained all of the information and explanations, which to the best of my knowledge and belief were necessary for the purposes of the audit; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- the Gibraltar Regulatory Authority has not discharged its financial duties and obligations in accordance with the provisions of the Gibraltar Regulatory Authority Act 2000; or
- the Gibraltar Regulatory Authority has not discharged with diligence its obligations in relation to the collection of its revenues.

### **Report**

I have no observations to make on these financial statements.



J C Posso  
Principal Auditor  
13 November 2015

Gibraltar Audit Office  
Elmslie House  
51/53 Irish Town  
Gibraltar

**RECEIPTS AND PAYMENTS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2015**

**RECURRENT ACCOUNT**

2013/14

**Receipts**

Contribution from the Government of Gibraltar	£ 1,522,827	£ 1,208,395
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**Payments**

**Communications Division**

Personal Emoluments

Salaries	£ 479,856	£ 431,067
Overtime - Discretionary	£ 1,095	£ -
Allowances	£ 1,750	£ 211
Employer's Contributions	£ 75,343	£ 71,383
	<u>£ 558,044</u>	<u>£ 502,661</u>

Office Expenses

General Expenses	£ 13,273	£ 10,298
Insurance	£ 782	£ 780
Telephone Expenses	£ 8,772	£ 11,916
Printing and Stationery	£ 1,563	£ 1,712
	<u>£ 24,390</u>	<u>£ 24,706</u>

Operational Expenses

Rent, Rates and Service Charges	£ 74,719	£ 45,300
Conferences, Training and Official Travel	£ 23,447	£ 12,570
Professional (and Consultancy) Fees	£ 25,958	£ 8,112
Subscriptions	£ 1,355	£ 6,818
Computer and Office Equipment Expenses	£ 8,432	£ 12,283
Motor Vehicle Expenses	£ 5,357	£ 1,201
(Market Analyses) Consultancy Fees	£ 82,845	£ 43,387
Board Remuneration	£ 15,000	£ 10,000
Payroll Services	£ 5,625	£ -
	<u>£ 242,738</u>	<u>£ 139,671</u>

Overheads

Management Charges	<u>£ 5,000</u>	<u>£ 5,000</u>
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<b>Total Payments Communications Division</b>	<b>£ 830,172</b>	<b>£ 672,038</b>
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**Satellite Division**

Personal Emoluments

Salaries	£ 140,072	£ 134,269
Employer's Contributions	£ 13,697	£ 12,502
	<u>£ 153,769</u>	<u>£ 146,771</u>

Office Expenses

General Expenses	£ 3,690	£ 2,821
Insurance	£ 196	£ 260
Telephone Expenses	£ 2,192	£ 3,278
Printing and Stationery	£ 461	£ 557
	<u>£ 6,539</u>	<u>£ 6,916</u>

Frequency Co-ordinator Expenses

Co-ordination Expenses	£ 19,627	£ 18,176
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Operational Expenses

Rent, Rates and Service Charges	£ 18,679	£ 14,575
Subscriptions	£ 137	£ 38
Conferences, Training and Official Travel	£ 5,406	£ -
Computer and Office Equipment Expenses	£ 1,223	£ 1,731
	<u>£ 25,445</u>	<u>£ 16,344</u>

<b>Total Payments Satellite Division</b>	<b>£ 205,380</b>	<b>£ 188,207</b>
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**RECEIPTS AND PAYMENTS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2015**

**Payments (Cont.)**

		<u>2013/14</u>
<b><u>Information Rights Division</u></b>		
<b><u>Personal Emoluments</u></b>		
Salaries	£ 174,019	£ 109,714
Employer's Contributions	£ 21,773	£ 15,000
	£ 195,792	£ 124,714
<b><u>Office Expenses</u></b>		
General Expenses	£ 7,643	£ 4,567
Insurance	£ 391	£ 347
Telephone Expenses	£ 4,551	£ 4,692
Printing and Stationery	£ 1,018	£ 742
	£ 13,603	£ 10,348
<b><u>Operational Expenses</u></b>		
Rent, Rates and Service Charges	£ 37,357	£ 19,433
Conferences, Training and Official Travel	£ 15,753	£ 12,514
Professional Fees	£ 6,133	£ 5,350
Subscriptions	£ 470	£ 501
Computer and Office Equipment Expenses	£ 1,491	£ 3,574
Data Protection Commissioners' Meeting	£ -	£ 1,951
	£ 61,204	£ 43,323
<b>Total Payments Information Rights Division</b>	<b>£ 270,599</b>	<b>£ 178,385</b>
<b><u>Broadcasting Division</u></b>		
<b><u>Personal Emoluments</u></b>		
Salaries	£ 54,858	£ 63,374
Employer's Contributions	£ 7,761	£ 9,689
	£ 62,619	£ 73,063
<b><u>Office Expenses</u></b>		
General Expenses	£ 6,164	£ 2,695
Insurance	£ 391	£ 323
Telephone Expenses	£ 4,392	£ 4,051
Printing and Stationery	£ 737	£ 591
	£ 11,684	£ 7,660
<b><u>Operational Expenses</u></b>		
Rent, Rates and Service Charges	£ 37,397	£ 18,879
Conferences, Training and Official Travel	£ 5,878	£ 11,244
Professional Fees	£ 15,000	£ 17,041
Subscriptions	£ 3,891	£ 48
Computer and Office Equipment Expenses	£ 1,513	£ 1,958
	£ 63,679	£ 49,170
<b>Total Payments Broadcasting Division</b>	<b>£ 137,982</b>	<b>£ 129,893</b>

**RECEIPTS AND PAYMENTS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2015**

**Payments (Cont.)**

**Postal Services Division**

2013/14

Personal Emoluments

Salaries	£	28,952		£	27,479
Employer's Contributions	£	4,610		£	4,462
			£		£
			33,562		31,941

Office Expenses

General Expenses	£	3,166		£	1,070
Insurance	£	196		£	24
Telephone Expenses	£	2,183		£	305
Printing and Stationery	£	402		£	93
			£		£
			5,947		1,492

Operational Expenses

Rent, Rates and Service Charges	£	18,649		£	554
Conferences, Training and Official Travel	£	6,947		£	-
Professional Fees	£	-		£	-
Subscriptions	£	-		£	4
Computer and Office Equipment Expenses	£	962		£	147
			£		£
			26,558		705

<b>Total Payments Postal Services Division</b>			£	66,067	£	34,138	
Ex Gratia Payment			£	-	£	5,734	
Relocation Costs			£	12,627	£	-	
<b>Total Overall Payments</b>				£	1,522,827	£	1,208,395
Net Receipts/(Payments)				£	-	£	-

**RECEIPTS AND PAYMENTS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2015**

**CAPITAL ACCOUNT**

2013/14

**Receipts**

Contribution from the Government of Gibraltar

£ 94,822

£ 350,199

**Payments**

Works & Equipment

-£ 94,822

-£ 350,199

Net Receipts/(Payments)

£ -

£ -



**BALANCE SHEET AS AT 31 MARCH 2015**

<u>ASSETS</u>		2013/14
Imprest	£ - £ -	£ - £ -
<b><u>FINANCED BY</u></b>		
<b><u>Recurrent Account</u></b>		
Account Balance on 1st April 2014	£ -	
Net Receipts/(Payments)	£ -	
Account Balance on 31st March 2015	£ -	£ -
<b><u>Capital Account</u></b>		
Account Balance on 31st March 2015	£ - £ -	£ - £ -



Paul J Canessa  
Chief Executive Officer

12th November 2015

## **Gibraltar Regulatory Authority**

### **Notes to the Accounts**

#### **1. Accounting Policies**

##### **Basis of preparation of the accounts**

The accounts of the Gibraltar Regulatory Authority have been prepared on a cash receipts and disbursements basis of accounting.

#### **2. Revised Cost Allocation**

##### **Rent, Rates and Service Charges**

Water, Electricity, Cleaning, Repairs and Maintenance Expenditure has been deducted from Rent, Rates and Service Charges and included under General Expenses for each respective Division. 2013/2014 figures have also been revised accordingly for comparative purposes.

##### **Capital Expenditure**

Capital Expenditure items have also been revised and as a result £12,626.95 has been included in the Recurrent Account under Relocation Costs. These costs relate to repairs and general expenditure resulting from the relocation of GRA offices to new premises.