

**GENERAL INSURANCE ASSOCIATION OF SINGAPORE**  
**(Organised as a Society under the Societies Act 1966)**  
**(UEN: S66SS0020G)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2023**

**GENERAL INSURANCE ASSOCIATION OF SINGAPORE  
(UEN: S66SS0020G)**

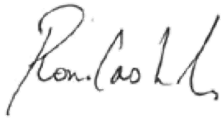
**STATEMENT BY THE MANAGEMENT COMMITTEE**

In the opinion of the management committee:-

- (i) the accompanying financial statements of the General Insurance Association of Singapore (the “Association”) are drawn up in accordance with the provision of the Societies Act 1966 and Financial Reporting Standards in Singapore, so as to present fairly, in all material respects, the state of affairs of the Association as at 31 December 2023 and the results, changes in funds and cash flows of the Association for the financial year then ended on that date; and
- (ii) at the end of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

The management committee approved and authorised these financial statements for issue.

On behalf of the Management Committee,



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**Ronak Akhil Shah**  
**President**



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**Andrew Yeo Seng Thean**  
**Vice President**

Singapore, 5 March 2024



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
GENERAL INSURANCE ASSOCIATION OF SINGAPORE (UEN: S66SS0020G)**

**Report on the Audit of the Financial Statements**

*Opinion*

We have audited the financial statements of General Insurance Association of Singapore. (the "Association"), which comprise the statement of financial position as at 31 December 2023, the statement of income and expenditure and other comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Act"), and Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material respects, the state of affairs of the Association as at 31 December 2023 and the results, changes in funds and cash flows of the Association for the year ended on that date.

*Basis for Opinion*

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other Information*

Management is responsible for the other information. The other information comprises the Statement by the Management Committee set out on page 1.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
GENERAL INSURANCE ASSOCIATION OF SINGAPORE (UEN: S66SS0020G) (Continued)**

*Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of financial statements in accordance with the provisions of the Act and FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
GENERAL INSURANCE ASSOCIATION OF SINGAPORE (UEN: S66SS0020G) (Continued)**

*Auditor's Responsibilities for the Audit of the Financial Statements (Continued)*

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on Other Legal and Regulatory Requirements**

In our opinion:-

- (a) the accounting and other records required by the Societies Regulations enacted under the Act to be kept by the Association have been properly kept in accordance with those Regulations; and
- (b) the fund-raising appeal held during the reporting year has been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeal.

*Kreston David Yeung PAC*

**KRESTON DAVID YEUNG PAC**  
**Public Accountants and**  
**Chartered Accountants**

Singapore, 5 March 2024

**KRESTON DAVID YEUNG PAC** (UEN: 200717891W)

A public accounting corporation incorporated with limited liability and an independent member of the **Kreston Global** network  
128A Tanjong Pagar Road, Singapore 088535  
Tel: 6223 7979 Fax: 6222 7979

**GENERAL INSURANCE ASSOCIATION OF SINGAPORE**  
**(UEN: S66SS0020G)**

**STATEMENT OF FINANCIAL POSITION**

**As at 31 December 2023**

	Note	2023 S\$	2022 S\$
<b>ASSETS</b>			
<b>Non-current asset</b>			
Plant and equipment	3	6,287	14,297
<b>Current assets</b>			
Trade receivables	4	75,495	74,932
Other receivables	5	-	1,628
Deposits		15,542	15,542
Prepayments		23,480	33,005
Cash and cash equivalents		1,146,609	804,586
<b>Total current assets</b>		<u>1,261,126</u>	<u>929,693</u>
<b>Total assets</b>		<u>1,267,413</u>	<u>943,990</u>
<b>FUNDS AND LIABILITIES</b>			
<b>Fund</b>			
Accumulated fund		885,827	527,387
<b>Current liabilities</b>			
Trade payables		64,777	128,023
Other payables		26,151	2,978
Accrued operating expenses	6	290,658	285,602
<b>Total current liabilities</b>		<u>381,586</u>	<u>416,603</u>
<b>Total fund and liabilities</b>		<u>1,267,413</u>	<u>943,990</u>

The notes set out on pages 10 to 27 form an integral part of and should be read in conjunction with this set of financial statements.

**GENERAL INSURANCE ASSOCIATION OF SINGAPORE**  
**(UEN: S66SS0020G)**

**STATEMENT OF INCOME AND EXPENDITURE**  
**AND OTHER COMPREHENSIVE INCOME**  
**For the year ended 31 December 2023**

	Note	2023 S\$	2022 S\$
<b>Income</b>			
Agents' registration fees		750,608	780,028
Levies on ordinary members		1,506,470	1,313,532
GIARMC net operating income	7	678,981	524,385
Other income	8	10,498	15,628
		<u>2,946,557</u>	<u>2,633,573</u>
<b>Less: Expenditure (Page 7)</b>		<u>(2,588,117)</u>	<u>(2,348,135)</u>
<b>Surplus before taxation</b>		358,440	285,438
Less: Taxation	9	<u>-</u>	<u>-</u>
<b>Net surplus for the year</b>		358,440	285,438
GIA swing for golf charity	10.1	-	-
GIA Strike for Hope	10.2	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u>358,440</u>	<u>285,438</u>

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**GENERAL INSURANCE ASSOCIATION OF SINGAPORE**  
**(UEN: S66SS0020G)**

**STATEMENT OF INCOME AND EXPENDITURE**

**For the year ended 31 December 2023**

		2023	2022
	Note	S\$	S\$
<b>Expenditure</b>			
Accounting services fee		35,000	35,028
ARCM-hosting/maintenance service	11.1	220,583	244,730
Auditor's remuneration		9,850	11,680
Bank charges		1,102	1,315
Committee expenses			
- Marine committee	11.2	53,532	30,959
- Motor committee	11.3	193,806	114,353
- Insurance Fraud committee	11.4	309,186	256,268
- Insurance committee		6,590	5,775
- Talent and Communication committee	11.5	23,173	3,704
Computer accessories		150	-
Depreciation of plant and equipment	3	6,711	16,673
Electricity		-	2
Entertainment and refreshment		333	166
General expenses		13,800	11,280
GIA events and seminar expenses	11.6	14,000	2,400
ICCSC: Insurance Trust Index Survey	11.7	16,784	21,846
IT support		69,650	66,653
Legal and professional fees		45,130	47,000
Loss on disposal of plant and equipment		5,070	-
Meetings and seminars		10,947	2,825
Office facility membership fee		94,188	86,241
Office insurance expenses		20,649	12,722
Payroll services		9,830	10,680
Photocopier rental and printing expenses		-	282
Printing, stationery and postage		4,570	2,121
Public relations consultancy	11.8	87,690	106,248
Recruit agency fees		850	543
Sponsorships/Donations	11.9	10,000	22,500
Staff costs	11.10	1,293,971	1,202,088
Subscriptions/Membership fees	11.11	12,387	13,494
Tax service fee		2,500	1,702
Telecommunication		8,029	8,715
Transportation		947	630
Warehousing		7,109	7,512
		<u>2,588,117</u>	<u>2,348,135</u>

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**GENERAL INSURANCE ASSOCIATION OF SINGAPORE**  
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**STATEMENT OF CHANGES IN ACCUMULATED FUND**

**For the year ended 31 December 2023**

	Accumulated Fund S\$
Balance as at 01.01.2022	241,949
Net surplus and total comprehensive income for the year	<u>285,438</u>
Balance as at 31.12.2022/01.01.2023	527,387
Net surplus and total comprehensive income for the year	<u>358,440</u>
Balance as at 31.12.2023	<u>885,827</u>

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**GENERAL INSURANCE ASSOCIATION OF SINGAPORE**  
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**STATEMENT OF CASH FLOWS**  
**For the year ended 31 December 2023**

	2023 S\$	2022 S\$
<b>Cash flow from operating activities:-</b>		
Surplus before taxation	358,440	285,438
Adjustments for:-		
Depreciation of plant and equipment	6,711	16,673
Loss on disposal of plant and equipments	<u>5,070</u>	<u>-</u>
<b>Operating cash flows before changes of working capital</b>	<b>370,221</b>	<b>302,111</b>
Changes of working capital:-		
Decrease in trade and other receivables	10,590	42,124
Decrease in trade and other payables	<u>(35,017)</u>	<u>(97,035)</u>
<b>Net cash generated from operating activities</b>	<b><u>345,794</u></b>	<b><u>247,200</u></b>
<b>Cash flows from investing activity</b>		
Purchase of plant and equipment	<u>(3,771)</u>	<u>-</u>
<b>Net cash used in investing activity</b>	<b><u>(3,771)</u></b>	<b><u>-</u></b>
<b>Net increase in cash and cash equivalents</b>	<b>342,023</b>	<b>247,200</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b><u>804,586</u></b>	<b><u>557,386</u></b>
<b>Cash and cash equivalents at the end of the year</b>	<b><u>1,146,609</u></b>	<b><u>804,586</u></b>

The notes set out on pages 10 to 27 form an integral part of and should be read in conjunction with this set of financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

**1. GENERAL**

The General Insurance Association of Singapore (the “Association”) is registered under the Societies Act 1966. The registered office is located at 79 Robinson Road #07-01, Singapore 068897.

The principal activities of the Association relate to the protection, promotion, advancement and the doing of all things in furtherance of the common interests of members and the general insurance industry.

The financial statements of the Association for the year ended 31 December 2023 were authorised for issue in accordance with a resolution by the Management Committee on 5 March 2024.

The financial statements of the Association are presented in Singapore dollar (S\$ or SGD), which is the Association’s functional currency.

**2. MATERIAL ACCOUNTING POLICY INFORMATION**

**a) Basis of Preparation**

The financial statements of the Association have been drawn up in accordance with Financial Reporting Standards in Singapore (FRSs). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Association has adopted all the new and amended standards which are relevant to the Association and are effective for annual financial periods beginning on or after 1 January 2023.

The financial statements of the Association have been prepaid on the basis that it will continue to operating as a going concern.

**b) Significant Accounting Estimates and Judgements**

The preparation of the Association’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

The management is of the opinion that there are no significant judgments made in applying accounting estimates and policies that have a significant risk of causing a

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)**

**c) Plant and Equipment**

All items of plant and equipment are initially recorded at cost. Such cost includes the cost of replacing part of the plant and equipment. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably.

Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line method so as to write off the costs of the plant and equipment over their estimated useful lives as follows:-

Office equipment	3 - 5 years
Computers	3 - 5 years
Furniture and fittings	3 years
Renovation	3 years
Office premise	2 years

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful lives and depreciation method are reviewed at each financial year-end to ensure that amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of plant and equipment.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income and expenditure statement in the year the asset is derecognised.

**d) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash in hand and at bank which are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)**

**e) Financial Instruments**

**Financial Assets**

*Initial recognition and measurement*

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Association measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Association expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

*Subsequent measurement*

Debt instruments

Subsequent measurement of debt instruments depends on the Association's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, FVOCI and FVPL. The Association only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

*Derecognition*

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)**

**e) Financial Instruments (Continued)**

**Financial Liabilities**

*Initial recognition and measurement*

Financial liabilities are recognised when, and only when, the Association becomes a party to the contractual provisions of the financial instrument. The Association determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

*Subsequent measurement*

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

*Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

**f) Impairment of Financial Assets**

The Association recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Association expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)**

**f) Impairment of Financial Assets (Continued)**

For trade receivables, the Association applies a simplified approach in calculating ECLs. Therefore, the Association does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Association has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Association considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Association may also consider a financial asset to be in default when internal or external information indicates that the Association is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Association. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**g) Impairment of Non-Financial Assets**

The Association assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Association makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

**h) Contingencies**

A contingent liability is:-

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Association; or

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)**

**h) Contingencies (Continued)**

(b) a present obligation that arises from past events but is not recognised because:

- i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Association.

Contingent liabilities and assets are not recognised on the statement of financial position of the Association, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

**i) Provisions**

Provisions are recognised when the Association has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

**j) Income Recognition**

Income is measured based on the consideration to which the Association expects to be entitled in exchange for transferring promised goods or services to a customer.

Income is recognised when the Association satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of income recognised is the amount allocated to the satisfied performance obligation.

Revenue from accident reports and Bola are recognised when the goods or services are delivered to the customer and all criteria for acceptance have been satisfied.

Agents' registration fee is recognised when due.

Levy membership fee is recognised on call basis.



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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)**

**j) Income Recognition (Continued)**

The entrance fee is recognised when new member is admitted.

Interest income is recognised using the effective interest method.

**k) GIA Records Management Centre (GIARMC) Net Operating Income**

On 1 May 1999, a Market Agreement was entered into with members of the Association to operate the Non-Injury Motor Accident Reports Scheme.

In connection with the Scheme, the GIA Records Management Centre (the Centre) was established for the purpose of the archival and retrieval of records.

The Association has appointed Shift Technology Pte. Ltd. as the manager to provide the staff and facilities to the Centre for maintenance of the accounting records and operate a separate bank account for the operations of the Centre. The Association is liable for all losses incurred by the Centre and is responsible for bearing all expenses and liabilities incurred. Shift Technology Pte. Ltd. will charge the Association according to the monthly contracted rates for the services rendered.

**l) Taxes**

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)**

**l) Taxes (Continued)**

Deferred tax (Continued)

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:-

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

**m) Employee Benefits**

Defined Contribution Plan

As required by law, the Association makes contributions to the Central Provident Fund (CPF). CPF contributions are recognised compensation as expenses in the same period as the employment that gives rise to the contribution.

Employee Leave Entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made for the unconsumed leave as a result of services rendered by employees up to the end of the reporting period.

**n) Key Management Personnel**

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Association. The chief executive and managers are considered as key management personnel of the Association.

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)**

**o) Government Grants**

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant related to an expenses item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised to income in equal amounts over the expected useful lives of the related asset.

**3. PLANT AND EQUIPMENT**

	Office equipment S\$	Computers S\$	Furniture and fittings S\$	Total S\$
<b>Cost</b>				
At 01.01.2022	4,444	633,868	760	639,072
Write-off/Disposal	-	(530,833)	-	(530,833)
At 31.12.2022/01.01.2023	4,444	103,035	760	108,239
Addition	-	3,771	-	3,771
Write-off/Disposal	(1,998)	(52,283)	-	(54,281)
At 31.12.2023	2,446	54,523	760	57,729
<b>Accumulated Depreciation</b>				
At 01.01.2022	4,392	602,950	760	608,102
Depreciation	52	16,621	-	16,673
Write-off/Disposal	-	(530,833)	-	(530,833)
At 31.12.2022/01.01.2023	4,444	88,738	760	93,942
Depreciation	-	6,711	-	6,711
Write-off/Disposal	(1,998)	(47,213)	-	(49,211)
At 31.12.2023	2,446	48,236	760	51,442
<b>Carrying Amount</b>				
At 31.12.2023	-	6,287	-	6,287
At 31.12.2022	-	14,297	-	14,297

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**4. TRADE RECEIVABLES**

Trade receivables majority consist of amount due from members and customers. They are non-interest bearing and are generally on immediate to about 30 days (2022: 30 days) term. These receivables are unsecured and not past due at the end of the reporting period.

**5. OTHER RECEIVABLES**

	2023 S\$	2022 S\$
Grant receivable	-	1,500
Other receivable	-	128
	<u>-</u>	<u>1,628</u>

**6. ACCRUED OPERATING EXPENSES**

Staff costs	201,148	195,989
Professional fees	71,550	76,613
Other operating expenses	17,960	13,000
	<u>290,658</u>	<u>285,602</u>

**7. GIARMC NET OPERATING INCOME**

**Income**

Accident reports	1,089,889	951,493
Motor-Barometer of Liability Agreement (BOLA)	93,287	80,841
	<u>1,183,176</u>	<u>1,032,334</u>

**Less: Expenditure**

Auditors' remuneration		
- current	4,800	5,020
- over provision in prior years	(4,025)	-
Bank charges	1,662	874
Management fees*	500,000	500,003
Miscellaneous expenses	1,758	2,052
	<u>(504,195)</u>	<u>(507,949)</u>
Net operating income	<u>678,981</u>	<u>524,385</u>

The Management fees were charged by vendors for managing the day-to-day affairs of the Association, as disclosed in Note 2(k) to the financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**8. OTHER OPERATING INCOME**

	2023	2022
	S\$	S\$
Government grants		
- Wage credit scheme	2,214	11,003
- Childcare leave claims	-	1,500
Sponsorship income	5,484	1,505
Seminar income	2,800	1,620
	<u>10,498</u>	<u>15,628</u>

**9. TAXATION**

No provision for taxation had been made in view of unutilised losses and donation available to offsetting against future surplus.

The income tax expense on the results for the financial year varies from the amount of income tax determined by applying the Singapore standard rate of income tax to surplus before taxation due to the following factors:-

	2023	2022
	S\$	S\$
Surplus before taxation	<u>358,440</u>	<u>285,438</u>
Tax calculated at a tax rate of 17%	60,935	48,524
Expenses not deductible for tax purposes	3	-
Tax rebate and incentive	-	5,003
Unaborted donation not allowed to carry forward	9,270	(43,536)
Deferred tax assets at beginning of year	(257,972)	(267,963)
Deferred tax assets at end of year	<u>187,764</u>	<u>257,972</u>
	<u>-</u>	<u>-</u>

At the end of the reporting period, the Association has unutilised donation, capital allowance and loss of approximately S\$181,000, S\$518,000 and S\$182,000 (2022: S\$247,000, S\$898,000 and S\$182,000) respectively available for offsetting against its future taxable income subject to agreement with Comptroller of Income Tax and compliance with the relevant sections of the Income Tax Act. No deferred tax asset is recognised due to uncertainty of its recovery.

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**10.1. GIA SWING FOR GOLF CHARITY**

	2023 S\$	2022 S\$
Cash donation	-	5,500
Sponsorship	-	128,792
Donation/Sponsorship from GIA	-	15,000
	-	149,292
Less: Expenses incurred		
Golf tournament	-	49,248
Goodie bags and prizes	-	6,435
Collateral production	-	4,000
Event photography	-	1,800
Miscellaneous	-	373
	-	(61,856)
Net surplus	-	87,436
Less: Donation made to beneficiaries		
Care Corner Singapore Ltd	-	43,718
New Hope Community Services	-	43,718
	-	(87,436)
	-	-

**10.2. GIA STRIKE FOR HOPE 2023**

Cash donation	500	-
Sponsorship	121,900	-
Donation/Sponsorship from GIA	10,000	-
	132,400	-
Less: Expenses incurred		
Bowling tournament	12,519	-
Goodie bags and prizes	3,381	-
Collateral production	3,810	-
Event photography	650	-
Miscellaneous	40	-
	(20,400)	-
Net surplus	112,000	-
Less: Donation made to beneficiaries		
Society for the Aged Sick	56,000	-
Abilities Beyond Limitations and Expectations Limited	56,000	-
	(112,000)	-
	-	-

**GENERAL INSURANCE ASSOCIATION OF SINGAPORE**  
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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**11. EXPENDITURE**

	2023 S\$	2022 S\$
<u>11.1 ARCM-Hosting/maintenance services</u>		
Agents Registration and CPD Management (ARCM)		
System expenses consist of:-		
Agent/IT audit	71,658	70,329
Hosting services	-	39,333
Litigation monitoring services	10,925	10,836
System support	138,000	124,232
	<u>220,583</u>	<u>244,730</u>
<u>11.2 Marine Committee</u>		
Conference expenses	24,724	7,912
Transportation/Travelling	3,230	2,335
Membership fee	25,314	20,712
Miscellaneous	264	-
	<u>53,532</u>	<u>30,959</u>
<u>11.3 Motor Committee</u>		
Advertisement/Media	137,580	-
IT consultant	15,900	15,900
Miscellaneous	2,926	2,093
Research and Survey	-	58,900
Public Relations Consultancy	32,400	32,460
Sponsorship to Singapore Road Safety Council	5,000	5,000
	<u>193,806</u>	<u>114,353</u>
<u>11.4 Insurance Fraud Committee</u>		
Fraud management system - Motor	250,743	225,731
Fraud management system - Travel	58,443	30,537
	<u>309,186</u>	<u>256,268</u>
<u>11.5 Talent and Educations</u>		
Exhibition and booth rental	3,060	730
GIA Internship Programme	16,897	2,974
Miscellaneous	3,216	-
	<u>23,173</u>	<u>3,704</u>

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**11. EXPENDITURE (Continued)**

	2023 S\$	2022 S\$
<u>11.6 GIA Events and Seminar</u>		
Annual report	14,000	-
Website	-	2,400
	<u>14,000</u>	<u>2,400</u>
<u>11.7 ICCSC: Insurance Trust Index Survey</u>		
Professional fee	<u>16,784</u>	<u>21,846</u>
	<u>16,784</u>	<u>21,846</u>
<u>11.8 Public relations consultancy</u>		
PR consultancy	75,600	78,890
PR consultancy- consumer education	<u>12,090</u>	<u>27,358</u>
	<u>87,690</u>	<u>106,248</u>
<u>11.9 Sponsorships/Donations</u>		
Donation to:-		
New Hope Community Services	-	5,000
Sponsorship to:-		
GIA Strike for Hope	10,000	-
GIA Swing For Charity	-	15,000
CASE Fund Raising	<u>-</u>	<u>2,500</u>
	<u>10,000</u>	<u>22,500</u>
<u>11.10 Staff Costs</u>		
Key management's remuneration		
Salaries and other costs	573,861	560,385
Employer's contribution to CPF	<u>49,088</u>	<u>51,172</u>
	622,949	611,557
Staff salaries and other costs	<u>582,653</u>	<u>516,516</u>
Employer's contribution to CPF	<u>88,369</u>	<u>74,015</u>
	<u>671,022</u>	<u>590,531</u>
	<u>1,293,971</u>	<u>1,202,088</u>



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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**11. EXPENDITURE (Continued)**

	2023	2022
	S\$	S\$
<u>11.11 Subscriptions and Membership Fees</u>		
Asean Insurance Council (AIC)	6,610	6,800
Others	977	1,819
Subscription - CCWG	4,800	4,875
	<u>12,387</u>	<u>13,494</u>

**12. COMMITMENTS**

The Association had commitments relating on other expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:-

	2023	2022
	S\$	S\$
Expenditure commitments in respect of:-		
- IT related expenses	5,343,584	1,348,702
- Office facility membership fee	299,339	399,119
	<u>5,642,923</u>	<u>1,747,821</u>

**13. RELATED PARTIES TRANSACTION**

In addition to information disclosed elsewhere in these financial statements, the following significant related parties transactions took place during the financial year between the Association and related parties on terms agreed mutually: -

	2023	2022
	S\$	S\$
<u>Key Management Personnel</u>		
Key management's remuneration		
- Salaries and other costs	573,861	560,385
- Employer's contribution to CPF	49,088	51,172
	<u>622,949</u>	<u>611,557</u>
Number of key management personnel	<u>3</u>	<u>3</u>

The management committee members work group members are volunteers and none of them received any emoluments in respect of their services as committee members of the Association for both financial years.

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**14. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES**

The main risks arising from the Association's financial instruments are credit risk, interest rate risk, foreign currency risk and liquidity risk. The Association does not use derivative and other instruments in its risk management activities. The Association does not hold, use or issue derivative financial instruments for trading purposes. The Management reviews and agrees policies for managing each of these risks and these risks are summarised below:

**Foreign Currency Risk**

The Association's operational activities are carried out in Singapore dollar. All transactions are paid for in local currency. There is no exposure to any risk arising from movements in foreign currencies exchange rates as the Association has no transactions in foreign currency.

**Interest Rate Risk**

The Association's exposure to market risk for changes in interest rates relates primarily to the Association's bank balance. However, as at year end, the exposure is insignificant.

**Credit Risk**

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Association. The Association's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents), the Association minimises credit risk by dealing exclusively with high credit rating counterparties.

The Association has adopted a policy of only dealing with creditworthy counterparties. The Association performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Association considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Association has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 90 days.

The Association has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 90 days.

**Excessive risk concentration**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Association's performance to developments affecting a particular industry.

**Exposure to credit risk**

The Association has no significant concentration of credit risk.

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**14. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES**

**Liquidity Risk**

In the management of liquidity risk, the Association monitors and maintains a level of cash and bank balances deemed adequate by the Management Committee to finance the Association's operations and mitigate the effects of fluctuations in cash flows.

The maturity profile of the Association's financial assets is within 12 months from the end of the reporting period.

**15. FAIR VALUE**

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective fair values, determined in accordance with the accounting policies disclosed in Note 2 to the financial statements.

**16. FUND MANAGEMENT**

The Association manages its funds by monitoring current and expected liquidity requirements to meet short term cash flow as and when necessary and to fulfill its continuing services to the members. The Association is not subject to any externally imposed capital requirements. They have been no changes to the capital management approach during the financial year.

**17. CATEGORIES OF FINANCIAL INSTRUMENTS**

The following table sets out the financial instruments as at the end of the reporting period: -

	2023	2022
	S\$	S\$
<b>Financial assets</b>		
<u>At amortised costs:-</u>		
Trade receivables	75,495	74,932
Other receivables	-	1,628
Deposits	15,542	15,542
Cash and cash equivalents	1,146,609	804,586
	<u>1,237,646</u>	<u>896,688</u>
<b>Financial liabilities</b>		
<u>At amortised costs:-</u>		
Trade payables	64,777	128,023
Other payables	26,151	2,978
Accrued operating expenses	290,658	285,602
	<u>381,586</u>	<u>416,603</u>

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**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2023**

**18. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS**

Certain new accounting standards, amendments and interpretations to existing standards have been published that are mandatory for accounting periods beginning on or after 1 January 2024. The management does not expect that adoption of these accounting standards or interpretations will have a material impact on the financial statements.