

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

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2024

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

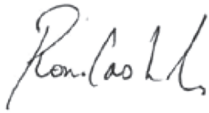
STATEMENT BY THE MANAGEMENT COMMITTEE

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 2024 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,



Ronak Akhil Shah
President



Andrew Yeo Seng Thean
Vice President

Singapore, 07 March 2025



**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 2024, 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 2024 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. But does not include the financial statements and our auditor's report thereon.

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, 7 March 2025

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 2024

	Note	2024 S\$	2023 S\$
ASSETS			
Non-current asset			
Plant and equipment	3	7,327	6,287
Current assets			
Trade receivables	4	252,298	75,495
Deposits		15,542	15,542
Prepayments		134,678	23,480
Cash and cash equivalents		1,524,632	1,146,609
Total current assets		<u>1,927,150</u>	<u>1,261,126</u>
Total assets		<u>1,934,477</u>	<u>1,267,413</u>
FUNDS AND LIABILITIES			
Fund			
Accumulated fund		1,195,936	885,827
Current liabilities			
Advances received	5	266,100	-
Trade payables		67,967	64,777
Other payables		24,414	26,151
Accrued operating expenses	6	380,060	290,658
Total current liabilities		<u>738,541</u>	<u>381,586</u>
Total fund and liabilities		<u>1,934,477</u>	<u>1,267,413</u>

The notes set out on pages 10 to 26 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 2024

	Note	2024 S\$	2023 S\$
Income			
Agents' registration fees		1,185,135	750,608
Levies on ordinary members		996,010	1,506,470
GIARMC net operating income	7	806,991	678,981
Other income	8	37,057	10,498
		<u>3,025,193</u>	<u>2,946,557</u>
Less: Expenditure (Page 7)		<u>(2,715,084)</u>	<u>(2,588,117)</u>
Surplus before taxation		310,109	358,440
Less: Taxation	9	<u>-</u>	<u>-</u>
Net surplus for the year		310,109	358,440
GIA corporate social responsibility events	10	<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>310,109</u>	<u>358,440</u>

The notes set out on pages 10 to 26 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

For the year ended 31 December 2024

	Note	2024 S\$	2023 S\$
Expenditure			
Accounting services fee		36,040	35,000
ARCM-hosting/maintenance service	11.1	230,828	220,583
Auditor's remuneration		10,150	9,850
Bank charges		516	1,102
Committee expenses			
- Construction and engineering committee		3,915	-
- Health committee		17	-
- Marine committee	11.2	21,999	53,532
- Motor committee	11.3	57,216	193,806
- Insurance fraud committee	11.4	324,900	309,186
- Insurance committee		-	6,590
- Talent and education	11.5	17,510	23,173
Computer accessories		-	150
Depreciation of plant and equipment	3	4,720	6,711
Entertainment and refreshment		343	333
General expenses		-	13,800
GIA events and seminar expenses		14,700	14,000
ICCSC: Insurance trust index survey		63,294	16,784
IT support		52,995	69,650
IUMI conference expenses	11.6	106,760	-
Legal and professional fees		78,034	45,130
Loss on disposal of plant and equipment		-	5,070
Meetings and seminars		32,744	10,947
Office facility membership fee		99,243	94,188
Office insurance expenses		20,608	20,649
Payroll services		9,670	9,830
Printing, stationery and postage		4,360	4,570
Public relations consultancy	11.7	76,050	87,690
Recruit agency fees		743	850
Sponsorships/donations	11.8	28,000	10,000
Staff costs	11.9	1,381,255	1,293,971
Subscriptions/membership fees		11,769	12,387
Tax service fee		5,000	2,500
Telecommunication		5,463	8,029
Transport and travel		8,668	947
Warehousing		7,574	7,109
		<u>2,715,084</u>	<u>2,588,117</u>

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GENERAL INSURANCE ASSOCIATION OF SINGAPORE
(UEN: S66SS0020G)

STATEMENT OF CHANGES IN ACCUMULATED FUND
For the year ended 31 December 2024

	Accumulated Fund S\$
Balance as at 01.01.2023	527,387
Net surplus and total comprehensive income for the year	<u>358,440</u>
Balance as at 31.12.2023/01.01.2024	885,827
Net surplus and total comprehensive income for the year	<u>310,109</u>
Balance as at 31.12.2024	<u>1,195,936</u>

The notes set out on pages 10 to 26 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 CASH FLOWS
For the year ended 31 December 2024

	2024 S\$	2023 S\$
Cash flow from operating activities:-		
Surplus before taxation	310,109	358,440
Adjustments for:-		
Interest income	(10,532)	-
Depreciation of plant and equipment	4,720	6,711
Loss on disposal of plant and equipments	-	5,070
Operating cash flows before changes of working capital	304,297	370,221
Changes of working capital:-		
Trade and other receivables	(288,001)	10,590
Trade and other payables	356,955	(35,017)
Net cash generated from operating activities	373,251	345,794
Cash flows from investing activities		
Purchase of plant and equipment	(5,760)	(3,771)
Interest income	10,532	-
Net cash generated from/(used in) investing activities	4,772	(3,771)
Net increase in cash and cash equivalents	378,023	342,023
Cash and cash equivalents at the beginning of the year	1,146,609	804,586
Cash and cash equivalents at the end of the year	1,524,632	1,146,609

The notes set out on pages 10 to 26 form an integral part of and should be read in conjunction with this set of financial statements.

GENERAL INSURANCE ASSOCIATION OF SINGAPORE
(UEN: S66SS0020G)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2024

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 88 Market Street #21-01 Singapore 048948.

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 2024 were authorised for issue in accordance with a resolution by the Management Committee on 7 March 2025.

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 2024.

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 material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2024

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) 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.

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

e) 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.

f) 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 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

f) 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.

g) 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).

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

g) 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.

h) 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.

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.

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

j) 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
- (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.

k) 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
The entrance fee is recognised when new member is admitted
Interest income is recognised using the effective interest method

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.

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

l) Taxes (Continued)

Current income tax (Continued)

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.

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.

GENERAL INSURANCE ASSOCIATION OF SINGAPORE
(UEN: S66SS0020G)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

m) Employee Benefits (Continued)

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.

3. PLANT AND EQUIPMENT

	Office equipment S\$	Computers S\$	Furniture and fittings S\$	Total S\$
Cost				
At 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 31.12.2023/01.01.2024	2,446	54,523	760	57,729
Addition	510	5,250	-	5,760
Write-off/Disposal	(1,900)	(9,846)	-	(11,746)
At 31.12.2024	1,056	49,927	760	51,743
Accumulated Depreciation				
At 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 31.12.2023/01.01.2024	2,446	48,236	760	51,442
Depreciation	14	4,706	-	4,720
Write-off/Disposal	(1,900)	(9,846)	-	(11,746)
At 31.12.2024	560	43,096	760	44,416
Carrying Amount				
At 31.12.2024	496	6,831	-	7,327
At 31.12.2023	-	6,287	-	6,287

GENERAL INSURANCE ASSOCIATION OF SINGAPORE
(UEN: S66SS0020G)

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2024

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 (2023: 30 days) term. These receivables are unsecured and not past due at the end of the reporting period.

5. ADVANCES RECEIVED

Advances received from sponsors for IUMI conference 2025.

6. ACCRUED OPERATING EXPENSES

	2024 S\$	2023 S\$
Staff costs	208,239	201,148
Professional fees	75,150	71,550
Other operating expenses	96,670	17,960
	<u>380,059</u>	<u>290,658</u>

7. GIARMC NET OPERATING INCOME

Income

Accident reports	1,254,885	1,089,889
Motor-Barometer of Liability Agreement (BOLA)	127,750	93,287
	<u>1,382,635</u>	<u>1,183,176</u>

Less: Expenditure

Auditors' remuneration		
- current	4,650	4,800
- over provision in prior years	-	(4,025)
Email and website hosting	1,289	-
Bank charges	4,276	1,662
Management fees*	563,039	500,000
Miscellaneous expenses	2,390	1,758
	<u>(575,644)</u>	<u>(504,195)</u>
Net operating income	<u>806,991</u>	<u>678,981</u>

The management fees were charged by a vendor for managing the Association's day-to-day affairs, as disclosed in Note 2(d) to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2024

8. OTHER INCOME

	2024	2023
	S\$	S\$
Government grants		
- TAC Leasdership development Course fee and fellowship Award	16,040	-
- Wage credit scheme	2,275	2,214
- Childcare leave claims	1,500	-
Interest income	10,532	-
Sponsorship income	3,906	5,484
Seminar income	2,804	2,800
	<u>37,057</u>	<u>10,498</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:-

	2024	2023
	S\$	S\$
Surplus before taxation	<u>310,109</u>	<u>358,440</u>
Tax calculated at a tax rate of 17%	52,719	60,935
Expenses not deductible for tax purposes	-	3
Unaborted donation not allowed to carry forward	-	9,270
Deferred tax assets at beginning of year	(187,764)	(257,972)
Deferred tax assets at end of year	<u>135,045</u>	<u>187,764</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 (2023: S\$181,000, S\$518,000 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 2024

10. GIA CORPORATE SOCIAL RESPONSIBILITY EVENTS

Events	GIA Captain for hope	GIA Strike for hope
	2024 S\$	2023 S\$
Cash donation	200	500
Sponsorship	119,100	121,900
Donation/Sponsorship from GIA	10,000	10,000
	<u>129,300</u>	<u>132,400</u>
Less: Expenses incurred		
Tournament/Event fees	11,165	12,519
Goodie bags and prizes	700	3,381
Collateral production	3,990	3,810
Event photography	-	650
Miscellaneous	1,021	40
	<u>(16,876)</u>	<u>(20,400)</u>
Net surplus	112,424	112,000
Less: Donation made to beneficiaries		
SUN-DAC	56,212	-
Handicaps Welfare Association	56,212	-
Society for the Aged Sick	-	56,000
Abilities Beyond Limitations and Expectations Limited	-	56,000
	<u>(112,424)</u>	<u>(112,000)</u>
	<u>-</u>	<u>-</u>

11. EXPENDITURE

	2024 S\$	2023 S\$
<u>11.1 ARCM-Hosting/maintenance services</u>		
Agents Registration and CPD Management (ARCM)		
System expenses consist of:-		
Agent/IT audit	81,500	71,658
Litigation monitoring services	11,252	10,925
System support	138,000	138,000
Miscellaneous	76	-
	<u>230,828</u>	<u>220,583</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2024

11. EXPENDITURE

	2024	2023
	S\$	S\$
<u>11.2 Marine Committee</u>		
Conference expenses	-	24,724
Transportation/Travelling	-	3,230
Membership fee	21,216	25,314
Miscellaneous	783	264
	<u>21,999</u>	<u>53,532</u>
<u>11.3 Motor Committee</u>		
Advertisement/Media	-	137,580
IT consultant	15,900	15,900
IT support	4,768	-
Miscellaneous	4,148	2,926
Public Relations Consultancy	32,400	32,400
Sponsorship to Singapore Road Safety Council	-	5,000
	<u>57,216</u>	<u>193,806</u>
<u>11.4 Insurance Fraud Committee</u>		
Fraud management system - Motor	240,000	250,743
Fraud management system - Travel	69,000	58,443
IT Consultant	15,900	-
	<u>324,900</u>	<u>309,186</u>
<u>11.5 Talent and Education</u>		
Exhibition and booth rental	-	3,060
Event and seminar	3,978	-
GIA Internship Programme	10,632	16,897
Miscellaneous	2,900	3,216
	<u>17,510</u>	<u>23,173</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2024

11. EXPENDITURE (Continued)

	2024 S\$	2023 S\$
<u>11.6 IUMI Conference</u>		
Seminar and event	83,424	-
Transport and travelling	22,828	-
Others	508	-
	<u>106,760</u>	<u>-</u>
<u>11.7 Public Relations Consultancy</u>		
PR consultancy	75,600	75,600
PR consultancy- consumer education	450	12,090
	<u>76,050</u>	<u>87,690</u>
<u>11.8 Sponsorships/Donations</u>		
Donation to:-		
Community Capability Trust	5,000	-
Singapore Road Safety Council	5,000	-
Sponsorship to:-		
GIA Strike for Hope	-	10,000
GIA Captain for Hope	10,000	-
CASE Fund Raising	8,000	-
	<u>28,000</u>	<u>10,000</u>
<u>11.9 Staff Costs</u>		
Key management's remuneration		
Salaries and other costs	615,182	573,861
Employer's contribution to CPF	51,980	49,088
	<u>667,162</u>	<u>622,949</u>
Staff salaries and other costs	621,900	582,653
Employer's contribution to CPF	92,193	88,369
	<u>714,093</u>	<u>671,022</u>
	<u>1,381,255</u>	<u>1,293,971</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2024

12. COMMITMENTS

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

	2024	2023
	S\$	S\$
Expenditure commitments in respect of:-		
- IT related expenses	4,330,584	5,343,584
- Office facility membership fee	182,619	299,339
- IUMI Conference 2025	466,488	-
	<u>4,979,691</u>	<u>5,642,923</u>

13. RELATED PARTIES TRANSACTIONS

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: -

	2024	2023
	S\$	S\$
<u>Key Management Personnel</u>		
Key management's remuneration		
- Salaries and other costs	615,182	573,861
- Employer's contribution to CPF	51,980	49,088
	<u>667,162</u>	<u>622,949</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.

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2024

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:

Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Association. In managing credit risk exposure, credit review and approval processes as well as monitoring mechanisms are applied.

The Association 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 2024

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: -

	2024	2023
	S\$	S\$
Financial assets		
<u>At amortised costs:-</u>		
Trade receivables	252,298	75,495
Deposits	15,542	15,542
Cash and cash equivalents	1,524,632	1,146,609
	<u>1,792,472</u>	<u>1,237,646</u>
Financial liabilities		
<u>At amortised costs:-</u>		
Advance received	266,100	-
Trade and other payables	92,381	90,928
Accrued operating expenses	380,060	290,658
	<u>472,441</u>	<u>381,586</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2024

18. NEW OR AMENDED 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 2025. The management does not expect that adoption of these accounting standards or interpretations will have a material impact on the financial statements.