Grant Thornton

Financial Statements

Association of Insurance and Financial Brokers T/A Brokers Ireland

For the financial year ended 31 December 2018

Registered number: 184744

Company Information

Directors	Aidan McLoughlin Cathal Lowe Paul Carty Linda Gallagher Noel Sweetman (resigned 24 May 2018) Duncan Duke Liam Francis Carberry Rodney Croly Ciaran Blackall Roisin Clarke
Company secretary	Ann Marie James
Registered number	184744
Registered office	87 Merrion Square Dublin 2
Independent auditor	Grant Thornton Chartered Accountants & Statutory Audit Firm 13-18 City Quay Dublin 2
Bankers	Allied Irish Banks plc 1 Lower Baggot Street Dublin 2
Solicitors	Smyth Solicitors Alexandra House Ballsbridge Park Ballsbridge Dublin 4

Contents

Directors' report
For the financial year ended 31 December 2018

The directors present their annual report and the audited financial statements for the financial year ended 31 December 2018.

Change of name

The Company changed its name to Association of Insurance and Financial Brokers CLG from Irish Brokers Association CLG (the 'Company') with effect from 18 May 2017.

Principal activities

The Company protects and promotes the broker channel and supports our members with regulation, compliance, education and representation.

On the 23 May 2017 the Company signed a merger agreement with Professional Insurance Brokers Association CLG ("PIBA"). The completion date of the merger was 3 October 2017. The directors and members anticipate that the enlarged entity will bring a single focus to serve brokers, customers and businesses.

Results and dividends

The profit for the financial year, after taxation, amounted to €368,420 (2017 - €196,795).

Directors

The directors who served during the financial year were:

Aidan McLoughlin
Cathal Lowe
Paul Carty
Linda Gallagher
Noel Sweetman (resigned 24 May 2018)
Duncan Duke
Liam Francis Carberry
Rodney Croly
Ciaran Blackall
Roisin Clarke

Principal risks and uncertainties

The key business risks affecting the association are considered to be:

-the ability of members to pay subscriptions fees as they fall due. To mitigate against this risk the association allows its members to pay their subscriptions in installments by direct debit. Outstanding subscriptions are actively followed up.

-the continuation of receipt of sponsorship money from member companies. To mitigate against this risk the association contacts companies requesting sponsorship money and support of the association. Payment of the sponsorship money is not an obligation of membership; however the directors consider that these companies will continue to support the association.

Directors' report (continued)
For the financial year ended 31 December 2018

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The Company's accounting records are maintained at the Company's registered office at 87 Merrion Square, Dublin 2.

Events since year end and future developments

There have been no significant events affecting the Company since the year end and the directors do not envisage any substantial changes to the nature of the business for the foreseeable future.

Statement on relevant audit information

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton, continues in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board and signed on its behalf.

Director　　　　　　　　　　　　Director

Date: 05/03/2019

Directors' responsibilities statement

For the financial year ended 31 December 2018

The directors are responsible for preparing the Directors' report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board

Director

Date: 05/03/2019

Director

Grant Thornton

Independent auditor's report to the members of Association of Insurance and Financial Brokers T/A Brokers Ireland

Opinion

We have audited the financial statements of Association of Insurance and Financial Brokers T/A Brokers Ireland, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity for the financial year ended 31 December 2018, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (Generally Accepted Accounting Practice in Ireland).

In our opinion, Association of Insurance and Financial Brokers T/A Brokers Ireland's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the Company as at 31 December 2018 and of its financial performance for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the 'responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Grant Thornton

Independent auditor's report to the members of Association of Insurance and Financial Brokers T/A Brokers Ireland (continued)

Other information

Other information comprises information included in the Annual Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, 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 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 we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' report has been prepared in accordance with the requirements of the Companies Act 2014.

Matters on which we are required to report by exception

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

Under the Companies Act 2014, we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

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Independent auditor's report to the members of Association of Insurance and Financial Brokers T/A Brokers Ireland (continued)

Responsibilities of the management and those charged with governance for the financial statements

As explained more fully in the directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS102, and for such internal control as they determine 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 Company'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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Responsibilities of the auditor for the audit of the financial statements

The auditor's 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 of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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 ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. They will 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 of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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Independent auditor's report to the members of Association of Insurance and Financial Brokers T/A Brokers Ireland (continued)

Responsibilities of the auditor 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 Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company 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 a true and fair view.

The Auditor shall 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 may be identified during the audit.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton

for and on behalf of
Grant Thornton
Chartered Accountants
Statutory Audit Firm
13-18 City Quay
Dublin 2
Date: 5/03/2019

Statement of comprehensive income
For the financial year ended 31 December 2018

	Note	2018 €	2017 €
Revenue		**2,727,791**	1,457,204
Administrative expenses		**(2,501,143)**	(2,191,550)
Amortisation of negative goodwill arising on merger		-	947,240
Realised loss on disposal of fixed asset		**(69,898)**	-
Operating profit	4	**156,750**	212,894
Unrealised surplus on revaluation of tangible fixed assets		**286,254**	-
Unrealised loss on financial assets		**(15,802)**	-
Profit before interest and tax		**427,202**	212,894
Dividend income		**50,000**	-
Interest receivable and similar income	6	-	1,180
Interest payable and expenses	7	**(16,245)**	(16,235)
Profit before tax		**460,957**	197,839
Tax on profit	8	**1,927**	(1,044)
Movement of deferred tax relating to revaluation surplus	8	**(94,464)**	-
Profit for the financial year		**368,420**	196,795

All amounts relate to continuing operations.

There was no other comprehensive income for 2018 (2017: €NIL).

The notes on pages 11 to 22 form part of these financial statements.

Statement of financial position

As at 31 December 2018

	Note		2018 €		2017 €
Fixed assets					
Tangible fixed assets	9		2,172,377		1,953,779
Financial assets	10		187,034		152,836
			2,359,411		2,106,615
Current assets					
Debtors: amounts falling due within one year	11	198,844		188,622	
Cash at bank and in hand	12	546,718		1,134,680	
		745,562		1,323,302	
Creditors: amounts falling due within one year	13	(221,451)		(945,946)	
Net current assets			524,111		377,356
Total assets less current liabilities			2,883,522		2,483,971
Creditors: amounts falling due after more than one year	14		(664,802)		(728,135)
Provisions for liabilities					
Deferred tax	15	(225,187)		(130,723)	
			(225,187)		(130,723)
Net assets			1,993,533		1,625,113
Capital and reserves					
Income and expenditure account			1,993,533		1,625,113
Shareholders' funds			1,993,533		1,625,113

The financial statements were approved and authorised for issue by the board:

Director Director

Date: 05/03/2019

The notes on pages 11 to 22 form part of these financial statements.

Statement of changes in equity
For the financial year ended 31 December 2018

	Income and expenditure account	Shareholders funds
	€	€
At 1 January 2018	1,625,113	1,625,113
Comprehensive income for the financial year		
Surplus for the year	368,420	368,420
At 31 December 2018	1,993,533	1,993,533

Statement of changes in equity
For the financial year ended 31 December 2017

	Income and expenditure account	Shareholders funds
	€	€
At 1 January 2017	1,428,318	1,428,318
Comprehensive income for the year		
Surplus for the year	196,795	196,795
At 31 December 2017	1,625,113	1,625,113

The notes on pages 11 to 22 form part of these financial statements.

Notes to the financial statements

For the financial year ended 31 December 2018

1. Accounting policies

1.1 Company information

The Company is an entity limited by guarantee and incorporated in the Republic of Ireland. Its registered address is 87 Merrion Square, Dublin 2.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The Company's functional and presentational currency is Euros (€).

The following principal accounting policies have been applied:

1.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Ordinary subscription revenue is recognised on a cash receipts basis while all other revenue is recognised on an accruals basis.

1.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Notes to the financial statements

For the financial year ended 31 December 2018

1. Accounting policies (continued)

1.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis. There is a full year's depreciation charged in the year of acquisition and none in the year of disposal.

Depreciation is provided on the following basis:

Motor vehicles	-	33% Reducing balance basis
Fixtures and fittings	-	10% Reducing balance basis
Computer equipment	-	25% Reducing balance basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

1.5 Business combination

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Company in exchange for control of the acquiree plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the Company's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill. If the net fair value of the identifiable assets and liabilities exceeds the cost of the business combination the excess is recognised separately on the face of the Statement of financial position.

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Transfers of assets and liabilities to another acquiring group entity are treated as a continuation of the business previously carried out by the purchased entity in the acquiring entity's books and records.

1.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

Notes to the financial statements
For the financial year ended 31 December 2018

1. Accounting policies (continued)

1.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

1.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.10 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

Notes to the financial statements
For the financial year ended 31 December 2018

1. Accounting policies (continued)

1.10 Financial instruments (continued)

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.12 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.13 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

1.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

Notes to the financial statements

For the financial year ended 31 December 2018

1. Accounting policies (continued)

1.15 Current and deferred taxation

The tax expense for the financial year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

1.16 Group accounts

The Company is exempt from the requirement to prepare consolidated financial statements by virtue of section 297 Companies Act 2014. Consequently, these financial statements deal with the results of the Company as a single entity.

1.17 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

1.18 Financial broker

Income earned from Financial Broker is restricted for expenditure on specific Financial Broker projects. Any surpluses arising during the year are maintained in a designated bank account for Financial Broker activities only.

Notes to the financial statements
For the financial year ended 31 December 2018

2. Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether there are indicators of impairment of the Company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset. The most significant fixed asset is the freehold property. The directors have engaged the services of a professional valuer to fair value the property at 11 July 2018. The directors have estimated that this valuation reflects the market value also at 31 December 2018.

-Tangible fixed assets, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- Determine whether appropriate provisions for bad and doubtful debts have been made.

3. Business combination

On the 23 May 2017 the Company signed a merger agreement with Professional Insurance Brokers Association CLG ("PIBA"). The completion date of the merger was 3 October 2017.

The following net assets were acquired at fair value without any consideration. This resulted in negative goodwill arising in the sum of €947,240.

	2018 €	2017 €
Asset and liabilities at fair value		
Fixed assets	-	4,536
Investments	-	152,833
Debtors	-	17,470
Cash at bank	-	1,106,347
Total assets	-	1,281,186
Creditors due within one year	-	(333,946)
Total liabilities	-	(333,946)
Fair value of net assets	-	947,240
Fair value of net assets	-	947,240

The negative goodwill has been recognised in the income statement in the prior year as the benefits of the assets acquired were immediate.

Notes to the financial statements

For the financial year ended 31 December 2018

4. Profit on ordinary activities before taxation

The operating profit is stated after charging:

	2018	2017
	€	€
Depreciation of tangible fixed assets	11,022	11,828
Defined contribution pension cost	73,013	53,280

5. Employees

The average monthly number of employees during the financial year was as follows:

	2018	2017
	No.	No.
Senior management	3	3
Compliance	5	3
Finance	3	2
Administration	2	1
	13	9

6. Interest receivable

	2018	2017
	€	€
Other interest receivable	-	1,180

7. Interest payable and similar expenses

	2018	2017
	€	€
Loans from group undertakings	16,245	16,235

Notes to the financial statements

For the financial year ended 31 December 2018

8. Taxation

	2018 €	2017 €
Corporation tax		
Current tax on surplus for the year	(1,927)	1,044
Total current tax	(1,927)	1,044
Deferred tax		
Origination and reversal of timing differences	94,464	-
Total deferred tax	94,464	-
Taxation on profit on ordinary activities	92,537	1,044

Factors affecting tax charge for the financial year

The tax assessed for the financial year is higher than (2017 - lower than) the standard rate of corporation tax in Ireland of 12.5% (2017 - 12.5%). The differences are explained below:

	2018 €	2017 €
Profit on ordinary activities before tax	460,957	197,839
Profit on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.5% (2017 - 12.5%)	57,620	24,730
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	-	3,978
Income taxed at 25%	250	-
Under/(over) provision in prior years	(2,427)	-
Capital allowances for financial year in excess of depreciation	-	(859)
Non-taxable income	(57,188)	(50,575)
Unrelieved tax losses carried forward	-	23,770
Deferred tax	94,282	-
Total tax charge for the financial year	92,537	1,044

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Notes to the financial statements

For the financial year ended 31 December 2018

9. Tangible fixed assets

	Freehold property €	Motor vehicles €	Fixtures and fittings €	Office equipment €	Total €
Cost or valuation					
At 1 January 2018	1,863,746	4,536	215,154	172,402	2,255,838
Additions	-	33,399	-	-	33,399
Disposals	-	(4,536)	(215,154)	(172,402)	(392,092)
Revaluations	286,254	-	-	-	286,254
At 31 December 2018	2,150,000	33,399	-	-	2,183,399
Depreciation					
At 1 January 2018	-	378	138,294	163,387	302,059
Charge for the financial year on owned assets	-	11,022	-	-	11,022
Disposals	-	(378)	(138,294)	(163,387)	(302,059)
At 31 December 2018	-	11,022	-	-	11,022
Net book value					
At 31 December 2018	2,150,000	22,377	-	-	2,172,377
At 31 December 2017	1,863,746	4,158	76,860	9,015	1,953,779

The freehold property was valued by an independent valuer with a recognised and relevant professional qualification, Elliott & Fitzgerald, Chartered Valuations Surveyors, Property and Rating Consultants, on the basis of open market value at 11 July 2018. The directors have estimated that this valuation reflects the market value also at 31 December 2018.

Notes to the financial statements
For the financial year ended 31 December 2018

10. Financial assets

	Investments in subsidiary companies €	Other financial assets €	Total €
Cost or valuation			
At 1 January 2018	5	152,831	152,836
Reclassification	-	50,000	50,000
Unrealised loss	-	(15,802)	(15,802)
At 31 December 2018	5	187,029	187,034
Net book value			
At 31 December 2018	5	187,029	187,034
At 31 December 2017	5	152,831	152,836

11. Debtors

	2018 €	2017 €
Trade debtors	198,844	185,559
Prepayments	-	3,063
	198,844	188,622

12. Cash and cash equivalents

	2018 €	2017 €
Cash at bank and in hand	546,718	1,134,680

Included in cash at bank is an amount of €164,454 (2017: €251,082) designated for Financial Broker projects.

Notes to the financial statements
For the financial year ended 31 December 2018

13. Creditors: Amounts falling due within one year

	2018 €	2017 €
Trade creditors	12,827	108,672
Amounts owed to connected party	63,333	63,333
Corporation tax	500	1,593
Taxation and social insurance	6,611	47,373
Other creditors	19,000	39,132
Accruals	33,528	412,777
Deferred income	85,652	273,066
	221,451	945,946

14. Creditors: Amounts falling due after more than one year

	2018 €	2017 €
Amounts owed to connected party	664,802	728,135

15. Deferred taxation

	2018 €	2017 €
At beginning of year	(130,723)	(130,723)
Charged to statement of comprehensive income	(94,464)	-
At end of year	(225,187)	(130,723)

The provision for deferred taxation is made up as follows:

	2018 €	2017 €
On revaluation surplus	(225,187)	(130,723)
	(225,187)	(130,723)

Notes to the financial statements

For the financial year ended 31 December 2018

16. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to €73,013 (2017 - €53,280). No pension accrual arose at the reporting date.

17. Related party transactions

During the year ended 31 December 2015 the Company purchased a property from Irish Brokers Association Compensation Fund for a total sum of €950,000. At 31 December 2018 €728,135 (2017: €791,468) is owed to Irish Brokers Association Compensation Fund Limited in respect of this purchase.

Association of Insurance and Financial Brokers CLG and Irish Brokers Association Compensation Fund are related as Association of Insurance and Financial Brokers CLG has ultimate control of Irish Brokers Association Compensation Fund. Irish Brokers Compensation Fund Limited, a subsidiary of the Company is a corporate trustee of Irish Brokers Association Compensation Fund.

Key management personnel
All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Company are considered to be key management personnel. Total remuneration in respect of these individuals is €481,800 (2017: €548,902).

18. Post balance sheet event

There have been no significant events affecting the Company since the year.

19. Approval of financial statements

The board of directors approved these financial statements for issue on

Registered number: 184744

Association of Insurance and Financial Brokers T/A Brokers Ireland

Management information (unaudited)

For the financial year ended 31 December 2018

Association of Insurance and Financial Brokers T/A Brokers Ireland
(A company limited by guarantee)

Detailed profit and loss account

For the financial year ended 31 December 2018

	Note	2018 €	2017 €
Turnover		2,727,791	1,457,204
Amortisation of negative goodwill arising on merger		-	947,240
Less: overheads			
Administration expenses		(2,501,143)	(2,191,550)
Operating profit		226,648	212,894
Realised gain on disposal of fixed asset		(69,898)	-
Unrealised surplus on revaluation of tangible fixed assets		286,254	-
Unrealised loss on financial assets		(15,802)	-
Interest receivable		-	1,180
Interest payable		(16,245)	(16,235)
Investment income		50,000	-
Tax on profit on ordinary activities		(92,537)	(1,044)
Profit for the financial year		368,420	196,795

Schedule to the detailed accounts

For the financial year ended 31 December 2018

	2018 €	2017 €
Turnover		
Financial Broker Income	**284,228**	-
Rent receivable	**2,000**	4,375
Fees receivable	**2,295,443**	1,363,316
Other income	**146,120**	89,513
	2,727,791	1,457,204

Association of Insurance and Financial Brokers T/A Brokers Ireland
(A company limited by guarantee)

Schedule to the detailed accounts

For the financial year ended 31 December 2018

	2018 €	2017 €
Administration expenses		
Staff salaries	860,151	1,011,326
Employers PRSI	89,763	69,968
Staff pension costs - defined contribution schemes	73,013	53,280
Staff training	22,111	6,808
Entertainment	11,044	16,679
Consultancy	42,210	46,000
Printing and stationery	23,267	22,466
Postage	1,474	400
Telephone and fax	14,410	10,469
General office expenses	15,006	7,370
Financial broker	364,789	50,711
Trade subscriptions	36,406	52,552
Legal and professional	136,411	19,125
Auditors' remuneration	21,029	18,507
Bank charges	7,486	4,931
Sundry expenses	1,712	572
Rent and rates	10,645	10,645
Light and heat	8,320	12,289
Cleaning	12,825	9,805
Insurances	36,410	14,860
Repairs and maintenance	22,909	29,421
Depreciation - motor vehicles	11,022	378
Depreciation - office equipment	-	3,005
Depreciation - other fixed assets	-	8,445
I.T. maintenance costs	46,513	80,661
Motor and travelling expenses	39,703	46,998
Photocopies leasing	4,553	4,326
Events and meetings	353,409	280,623
Board expenses	15,446	10,518
Educational fees and outlay	5,010	12,007
Marketing costs	55,201	126,872
Consultancy general	158,895	147,215
Website support	-	418
Education costs	-	1,900
	2,501,143	2,191,550