Annual Report 2023

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NOTICE OF ANNUAL MEETING

NOTICE IS HEREBY GIVEN that the FORTY-THIRD ANNUAL MEETING OF THE SHAREHOLDERS OF ASSURIA LIFE (T&T) LTD. ("the Company") will be held on Wednesday 16th April, 2025 at 9 a.m. at Assuria Life (T&T) Ltd., 49 Dundonald Street, Port of Spain.

ORDINARY BUSINESS

- To adopt the minutes of the 42nd Annual General Meeting held on September 15, 2023.
- To receive and consider the Audited Financial Statements of the Company for the financial year ended December 31, 2023 together with the reports of the Directors and the Auditors thereon.
- To re-elect Directors.
- To reappoint the retiring Auditors, BDO for the ensuing year and to authorize the directors to fix their remuneration.
- To transact any other ordinary business of the Company.

Dated March 25, 2025

BY ORDER OF THE BOARD

Sonya Alexander

Corporate Secretary

Registered Office

49 Dundonald Street

Port of Spain

Trinidad, W.I.

ANNUAL MEETING- AGENDA

1. Opening Remarks
2. Welcome and Call to Order
3. Announcements
4. Adoption and Confirmation of Minutes of the 41st Annual General Meeting
5. Matters Arising from the Minutes
6. Receipt and Consideration of the Audited Financial Statements for the Financial year ended December 31, 2023.
7. Re- Election of Directors
8. Election of Managing Director to Board of Directors
9. Re-appointment of Auditors
10. Other Business
11. Vote of Thanks and Close of Meeting

Sonya Alexander

Corporate Secretary

March 25th 2025

CORPORATE INFORMATION

CHAIRMAN

Mario Merhai, MSc., AAG

DIRECTORS

Stephen Smit, MSc.

D.R. Parbhudayal, MSc., AAG

Angela Lee Loy FCCA, CA

Martin Jim, FCCA, CA

Gerry R.K.T. Liauw Kie Fa, MSc, CA, RA, CIA, CISA

Jason Clarke, BSc

MANAGING DIRECTOR

Jason Clarke, BSc.

MANAGER, FINANCE

Denise Voisin- John, ACCA

COPORATE SECRETARY

Sonya Alexander

REGISTERED OFFICE

49 Dundonald Street, Port of Spain

BRANCHES

Unit 9, E-Teck Mall, Sangster Hill, Tobago

Mid Centre Mall, Chaguanas

Xtra Foods Plaza, O'Meara Road, Arima

11 Independence Avenue, San Fernando

AUDITORS

BDO

122-124 Frederick Street, Port of Spain

BANKERS

RBC Royal Bank Limited

55 Independence Square, Port of Spain

Republic Bank Limited

72 Independence Square, Port of Spain

ATTORNEYS-AT-LAW

J.D. Sellier & Co

129-131 Abercromby Street, Port of Spain

Business Pillars

MISSION

To deliver an innovative and best-in-class customer experience with care, through a wide array of solutions. We are a trustworthy partner and respect the interests and aspirations of our stakeholders and community. We aim to provide an opportunity for growth and development of our employees and a fair return for shareholders.

CORE Values

CARE
INTEGRITY
CUSTOMER FOCUS
EXPERTISE
INNOVATION

VISION

To be a people focused Caribbean financial institution of choice, offering trustworthy, innovative and easily accessible insurance solutions to protect what YOU value, built on a solid and secure base.

CHAIRMAN'S REPORT

For the year ended December 31st, 2023

I am pleased to present the Chairman's Report, Actuarial Certification and the Audited Financial Statements of Assuria Life (T&T) Ltd (the "Company") for the financial year ended 31st December 2023.

Overview of Performance

In 2023, Assuria Life (T&T) Ltd. achieved a creditable performance despite the complexities brought about by new regulatory standards. The adoption of IFRS 17 this year presented challenges, as it required substantial changes in the accounting of insurance contracts which delayed our financial reporting for 2023. Nevertheless, our team has navigated this transition, contributing to a Total Comprehensive Income of $1.0 million for the year ended 31st December 2023.

Strategic and Operational Developments

The Company continued its focus on strategic reorganization in 2023, guided by our Group's Vision, Mission, and Core Values. This restructuring effort has allowed us to optimize resources, drive operational efficiencies, and foster greater consistency across our operations. These improvements strengthen our position in a competitive market and enable us to serve our customers with enhanced reliability and value.

Dividend Proposal

At this time, the Board does not propose any dividend distribution.

Appointments

In accordance with Section 3.05.1 of the Byelaws, the Directors hold office until the conclusion of the Annual General Meeting. We recommend to the Shareholders that all current Directors be reappointed until the next Annual General Meeting to ensure continuity in our strategic direction. We also recommend the appointment of Mr. Ryan Toby as Managing Director until the next Annual General Meeting.

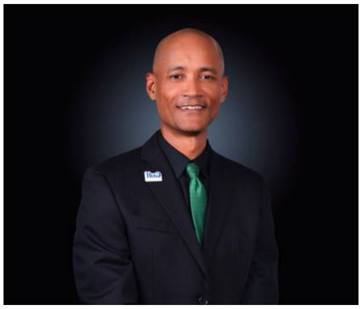
Acknowledgments

On behalf of the Board of Directors, I would like to extend our sincere appreciation to our valued customers, who continue to place their trust in our Company. We also express our gratitude to our dedicated employees, managers, and agents for their commitment, which has been instrumental to our success in a year marked by substantial change. We look forward to continuing this journey together, as we work to make Assuria Life (T&T) Ltd. the preferred financial institution for people-focused service.

Mario Merhai
Chairman

MANAGING DIRECTOR'S REPORT

For the year ended December 31st, 2023



The Company delivered a net profit of $3.4M for the financial year ending December 31, 2023, driven by the dedication of our employees, management, and the Board, even as we overcame the challenges experienced in implementing IFRS 17. This new accounting standard introduced significant changes in how we assess and report insurance contracts, requiring extensive adaptation and commitment across our team. Despite the complexities of this shift, our team's strategic focus enabled a positive performance for the year.

Financial Highlights

For the financial year ended December 31, 2023, Assuria Life (T&T) Ltd. recorded a Net Profit Attributable to Equity Holders of TT$3.4 million, compared to TT$7.6 million in 2022, the reduction in part driven by adjustments to the net finance expense from insurance contracts to reflect changes in interest rates. Total Comprehensive Income was TT$1.0 million compared to TT$3.2 million in the previous year.

Our investment portfolio delivered solid returns, in the face of a challenging market environment. We continue to focus on operational efficiency and cost control, and these activities have supported our overall profitability. These results underscore the strength of our strategic initiatives and the commitment of our team to driving value for all stakeholders.

Our Team

Our team has adapted to the demands of IFRS 17, showing flexibility and a commitment to excellence. This adaptability has enabled us to stay focused on supporting the needs of our customers during this transition. I extend my thanks to our employees for their dedication to our customers and their steadfast commitment to the Company's goals.

The Future

In alignment with the Group's Strategic Plan, we continued to maintain strong collaborative ties with Gulf Insurance Limited, reinforcing synergies that benefit both the Company and the Group. As we look forward, we remain optimistic about our growth potential and our ability to navigate an increasingly dynamic environment.

On behalf of the Board of Directors, I extend our heartfelt gratitude to our policyholders, shareholders, employees, and partners. Your trust and support are invaluable as we pursue our goal of delivering excellence and innovation in the years ahead.

Jason Clarke
Managing Director

OPINION OF THE APPOINTED ACTUARY

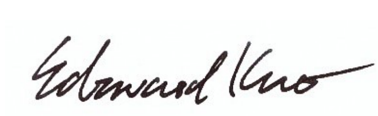
I certify that:

a) I am a member in good standing with my governing actuarial body, Caribbean Actuarial Association, and comply with its Codes of Conduct

b) I meet the qualification standards of the Central Bank of Trinidad and Tobago to make a valuation of the policy liabilities and other actuarial liabilities of Assuria Life (T&T) Limited; and

c) The valuation of policy liabilities and other actuarial liabilities of Assuria Life (T&T) Limited was conducted in accordance with the Insurance Act, 2018, International Financial Reporting Standards, standards of actuarial practice, guidelines, and Instructions issued by the Central Bank of Trinidad and Tobago.

In my opinion the amount of the policy liabilities and other actuarial liabilities of Assuria Life (T&T) Limited reported in its financial statements prepared in accordance with International Financial Reporting Standards for the year ended December 31, 2023 is appropriate for this purpose and the annual returns present fairly the policy liabilities and other actuarial liabilities of Assuria Life (T&T) Limited.



October 25, 2024

Edward Kuo, FSA
Ordinary Member, Caribbean Actuarial Association

Date

Assuria Life (T&T) Ltd.

Statement of Management's Responsibilities
For the year ended December 31, 2023
(Expressed in Trinidad and Tobago Dollars)

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of Assuria Life (T&T) Ltd. (the "Company") which comprise the statement of financial position as at December 31, 2023, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of material accounting policies and other explanatory information;
- Ensuring that the Company keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures the security of the Company's assets, detection/prevention of fraud, and the achievement of Company operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these financial statements, management utilised the IFRS Accounting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where IFRS Accounting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Company will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.

Country Manager	Finance Manager
March 11, 2025	March 11, 2025

Tel: +1 (868) 625 8662
Fax: +1 (868) 627 6515
www.bdo.tt

2nd Floor CIC Building
122-124 Frederick Street
Port of Spain, 100825
Trinidad and Tobago

Independent Auditor's Report

To the Shareholders
Assuria Life (T&T) Ltd.

Opinion

We have audited the financial statements of Assuria Life (T&T) Ltd. (the "Company"), which comprise the statement of financial position as at December 31, 2023, and the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). 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 Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("IESBA Code") and we have fulfilled our ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, 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 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 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.

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 of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

Independent Auditor's Report (continued)

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

As part of an audit in accordance with ISAs, we exercise professional judgment 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 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 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 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.

BDO

March 12, 2025

Port of Spain
Trinidad and Tobago

Assuria Life (T&T) Ltd.

Statement of Financial Position
As at December 31, 2023
(Expressed in Trinidad and Tobago Dollars)

	Notes	2023	2022 (Restated)	2021 (Restated)
Assets				
Non-current assets				
Property, plant and equipment	3	36,812,099	35,902,659	35,049,874
Investment property	4	2,199,900	2,199,900	2,199,900
Investments	5	155,765,400	160,042,741	124,271,004
Retirement benefit asset	6	17,425,500	19,086,200	22,860,200
Loans receivable		-	-	1,802,894
Total non-current assets		**212,202,899**	**217,231,500**	**186,183,872**
Current assets				
Investments	5	28,668,891	28,661,654	48,930,687
Taxation recoverable		55,987	55,987	104,383
Loans receivable		-	-	577,755
Trade and other receivables	7	1,797,221	2,140,886	2,372,844
Cash and cash equivalents		22,227,851	16,736,991	25,735,654
Total current assets		**52,749,950**	**47,595,518**	**77,721,323**
Total assets		**$264,952,849**	**$264,827,018**	**$263,905,195**
Equity and liabilities				
Equity				
Share capital	8	57,401,357	57,401,357	57,401,357
Preference shares	9	3,250,000	3,250,000	3,250,000
Revaluation reserve		9,504,663	9,029,486	8,554,308
Accumulated deficit		(32,928,825)	(33,894,633)	(37,093,711)
Total equity		**37,227,195**	**35,786,210**	**32,111,954**
Liabilities				
Non-current liabilities				
Insurance contracts liabilities	10.1	194,725,446	201,685,211	203,489,087
Reinsurance contract liabilities	10.2	6,504,011	4,684,427	3,617,153
Subordinated debt	15.1	12,688,875	12,717,750	12,662,437
Due to related parties	15.2	8,295,928	5,159,671	6,469,640
Deferred tax liability	11	1,150,083	1,259,689	1,508,773
		223,364,343	**225,506,748**	**227,747,090**
Current liabilities				
Trade and other payables	12	3,879,513	3,292,461	3,904,552
Taxation payable		481,798	241,599	141,599
Total current liabilities		**4,361,311**	**3,534,060**	**4,046,151**
Total equity and liabilities		**$264,952,849**	**$264,827,018**	**$263,905,195**

See accompanying notes to the financial statements.

On March 11, 2025, the Board of Directors of Assuria Life (T&T) Ltd. authorised these financial statements for issue.

Director

Director

Assuria Life (T&T) Ltd.

Statement of Comprehensive Income
For the year ended December 31, 2023
(Expressed in Trinidad and Tobago Dollars)

	Notes	2023	2022 (Restated)
Insurance revenue	10.3	23,420,834	15,209,597
Insurance service expense		(12,241,574)	(11,287,981)
Net income or expense from reinsurance contracts held		(4,565,075)	(5,360,633)
Insurance service result		**6,614,185**	**(1,439,017)**
Net investment results		13,450,132	11,486,875
Net finance expense from insurance contracts	10.4	(15,753,408)	(2,800,898)
Net insurance finance result		**(2,303,276)**	**8,685,977**
Net insurance result		**4,310,909**	**7,246,960**
Marketing and administration expenses	13	(3,679,083)	(3,152,972)
Other income		3,184,037	3,815,675
Profit before taxation		3,815,863	7,909,663
Taxation charge	14	(420,161)	(355,769)
Net profit for the year attributable to equity holders		**3,395,702**	**7,553,894**
Other comprehensive income			
Items that will never be reclassified to profit or loss			
Actuarial loss on retirement benefit asset		(2,539,500)	(4,603,900)
Deferred tax on actuarial movement on retirement benefit asset	11	109,606	249,084
Other comprehensive loss		**(2,429,894)**	**(4,354,816)**
Total comprehensive income for the year		**$965,808**	**$3,199,078**

See accompanying notes to the financial statements.

Assuria Life (T&T) Ltd.

Statement of Changes in Equity
For the year ended December 31, 2023
(Expressed in Trinidad and Tobago Dollars)

	Share capital	Preference shares	Revaluation reserve	Accumulated deficit	Total equity
Year ended December 31, 2023					
Balance as at January 1, 2023 (restated)	57,401,357	3,250,000	9,029,486	(33,894,633)	35,786,210
Comprehensive income for the year:					
Net profit for the year attributable to equity holders	-	-	-	3,395,702	3,395,702
Other comprehensive income/(loss):					
Actuarial loss on retirement benefit asset	-	-	-	(2,539,500)	(2,539,500)
Deferred tax on actuarial loss on retirement benefit asset (Note 11)	-	-	-	109,606	109,606
Revaluation of property	-	-	475,177	-	475,177
Total comprehensive income	**-**	**-**	**475,177**	**965,808**	**1,440,985**
Balance as at December 31, 2023	**$57,401,357**	**$3,250,000**	**$9,504,663**	**$(32,928,825)**	**$37,227,195**
Year ended December 31, 2022 (restated)					
Balance as at January 1, 2022:					
As previously reported	57,401,357	3,250,000	52,705,144	(65,330,565)	48,025,937
Restatement	-	-	(44,150,836)	28,236,854	(15,913,982)
Balance as at January 1, 2022 (restated)	57,401,357	3,250,000	8,554,309	(37,093,711)	32,111,955
Comprehensive income for the year:					
Net profit for the year attributable to equity holders	-	-	-	7,553,894	7,553,894
Other comprehensive income/(loss):					
Actuarial loss on retirement benefit asset	-	-	-	(4,603,900)	(4,603,900)
Deferred tax on actuarial loss on retirement benefit asset (Note 11)	-	-	-	249,084	249,084
Revaluation of property	-	-	475,177	-	475,177
Total comprehensive income	**-**	**-**	**475,177**	**3,199,078**	**3,674,255**
Balance as at December 31, 2022 (restated)	**$57,401,357**	**$3,250,000**	**$9,029,486**	**$(33,894,633)**	**$35,786,210**

See accompanying notes to the financial statements.

Assuria Life (T&T) Ltd.

Statement of Cash Flows
For the year ended December 31, 2023
(Expressed in Trinidad and Tobago Dollars)

	2023	2022 (Restated)
Cash flows from operating activities		
Profit before taxation	3,815,863	7,909,663
Adjustments to reconcile loss before taxation to net cash used in operations:		
Depreciation	1,628,921	914,906
Actuarial gain on retirement benefit asset	(878,800)	(263,640)
Interest and dividend income	(8,690,767)	(8,337,923)
Net unrealised gain in the value of investments	(3,715,656)	(1,422,255)
	(7,840,439)	(1,199,249)
Decrease in loans receivable	-	2,380,649
Increase in trade and other receivables	(422,868)	(8,245)
Decrease in insurance contracts liabilities	(6,959,765)	(1,803,876)
Increase in reinsurance contracts liabilities	1,819,584	1,067,274
Increase/(decrease) in due to related parties	3,136,257	(1,309,969)
Decrease/(increase) in trade and other payables	587,049	(612,090)
Cash used in operations	**(9,680,182)**	**(1,485,506)**
Taxes paid	(179,962)	(207,373)
Net cash used in operating activities	**(9,860,144)**	**(1,692,879)**
Cash flows from investing activities		
Interest and dividends received	9,457,300	8,578,126
Acquisition of property, plant and equipment	(2,063,181)	(1,292,514)
Purchase of investments	(26,800,000)	(47,462,230)
Proceeds from disposals of investments	34,785,760	32,815,521
Net cash provided by/(used in) investing activities	**15,379,879**	**(7,361,097)**
Cash flows from financing activities		
Repayment of subordinated debt, net of proceeds	(28,875)	55,313
Net cash (used in)/provided by financing activities	**(28,875)**	**55,313**
Net increase/(decrease) in cash and cash equivalents	**5,490,860**	**(8,998,663)**
Cash and cash equivalents as at beginning of year	16,736,991	25,735,654
Cash and cash equivalents as at end of year	**$22,227,851**	**$16,736,991**

See accompanying notes to the financial statements.

1. Incorporation and business activities

Assuria Life (T&T) Ltd. (the “Company”) was incorporated in the Republic of Trinidad and Tobago in 1980 and was continued under the provisions of the Company’s Act 1995. Its registered address is located at 49 Dundonald Street, Port of Spain, Trinidad. Its principal activity is the underwriting of long-term insurance risks. The Company is a 98% owned subsidiary of Assuria N.V., a company incorporated in the Republic of Suriname.

2. Summary of material accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.1 Basis of preparation

These financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”). These financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets measured at fair value and property.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies.

(i) Standards, amendments and interpretations to existing standards applicable to the Company in the current year which were adopted by the Company

IFRS 9 Financial instruments – This new standard introduces new requirements for the classification, measurement and recognition of financial assets and financial liabilities and replaces parts of IAS 39. The standard was effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. IFRS 4 Insurance Contracts was subsequently amended to permit entities whose predominant activities are connected with insurance to defer the application of IFRS 9 until January 1, 2023. The Company had chosen the deferral option and has adopted IFRS 9 on January 1, 2023. IFRS 9 is required to be applied retrospectively. IFRS 9 uses business model and contractual cash flow characteristics to determine whether a financial asset is measured at amortized cost or fair value, replacing the four-category classification in IAS 39. The determination is made at initial recognition. The approach is also based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. IFRS 9 uses an impairment model that is more ‘forward looking’ in that a credit event no longer has to occur before credit losses are recognised. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity’s own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

IFRS 17 Insurance Contracts establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts. The scope of IFRS 17 includes insurance contracts, including reinsurance contracts issued and held by an entity, and investment contracts with discretionary participation features an entity issues provided the entity also issues insurance contracts. Any promises to transfer distinct goods or non-insurance services to a policyholder are separated and accounted for in accordance with IFRS 15.

2. Summary of material accounting policies (continued)

2.1 Basis of preparation (continued)

(i) Standards, amendments and interpretations to existing standards applicable to the Company in the current year which were adopted by the Company (continued)

On initial recognition an entity is required to measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. Subsequently, the carrying amount of a group of insurance contracts at the end of each reporting period is the sum of the liability for remaining coverage and the liability for incurred claims. The standard provides two methods to measure the liability for remaining coverage of a group of insurance contracts. These are the general approach and a simplified premium allocation approach. An entity is only permitted to use the premium allocation approach if this method is expected to result in the measurement of the liability for remaining coverage not differing materially from the liability that would be calculated using the general model, and the coverage period of each contract in the group is one year or less.

IFRS 17 also explicitly requires claims liabilities to be discounted. This discount is not permitted to be based on the return on the investment portfolio, but must instead be linked to the characteristics inherent in the claims liabilities cash flows (e.g. duration, risk, etc.). A further requirement is that policy acquisition costs are netted against insurance liabilities. However, an entity also has the choice of simply expensing all acquisitions costs as incurred.

The effective date for IFRS 17 is January 1, 2023. IFRS 17 requires comparative information for the immediately preceding annual reporting period to be restated.

In February 2021, the IASB issued amendments to IAS 1, which change the disclosure requirements with respect to accounting policies from 'significant accounting policies' to 'material accounting policy information'. The amendments provide guidance on when accounting policy information is likely to be considered material. The amendments to IAS 1 are effective for annual reporting periods beginning on or after January 1, 2023, with earlier application permitted.

In February 2021, the IASB issued amendments to IAS 8, which added the definition of accounting estimates in IAS 8. The amendments also clarified that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from correction of prior period errors. The amendments are effective for annual reporting periods beginning on or after January 1, 2023.

In May 2021, the IASB issued amendments to IAS 12, which clarify whether the initial recognition exemption applies to certain transactions that result in both an asset and a liability being recognised simultaneously (e.g. a lease in the scope of IFRS 16). The amendments introduce an additional criterion for the initial recognition exemption under IAS 12.15, whereby the exemption does not apply to the initial recognition of an asset or liability which at the time of the transaction, gives rise to equal taxable and deductible temporary differences. The amendments are effective for annual reporting periods beginning on or after January 1, 2023.

(ii) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

The following new standards, interpretations and amendments, which have not been applied in these financial statements, will or may have an effect on the Company's future financial statements in the period of initial application. In all cases, the entity intends to apply these standards from the application date as indicated in the note below.

2. Summary of material accounting policies (continued)

2.1 Basis of preparation (continued)

(ii) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company (continued)

The IASB issued amendments to IAS 1 - Classification of Liabilities as Current or Non-current in January 2020, which have been further amended partially by amendments non-current liabilities with covenants issued in October 2022. The amendments require that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement for at least twelve months after the reporting period. As a result of the COVID-19 pandemic, the Board deferred the effective date of the amendments by one year to annual reporting periods beginning on or after January 1, 2024.

Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current. The amendments are effective for annual reporting periods beginning on or after January 1, 2024.

Other standards, amendments and interpretation to existing standards in issue but not yet effective are not considered to be relevant to the Company and have not been disclosed.

(iii) Standards, amendments and interpretations to existing standards early adopted by the Company

The Company did not early adopt any new revised or amended standards.

2.2 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The financial statements are presented in Trinidad and Tobago Dollars, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

2.3 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Land and buildings are stated at revalued amounts less accumulated depreciation.

Freehold property is being valued internally every year.

2. Summary of material accounting policies (continued)

2.3 Property, plant and equipment (continued)

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalised. Other subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure is recognised in the statement of comprehensive income during the financial period in which the expense is incurred.

Depreciation is charged to the statement of comprehensive income on a straight line balance basis except for freehold land, over the estimated useful lives of items of property, plant and equipment and major components that are accounted for separately. Freehold land is not depreciated.

Depreciation and amortisation have been provided at rates sufficient to write off the assets over their estimated useful lives. The rates are as follows:

Freehold building	2%
Fittings and fixtures	25%
Office furniture & equipment	25%
Computer equipment	25%
Plant and equipment	25%
Motor vehicles	25%

The asset's residual value, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each reporting date.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining the net income for the period.

When a revalued property is sold, the amounts included in the capital reserve are transferred to the statement of comprehensive income.

2.4 Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any changes recognised in profit or loss.

Any gain or loss on disposal of an investment property is recognised in profit or loss. When an investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

Investment property is being valued internally every year.

2.5 Financial assets

The Company classifies its financial assets as either non-equity financial assets or equity financial assets. Non-equity financial assets include insurance related trade receivables and reinsurance receivables, short term cash investments, bonds and term deposits. Equity financial assets include shares of listed and unlisted companies (equity investments).

Classification of non-equity financial assets

The classification of non-equity financial assets is based on:

- the Company's business model; and
- the cash flow characteristics of the financial instrument.

2. Summary of material accounting policies (continued)

2.5 Financial assets (continued)

Classification of non-equity financial assets (continued)

The business model includes "hold to collect" with solely payments of principal and interest ("SPPI").

This business model contains financial assets that are held to collect their contractual cash flows, financial asset as a whole give rise to cash flows that are SPPI on the principal amounts outstanding i.e., cash flows that are consistent with a basic lending arrangement.

The following financial assets are considered hold to collect their contractual cash flows and give rise to SPPI: insurance related trade receivables and reinsurance receivables, short term cash investments, bonds and term deposits.

Measurement of non-equity financial assets

Initial measurement

Non-equity financial assets are initially measured at the fair value of the consideration received (i.e., cost) plus transactions costs that are directly attributable to the acquisition of the non-equity financial assets.

Subsequent measurement

All the non-equity financial assets within this business models are subsequently measured at amortized cost using the effective interest method.

The amortized cost of a financial asset is the amount at which it is measured on initial recognition minus principal repayments, plus or minus the cumulative amortisation of any difference between the carrying amount on initial recognition and the maturity amount using the effective interest rate. In combination, these result in the gross carrying amount, which is then adjusted for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating the interest income or interest expense over the relevant period.

The effective interest rate ("EIR") is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount.

Measurement of equity financial assets

Equity financial assets are initially measured at the fair value of the consideration received. The transactions costs are not added to fair value of the equity financial asset at initial recognition and all changes in fair value are recognised in the profit or loss.

2. Summary of material accounting policies (continued)

2.5 Financial assets (continued)

Below market interest rate loans

The initial recognition of financial assets is at fair value. The default approach is that the fair value at initial recognition is the transaction price. If it is determined that the fair value differs from the transaction price, the accounting for that financial asset at that date is as follows:

- At the measurement if that fair value is evidenced by a quoted price in an active market or based on a valuation technique that uses only data from observable markets. The recognition of the difference between the fair value at initial recognition and the transaction price as a gain or loss (so called Day 1 profit/loss).
- In all other cases, at the measurement, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the entity shall recognize that deferred difference as a gain or loss only to the extent that it arises from change in a factor (including time) that market participants would take into account when pricing the asset.

Subsequent measurement

Fair value through profit and loss ("FVP&L")

All of the equity financial assets are measured at FVP&L. The dividends and all other movement are recognized in the profit or loss.

Fair value levels of the equity financial assets

All financial instruments measured at fair value must be classified into the levels below (that reflect how fair value has been determined):

- Level 1: Quoted prices, in active markets
- Level 2: Level 1 quoted prices are not available but fair value is based on observable market data
- Level 3: Inputs that are not based on observable market data.

2.6 Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

2. Summary of material accounting policies (continued)

2.6 Impairment (continued)

General approach

The following financial assets will be subject to the general approach: bonds and term deposits.

When recognizing and measuring the expected credit losses ("ECL") based on the general approach the following is considered:

- Stage 1: Credit risk has not increased significantly since initial recognition – Recognize 12-months ECL, and recognize interest on a gross basis;
- Stage 2: Credit risk has increased significantly since initial recognition – Recognize lifetime ECL, and recognize interest on a gross basis;
- Stage 3: Financial asset is credit impaired (using the criteria currently included in IAS 39) – Recognize lifetime ECL, and present interest on a net basis (i.e. on the gross carrying amount less credit allowance). Please see below a summary of the three-stage model.

Simplified approach

Insurance related trade receivables and reinsurance receivables measured at amortized cost will be subject to the simplified approach. The following considerations are made:

- Do the assets have a significant financing component?
  - If no, recognize the allowance for lifetime expected credit losses
  - If yes:
    - use the general approach; or
    - to recognize an allowance for lifetime expected credit losses
- When applying the simplified approach consider applying the practical expedient such as the provision matrix.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is adjusted to reflect the revised estimate.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of comprehensive income. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit ("group of units") on a pro-rata basis.

2. Summary of material accounting policies (continued)

2.7 Taxation

Tax on income comprises current tax and the change in deferred tax. Current tax comprises tax payable calculated on the basis of the expected taxable income for the year, using the tax rate enacted by the reporting date, green fund levy and any adjustment of tax payable for the previous years.

Long-term business

Corporation tax at 15% is payable on the net income derived from investments. When profits from the long-term business are transferred to the shareholders' account an additional 10% corporation tax is payable on the amounts so transferred.

Other than long-term business

Corporation tax of 30% is payable on the net income derived from other business.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted by the reporting date.

2.8 Due from insurance contracts with direct policyholders

Amounts due from insurance contracts with direct policyholders are recognised against liability for remaining coverage of insurance contracts.

2.9 Cash and cash equivalents

Cash and cash equivalents are short-term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risks of change in value. These are shown at cost.

Cash and cash equivalents comprise cash balances that are payable on demand and deposits with maturities of three months or less from the date of acquisition. Bank overdrafts are disclosed as current liabilities.

2.10 Stated capital

Issued shares are classified as equity when there is no obligation to transfer cash or other assets to the shareholders. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax. Transfers to stated capital for which shares have not yet been issued are reflected as contributed capital.

2.11 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are not recognised for future operating losses. When there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

2. Summary of material accounting policies (continued)

2.12 Insurance and reinsurance contracts

(a) Recognition, measurement and presentation of insurance and reinsurance contracts

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts, reinsurance contracts and investment contracts with discretionary participation features. It introduces a model that measures groups of contracts based on the Company's estimates of the present value of future cash flows that are expected to arise as the Company fulfils the contracts, an explicit risk adjustment for non-financial risk and a Contractual Service Margin ("CSM").

Under IFRS 17, insurance revenue in each reporting period represents the changes in the liabilities for remaining coverage that relate to services for which the Company expects to receive consideration and an allocation of premiums that relate to recovering insurance acquisition cash flows. In addition, investment components are no longer included in insurance revenue and insurance service expenses.

The Company no longer applies shadow accounting to insurance-related assets and liabilities.

Insurance finance income and expenses, disaggregated between profit or loss and other comprehensive income for life risk and life savings contracts, are presented separately from insurance revenue and insurance service expenses.

The Company applies the PAA to simplify the measurement of contracts in the non-life segment, except for groups of acquired contracts that do not qualify for the PAA. When measuring liabilities for remaining coverage, the PAA is similar to the Company's previous accounting treatment.

However, when measuring liabilities for incurred claims, the Company now discounts the future cash flows (unless they are expected to occur in one year or less from the date on which the claims are incurred) and includes an explicit risk adjustment for non-financial risk.

As previously done, under IFRS 17, only insurance acquisition cash flows that arise before the recognition of the related insurance contracts are recognised as separate assets and are tested for recoverability. These assets are presented in the carrying amount of the related portfolio of contracts and are derecognised once the related contracts have been recognised.

Income and expenses from reinsurance contracts other than insurance finance income and expenses are now presented as a single net amount in profit or loss. Previously, amounts recovered from reinsurers and reinsurance expenses were presented separately.

The Company utilizes reinsurance arrangements to mitigate the mortality and morbidity risks associated with its ordinary life insurance and personal accident insurance businesses.

For ordinary life insurance business, the mortality risk exposures exceeding the retention limit on a per-life basis are reinsured.

Morbidity exposure associated with personal accident insurance business is mitigated through a coinsurance arrangement. There is no reinsurance arrangement for annuity business.

Contracts entered into by the Company with reinsurers under which the Company is compensated for losses on one or more contracts issued by the Company and that meet the classification requirements for insurance contracts are classified as reinsurance contracts.

2. Summary of material accounting policies (continued)

2.12 Insurance and reinsurance contracts (continued)

(a) Recognition, measurement and presentation of insurance and reinsurance contracts (continued)

The benefits to which the Company is entitled under its reinsurance contracts held are recognised as reinsurance assets. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premiums payable less any applicable reinsurance allowance. The net reinsurance asset is not reported separately in the financial statements. Instead, it is deducted from the gross policy liabilities in the valuation.

(b) IFRS 17

On January 1, 2023, the Company implemented IFRS 17 – Insurance contracts with comparative information for January 1, 2022, and January 1, 2023, restated. The key components of accounting for insurance contracts are listed below:

(i) Identifying contracts in the scope of IFRS 17

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts and reinsurance contracts.

When identifying contracts in the scope of IFRS 17, in some cases the Company have had to assess whether a set or series of contracts needs to be treated as a single contract and whether goods and services components have to be separated and accounted for under another standard. For insurance and reinsurance contracts, the Company did not have significant changes arising from the application of these requirements.

(ii) Level of aggregation

Under IFRS 17, insurance contracts are aggregated into groups for measurement purposes. Groups of contracts are determined by first identifying portfolios of contracts, each comprising contracts subject to similar risks and managed together. Contracts in different product lines are in different portfolios. Each portfolio is then divided into annual cohorts (i.e., by year of issue) and each annual cohort into three groups:

- any contracts that are onerous on initial recognition,
- any contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently, and
- any remaining contracts in the annual cohort.

When a contract is recognized, it is added to an existing group of contracts or, if the contract does not qualify for inclusion in an existing group, it forms a new group to which future contracts may be added. Groups of reinsurance contracts are established such that each group comprises a single contract.

(iii) Contract boundaries

Under IFRS 17, the measurement of a group of contracts includes all of the future cash flows within the boundary of each contract in the group. Compared with the issued contracts under current accounting, the IFRS 17 contract boundary requirements did not change the scope of cash flows to be included in the measurement of existing recognized contracts, as opposed to future unrecognized contracts. The period covered by the premiums within the contract boundary is the “coverage period”, which is relevant when applying a number of requirements in IFRS 17.

2. Summary of material accounting policies (continued)

2.12 Insurance and reinsurance contracts (continued)

(b) IFRS 17 (continued)

(iii) Contract boundaries (continued)

For insurance contracts, cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay premiums or has a substantive obligation to provide services (insurance coverage). A substantive obligation to provide services ends when:

- the Company has the practical ability to reassess the risks of the particular policyholder and can set a price or level of benefits that fully reflects those reassessed risks; or
- the Company has the practical ability to reassess the risks of the portfolio that contains the contract and can set a price or level of benefits that fully reflects the risks of that portfolio, and the pricing of the premiums up to the reassessment date does not take into account risks that relate to periods after the reassessment date.

(iv) Measurement – overview

The Company assesses the rights and obligations arising from the groups of contracts and reflects them net on its statement of financial position on a discounted basis. All insurances are initially measured under the Building Block Approach ("BBA") as the total of the fulfilment cashflows and the contractual service margin, unless the contracts are onerous. The fulfilment cashflows are the current estimates of the amounts that the Company expects to collect from the premiums and pay-out claims, benefits and expenses, adjusted to reflect the timing and uncertainty in those amounts. At initial recognition of the life contracts, the CSM is the present value of the future cash flows less the present value of future cash outflows i.e. it is the amount that prevents the immediate recognition of unearned profit when a group of contracts is first recognized.

If contracts are onerous, losses are recognized immediately. No CSM is recognized in profit and loss at initial recognition for such contracts.

For certain products such as group life, the Company choose to apply the Premium Allocation Approach ("PAA") to simplify the measurement of groups of contracts on the following bases:.

- Insurance contracts and loss-occurring reinsurance contracts: The coverage period of each contract in the group is one year or less.

Risk-attaching reinsurance contracts: the Company reasonably expects that the resulting measurement of the asset for remaining coverage would not differ materially from the result of applying the accounting policies described above.

The Company recognize the liability for incurred claims of a group of contracts at the amount of the fulfilment cash flows relating to incurred claims. The future cash flows are discounted (at current rates) unless they are expected to be paid in one year or less from the date the claims are incurred.

2. Summary of material accounting policies (continued)

2.12 Insurance and reinsurance contracts

(b) IFRS 17 (continued)

(iv) Measurement – overview (continued)

All cash flows are discounted using risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity characteristics of the contracts. Cash flows within the boundary of a contract are those that relate directly to the fulfilment of the contract, including those for which the Company has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts. Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads.

The risk adjustment for non-financial risk for a group of contracts, determined separately from the other estimates, is the compensation that the Company would require for bearing uncertainty about the amount and timing of the cash flows that arises from non-financial risk.

The Company applies the same accounting policies to measure a group of reinsurance contracts, adapted where necessary to reflect features that differ from those of insurance contracts.

Discount rates

Discount rates are applied to adjust the estimates of future cash flows of the insurance contract portfolios. Discount rates are consistent with observable available current market prices for financial instruments with cash flows whose characteristics are consistent with those of the insurance contracts in terms of timing, currency and liquidity.

The Company determines for the business accounted for under the BBA, the discount rates by adjusting a risk-free yield curve with a liquidity premium. Yield curves are based on market spot rates. For the risk free rate curve the yield curve published by the Central Bank of Trinidad and Tobago is used.

Extrapolation

Beyond terms where the market for spot rates is assessed as not sufficiently deep, liquid and transparent, an extrapolation is performed to derive the yield curve based on the observable duration years and the ultimate discount rate.

Risk adjustments for non-financial risk

Risk adjustments is the compensation required for bearing uncertainty about the amount and timing of the cashflows that arises from non-financial risk. Changes in the RA due to diversification on group level positively impacts the CSM. Changes in the RA in one group of contracts impacts the RA and consequently effect the increase or decrease in the CSM.

2. Summary of material accounting policies (continued)

2.12 Insurance and reinsurance contracts

(b) IFRS 17 (continued)

(iv) Measurement – overview (continued)

Reinsurance contracts

For reinsurance contracts, cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Company is compelled to pay amounts to the reinsurer or has a substantive right to receive services from the reinsurer. A substantive right to receive services from the reinsurer ends when the reinsurer:

- has the practical ability to reassess the risks transferred to it and can set a price or level of benefits that fully reflects those reassessed risks; or
- has a substantive right to terminate the coverage.

Some of the Company's Excess of Loss reinsurance contracts cover underlying contracts issued within the annual term on a risk-attaching basis and provide unilateral rights to both the Company and the reinsurer to terminate the attachment of new underlying contracts at any time by giving three months' notice to the other party. Currently, the measurement of these reinsurance contracts generally aligns with that of the underlying contracts and considers only underlying contracts already ceded at the measurement date. However, under IFRS 17 cash flows arising from underlying contracts expected to be issued and ceded after the measurement date, in addition to those arising from underlying contracts already ceded, may be within the boundaries of the reinsurance contracts and may have to be considered and estimated in their measurement.

The Company applies the same accounting policies to measure a group of reinsurance contracts, with the following modifications.

The carrying amount of a group of reinsurance contracts at each reporting date is the sum of the asset for remaining coverage and the asset for incurred claims. The asset for remaining coverage comprises

(a) the fulfilment cash flows that relate to services that will be received under the contracts in future periods;

(b) any discounting for the time value of money; and

(c) a risk adjustment for non-financial risk.

The Company measures the estimates of the present value of future cash flows using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for any risk of non-performance by the reinsurer. The effect of the non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognized in the insurance service result in profit or loss.

The risk adjustment for non-financial risk represents the amount of risk being transferred by the Company to the reinsurer.

(v) Presentation and disclosure

IFRS 17 significantly change how insurance contracts and reinsurance contracts are presented and disclosed in the Company's financial statements.

2. Summary of material accounting policies (continued)

2.12 Insurance and reinsurance contracts (continued)

(b) IFRS 17 (continued)

(v) Presentation and disclosure (continued)

Under IFRS 17, portfolios of insurance contracts that are assets and those that are liabilities, and portfolios of reinsurance contracts that are assets and those that are liabilities, are presented separately in the statement of financial position. All rights and obligations arising from a portfolio of contracts are presented on a net basis; therefore, balances such as insurance receivables and payables are no longer presented separately.

Under IFRS 17, amounts recognized in the statement of profit or loss and OCI are disaggregated into

(a) an insurance service result, comprising insurance revenue and insurance service expenses, and

(b) insurance finance income or expenses. Amounts from reinsurance contracts are presented separately.

The separate presentation of underwriting and financial results under IFRS 17 provide added transparency about the sources of profits and quality of earnings.

(vi) Insurance service result

The insurance service result comprises insurance revenue and insurance service expenses. Insurance revenue excludes any investment components and is measured as follows: The Company recognizes insurance revenue as it satisfies its performance obligations – i.e. as it provides coverage or other services under groups of insurance contracts. For contracts not measured under the PAA, insurance revenue relating to services provided for each period represents the total of the changes in the LRC that relate to services for which the Company expects to receive consideration.

In addition, the Company allocates a portion of premiums that relates to recovering insurance acquisition cash flows to each period in a systematic way based on the passage of time. The Company recognizes the allocated amount as insurance revenue and an equal amount as insurance service expenses.

The amount of the CSM of a group of insurance contracts that is recognized as insurance revenue in each reporting period is determined by amortizing the total CSM based on the duration of the portfolio and taking into account the coverage units.

For the determination of the coverage units, the Company takes into account the volume and quantity of various services provided while considering all types of services provided, i.e. insurance and investment related services. For this purpose, the respective volume measures for the different services such as mathematical reserves or sum assured are weighted. The weighting of the service components is based on the net charge paid by the policyholder which provides a reasonable and natural quantification of the value of a service provided. It is ensured that the weighting factors also reflect changes in the relationship between the different service components over time.

Coverage units are reassessed at the end of each reporting period before any allocation of CSM to profit or loss, as allocating the amount of the CSM adjusted for the most up-to-date assumptions provides the most relevant information about the profit earned from services provided in the period and the profit to be earned in the future from future services.

2. Summary of material accounting policies (continued)

2.12 Insurance and reinsurance contracts (continued)

(b) IFRS 17 (continued)

(vi) Insurance service result (continued)

Changes in the RA for non-financial risk that relate to release from risk are recognized in the insurance service result. Insurance service expenses comprise incurred claims (excluding investment components), amortization of insurance acquisition cash flows, changes in the LIC that relate to past services and losses on onerous contracts or changes thereof.

Gross benefits and claims for life insurance contracts include the cost of all claims arising during the year, including internal and external claims handling costs that are directly related to the processing and settlement of claims.

(vii) Insurance finance income and expenses
Insurance finance income and expenses comprise of changes in the carrying amounts of groups of insurance and reinsurance contracts arising from the effects of the time value of money, financial risk and changes therein, unless any such changes for groups of direct participating contracts are allocated to a loss component and included in insurance service expenses.

(viii) Disclosure

IFRS 17 requires extensive new disclosures about amounts recognized in the financial statements, including detailed reconciliations of contracts, effects of newly recognized contracts as well as disclosures about significant judgements made when applying IFRS 17. There are also be expanded disclosures about the nature and extent of risks from insurance contracts and reinsurance contract. Disclosures generally are made at a more granular level than under IFRS 4, providing more transparent information for assessing the effects of contracts on the financial statements.

2. Summary of material accounting policies (continued)

2.12 Insurance and reinsurance contracts (continued)

(b) IFRS 17 (continued)

(ix) Transition

Changes in accounting policies resulting from the adoption of IFRS 17 are applied using a full retrospective approach to the extent practicable, except as described below. Under the full retrospective approach, at January 1, 2022 the Company:

- identified, recognised and measured each group of insurance and reinsurance contracts as if IFRS 17 had always been applied;
- identified, recognised and measured any assets for insurance acquisition cash flows as if IFRS 17 had always been applied, except that the recoverability assessment was not applied before January 1, 2022;
- derecognised previously reported balances that would not have existed if IFRS 17 had always been applied. These included some deferred acquisition costs for insurance contracts, intangible assets related to insurance, insurance receivables and payables, and provisions for levies that are attributable to existing insurance contracts. Under IFRS 17, they are included in the measurement of the insurance contracts;
- measured owner-occupied properties and the Company’s own shares held that were underlying items of direct participating contracts at fair value ; and
- recognised any resulting net difference in equity.

The effects of adopting IFRS 17 on the financial statements at January 1, 2022 are presented in the statement of changes in equity.

2.13 Employee benefits

Short term

Employee benefits are all forms of consideration given by the Company in exchange for service rendered by employees. These include current or short-term benefits such as salaries, bonuses, NIS contributions, annual leave, and non-monetary benefits such as medical care and loans and post-employment benefits such as pensions.

Employee benefits that are earned as a result of past or current service are recognised in the following manner: short-term employee benefits are recognised as a liability, net of payments made, and charged as an expense. Post-employment benefits are accounted for as described below.

Defined benefit plan

The Company operates a defined benefit plan.

Independent qualified actuaries carried out a valuation of the Company’s significant post-retirement benefits as at December 31, 2023, which has been fully reflected in these financial statements.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

2. Summary of material accounting policies (continued)

2.13 Employee benefits (continued)

Defined benefit plan (continued)

A defined benefit plan and the assets supporting the plan are invested through a "Deposit Administration Policy" with Sagicor Life Inc. The Trustees are employees at the Company and the plan is funded by the employees and the Company, taking into account the recommendations of independent qualified actuaries.

The asset recognised in the statement of financial position in respect of defined benefit pension plan is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the discount rate.

The Company recognises all actuarial gains and losses arising from the defined benefit plan immediately in other comprehensive income and all expenses related to the defined benefit plan in operating expense in the statement of comprehensive income.

Past-service costs are recognised immediately in the statement of comprehensive income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

2.14 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.15 Revenue recognition

Insurance income

For contracts measured using the PAA, insurance revenue is recognized based on an allocation of expected premium receipts to each period of coverage, which is based on the passage of time for insurance contracts. The requirements in IFRS 17 to recognize insurance revenue over the coverage period is in line with the Company's current practice.

Expenses that relate directly to the fulfilment of contracts are recognized in profit or loss as insurance service expenses, generally when they are incurred. Expenses that do not relate directly to the fulfilment of contracts are presented outside the insurance service result.

Amounts recovered from reinsurers and reinsurance expenses are no longer presented separately in profit or loss, because the Company presents them on a net basis as 'net expenses from reinsurance contracts' in the insurance service result, but information about these will be included in the disclosures.

The Company chooses not to disaggregate changes in the risk adjustment for non-financial risk between the insurance service result and insurance finance income or expenses. All changes in the risk adjustment for non-financial risk recognized in profit or loss will be included in the insurance service result.

Non-PAA insurance contracts are now subject to a measurement model based on the estimates of the present value of future cash flows that are expected to arise as the Company fulfils the contracts, an explicit risk adjustment for non-financial risk and a Contractual Service Margin ("CSM")/Loss Component.

2. Summary of material accounting policies (continued)

2.15 Revenue recognition (continued)

Insurance income (continued)

Contracts are subject to different requirements depending on whether they are classified as direct participating contracts or contracts without direct participation features. Direct participating contracts are contracts that are substantially investment-related service contracts under which the Company promises an investment return based on underlying items; they are contracts for which, at inception:

a) the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;

b) the Company expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and

c) the Company expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

A group is onerous if at initial recognition the expected cash outflows exceed the expected cash inflows. The fulfilment cash flows of a group of contracts do not reflect the Company's non-performance risk.

If the expected total fulfilment cash flows is a net outflow, then the group is onerous. In this case, the net outflow is recognised as a loss in profit or loss. A loss component is created to depict the amount of the net cash outflow, which determines the amounts that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue.

Investment income

Investment income is accounted for on an accruals basis taking into account the effective yield of the asset or an applicable floating rate and is shown net of direct investment expenses incurred in relation thereto. Dividend income is recognised when received in the financial period.

Commission income

Amounts received as a commission are recognised as revenue in the period in which it is earned unless they relate to service to be provided in future periods. If the amounts received are for services to be provided in future periods, they are deferred and recognised in the statement of comprehensive income as the service is provided over the term of the contract. Initiation and other front-end fees are also deferred and recognised over the term of the contract.

2.16 Claims

Claims incurred comprise the value of all claims occurring during the period, whether reported or not, together with related handling and administrative expenses. Anticipated inflation and trends in settlement, together with adjustments for claims outstanding from previous years, are also taken into account. Claims and loss adjustment expenses are charged to the profit or loss as incurred based on the estimated liability for compensation owed to contract holders. They arise from events that have occurred up to the reporting date even if they have not yet been reported to the Company. However, when measuring liabilities for incurred claims, the Company now discounts the future cash flows (unless they are expected to occur in one year or less from the date on which the claims are incurred) and includes an explicit risk adjustment for non-financial risk.

2. Summary of material accounting policies (continued)

2.16 Claims (continued)

Liabilities for unpaid claims are estimated using techniques such as the input of assessments for individual cases reported to the Company and statistical analyses for the claims incurred but not reported and to estimate the expected ultimate cost of more complex claims that may be affected by external factors (such as court decisions).

2.17 Operating expenses

Other expenses are generally recognised on an accrual basis.

2.18 Leases

The Company accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

a. There is an identified asset;

b. The Company obtains substantially all the economic benefits from the use of the asset; and

c. The Company has the right to direct use of the asset.

The Company considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease. In determining whether the Company obtains substantially all the economic benefits from the use of the asset, the Company considers only the economic benefits that arise use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Company has the right to direct use of the asset, the Company considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Company considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Company applies other applicable IFRSs rather than IFRS 16.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

a) Leases of low-value assets; and

b) Leases with a duration of 12 months or less.

The Company is not a party to any lease agreements that require recognition under this standard. Payments made under leases are charged to the statement of comprehensive income on a straight-line basis over the period of the lease. When the lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of a penalty is recognised as an expense in the period in which termination takes place.

2.19 Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of other segments.

2. Summary of material accounting policies (continued)

2.19 Segment reporting (continued)

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly expenses of management. Expenses of management are apportioned to the various business segments on a direct basis except for indirect expenses which are apportioned based on premium income written for each class of business.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment.

2.20 Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amount and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously.

2.21 Key risks arising from contracts issued

The Company issues insurance contracts. The nature and extent of the underwriting and financial risks arising from these contracts are determined by the contract design. The risks are evaluated for risk management purposes in conjunction with the risks mitigated by related reinsurance contracts and the risks arising from financial assets held to fund the settlement of the liabilities. The extent to which profit or loss and equity in any period are sensitive to financial risks depends on the extent to which they are economically hedged or borne by contract holders and the extent of any mismatches inherent in the accounting policies adopted by the Company.

2. Summary of material accounting policies (continued)

2.21 Key risks arising from contracts issued (continued)

Life risk and life savings contract

Product	Key risks	Risk mitigation
Life Risk		
Term assurance and critical illness	– Mortality risk: death of policyholder earlier than expected – Morbidity risk: diagnosis of critical illness earlier than expected	– Reinsurance with financially strong reinsurers
Life savings		
Deferred fixed annuity (accumulation period)	– Longevity risk (if annuitisation rate is guaranteed) – Interest rate risk: insufficient return on assets to cover guaranteed minimum crediting rates – Policyholder behaviour risk	– Ability to reset crediting rates after initial period – Surrender penalties
Deferred fixed annuity (payment period)	– Longevity risk – Interest rate risk: differences in duration and yield of assets and liabilities – Investment credit risk	– Matching of asset and liability cash flows – Investing in investment-grade assets
Universal life	– Mortality risk – Interest rate risk: insufficient return on assets to cover guaranteed minimum crediting rates – Policyholder behaviour risk	– Management discretion to set crediting rates (subject to guaranteed rates) – Surrender penalties

3. Property, plant and equipment

	Land and buildings	Fittings and fixtures	Office furniture and equipment	Computer equipment	Motor vehicles	Total
As at December 31, 2023						
Cost/Valuation						
Balance as at January 1, 2023	34,200,000	3,313,557	2,612,158	10,168,245	640,691	50,934,651
Additions	-	-	-	2,063,302	-	2,063,302
Adjustments	3	(121)	-	-	-	(118)
Balance as at December 31, 2023	**34,200,003**	**3,313,436**	**2,612,158**	**12,231,547**	**640,691**	**52,997,835**
Accumulated depreciation						
Balance as at January 1, 2023	(145,387)	(3,270,673)	(2,610,494)	(8,898,656)	(106,782)	(15,031,992)
Revaluation adjustment	475,177	-	-	-	-	475,177
Charge for the year	(495,855)	(632)	-	(972,258)	(160,176)	(1,628,921)
Balance as at December 31, 2023	**(166,065)**	**(3,271,305)**	**(2,610,494)**	**(9,870,914)**	**(266,958)**	**(16,185,736)**
Net book value as at December 31, 2023	**$34,033,938**	**$42,131**	**$1,664**	**$2,360,633**	**$373,733**	**$36,812,099**
As at December 31, 2022 (restated)						
Cost/Valuation						
Balance as at January 1, 2022	34,200,000	3,313,557	2,610,920	9,517,660	-	49,642,137
Additions	-	-	1,238	650,585	640,691	1,292,514
Balance as at December 31, 2022	**34,200,000**	**3,313,557**	**2,612,158**	**10,168,245**	**640,691**	**50,934,651**
Accumulated depreciation						
Balance as at January 1, 2022	(124,707)	(3,265,841)	(2,606,988)	(8,594,727)	-	(14,592,263)
Revaluation adjustment	475,177	-	-	-	-	475,177
Charge for the year	(495,857)	(4,832)	(3,506)	(303,929)	(106,782)	(914,906)
Balance as at December 31, 2022	**(145,387)**	**(3,270,673)**	**(2,610,494)**	**(8,898,656)**	**(106,782)**	**(15,031,992)**
Net book value as at December 31, 2022	**$34,054,613**	**$42,884**	**$1,664**	**$1,269,589**	**$533,909**	**$35,902,659**

4. Investment property

	2023	2022 (restated)
Cost/valuation		
Balance as at beginning of year	2,199,900	2,199,900
Balance as at end of year	**$2,199,900**	**$2,199,900**

The investment property is internally valued every year by the Company's management.

5. Investments

	2023	2022 (restated)
Financial assets measured at amortised cost		
Non-current portion		
Bonds	149,379,282	153,276,773
Mortgage	6,386,118	6,765,968
Total non-current portion	**155,765,400**	**160,042,741**
Financial assets at fair value through profit or loss		
Current portion		
Quoted equities	28,668,891	24,801,255
Mutual funds	-	3,860,399
Total current portion	**28,668,891**	**28,661,654**
Total investments	**$184,434,291**	**$188,704,395**

The risk associated with the investment portfolio is addressed in Note 16 and fair value is discussed in Note 17.

6. Retirement benefit asset

The following information summarises the IAS 19 – Employee benefits components of the net benefit expense recognized in the statement of comprehensive income and the amounts recognized in the statement of financial position.

	2023	2022
Pension assets		
Present value of the defined benefit obligation	(29,861,400)	(26,710,000)
Fair value of plan assets	47,286,900	45,796,200
Recognised asset	**$17,425,500**	**$19,086,200**
Reconciliation of activity during the year		
Opening defined benefit asset	19,086,200	22,860,200
Net pension movement	(1,660,700)	(3,774,000)
Closing defined benefit asset	**$17,425,500**	**$19,086,200**

6. Retirement benefit asset (continued)

	2023	2022
Movement in the present value of the defined benefit obligation over the year is as follows:		
Balance as at beginning of year	(26,710,000)	(27,547,900)
Current service cost	(162,500)	(260,900)
Plan participants' contributions	(75,600)	(86,000)
Interest cost	(1,476,800)	(1,505,100)
Actuarial gain on obligation	(3,513,600)	654,200
Benefits paid	2,077,100	2,035,700
Balance as at end of year	**$(29,861,400)**	**$(26,710,000)**
Movement in the fair value of plan assets for the year is as follows:		
Balance as at beginning of year	45,796,200	50,408,100
Administration expenses	(210,400)	(183,800)
Expected return on plan assets	2,652,900	2,693,700
Actuarial gain/(loss) on plan assets	974,100	(5,258,100)
Employer contributions	75,600	86,000
Plan participants' contributions	75,600	86,000
Benefits paid	(2,077,100)	(2,035,700)
Fair value of plan assets as at end of year	**$47,286,900**	**$45,796,200**
Plan assets comprise the following:		
Foreign investments	46%	46%
Local equities	25%	25%
Government securities	24%	24%
Corporate bonds	1%	1%
Other	3%	3%
Mutual funds	1%	1%
	100%	**100%**
The amounts recognised in profit or loss are as follows:		
Administration expenses	(210,400)	(183,800)
Current service cost	(162,500)	(260,900)
Net interest income	1,176,100	1,188,600
	803,200	**743,900**
Actual return on plan assets	**$3,627,000**	**$(2,564,400)**
Amounts recognized in other comprehensive income:		
Experience gains - demographic	(3,513,600)	654,200
Experience gains/(losses) - financial	974,100	(5,258,100)
	$(2,539,500)	**$(4,603,900)**

6. Retirement benefit asset (continued)

The principal actuarial assumptions used for accounting purposes were:

	2023	**2022**
Discount rate at end of year	5.70%	5.70%
Future salary increases	4.00%	3.00%
Future pension increase- post retirement	0.00%	0.00%

Sensitivity to present value of defined benefit obligation:

	1% Increase	1% Increase
Discount	$(3,045,800)	$(2,687,200)
Salary growth	$772,000	$534,100

7. Trade and other receivables

	2023	**2022**
Interest receivable	1,207,447	1,974,595
Other receivables	589,774	166,291
Total trade and other receivables	**$1,797,221**	**$2,140,886**

8. Share capital

	2023	**2022**
Authorised		
Unlimited ordinary shares of no par value		
Issued and fully paid		
277,704,880 Ordinary shares of no par value	**$57,401,357**	**$57,401,357**

9. Preference shares

	2023	**2022**
Authorised		
Unlimited preference shares of no par value		
Issued and fully paid		
3,250 preference shares of no par value	**$3,250,000**	**$3,250,000**

10. Insurance contracts liabilities and reinsurance assets

Insurance risk

The risk under an insurance contract is the risk that an insured event will occur including the uncertainty of the amount and timing of any resulting claim.

Insurance risks arise from the loss due to actual experience being different from the expectation with respect to claims and benefit payments and the cost of embedded options and guarantees associated with the insurance contracts. The Company is exposed to the following insurance risks: mortality risk, longevity risk, morbidity risk, interest rate risk and expense and inflation risk.

The mortality risk is the most significant risk taken by the Company from its ordinary life insurance business.

10. Insurance contracts liabilities and reinsurance assets (continued)

Insurance risk (continued)

For traditional life insurance policies, the death benefits and premiums are guaranteed. For universal life (GEM) policies, the cost of insurance charges can be adjusted by the Company, subject to certain maximum insurance factors.

The AIDS epidemic is an important consideration in selecting and managing mortality risk. HIV test is incorporated in the underwriting requirement for risk selection, and additional provision in policy liability is made for the possible extra mortality due to AIDS.

10. Insurance contracts liabilities and reinsurance assets (continued)

10.1 Insurance contract liabilities

10.11 Liability for remaining coverage excluding loss component

	Excluding loss component	Loss component	Liability for incurred claims	Total
Year ended December 31, 2023				
Opening insurance contract liabilities	**177,202,513**	**659,704**	**23,822,994**	**201,685,211**
Less: Insurance revenue	**(23,420,834)**	**-**	**-**	**(23,420,834)**
Add/(Less): Insurance service expenses				
Incurred claims and other expenses	-	(205,856)	22,982,327	22,776,471
Acquisition expenses	102,952	-	-	102,952
Changes that relate to past services: changes to liabilities for incurred claims	-	-	(14,304,017)	(14,304,017)
Changes that relate to future services: losses on onerous contracts and reversals (including reinsurer's non-performance risk)	-	3,666,168	-	3,666,168
Total Insurance service expenses	**102,952**	**3,460,312**	**8,678,310**	**12,241,574**
Add/(Less): Investment components				
Investment components	**(18,688,088)**	**-**	**18,688,088**	**-**
Add: Insurance finance expenses				
Insurance finance expenses	**15,072,378**	**681,030**	**-**	**15,753,408**
Add/(Less): Net Cash flows				
Premiums received	17,965,124	-	-	17,965,124
Claims and other expenses paid	-	-	(29,087,051)	(29,087,051)
Acquisition cash flows paid	(411,986)	-	-	(411,986)
Net Cash flows	**17,553,138**	**-**	**(29,087,051)**	**(11,533,913)**
Closing insurance contract liabilities	**$167,822,059**	**$4,801,046**	**$22,102,341**	**$194,725,446**

10. Insurance contracts liabilities and reinsurance assets (continued)

10.1 Insurance contract liabilities (continued)

10.11 Liability for remaining coverage excluding loss component (continued)

	Excluding loss component	Loss component	Liability for incurred claims	Total
Year ended December 31, 2022				
Opening insurance contract liabilities	**187,319,423**	**-**	**16,169,664**	**203,489,087**
Less: Insurance revenue	**(15,209,597)**	**-**	**-**	**(15,209,597)**
Add/(Less): Insurance service expenses				
Incurred claims and other expenses	-	(39,129)	23,868,625	23,829,496
Acquisition expenses	387			387
Changes that relate to past services: changes to liabilities for incurred claims	-	-	(13,467,395)	(13,467,395)
Changes that relate to future services: losses on onerous contracts and reversals (including reinsurer's non-performance risk)	-	925,493	-	925,493
Total Insurance service expenses	**387**	**886,364**	**10,401,230**	**11,287,981**
Add/(Less): Investment components				
Investment components	**(16,730,821)**	**-**	**16,730,821**	**-**
Add/(Less): Insurance finance expenses				
Insurance finance expenses	**3,027,558**	**(226,660)**	**-**	**2,800,898**
Add/(Less): Net Cash flows				
Premiums received	19,599,050	-	-	19,599,050
Claims and other expenses paid	-	-	(19,478,721)	(19,478,721)
Acquisition cash flows paid	(803,487)	-	-	(803,487)
Net Cash flows	**18,795,563**	**-**	**(19,478,721)**	**(683,158)**
Closing insurance contract liabilities	**$177,202,513**	**$659,704**	**$23,822,994**	**$201,685,211**

10. Insurance contracts liabilities and reinsurance assets (continued)

10.1 Insurance contract liabilities (continued)

10.12 Estimates of the present value of future cash flows

	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total
Year ended December 31, 2023				
Opening insurance contract liabilities	**176,257,198**	**4,966,743**	**20,461,270**	**201,685,211**
Changes that relate to current service				
Contractual service margin	-	-	(10,355,899)	(10,355,899)
Risk adjustments	-	(500,829)	-	(500,829)
Experience adjustments	(354,849)	-	-	(354,849)
Changes that relate to future service				
Contracts initially recognized in the period	1,790,482	-	10,477	1,800,959
Experience adjustments	(28,615,267)	(4,482,174)	34,095,866	998,425
Changes in estimates reflected in the CSM	11,320,102	5,443,083	(16,763,185)	-
Changes in estimates that result in losses and reversal of losses on onerous contracts (including reinsurer's non-performance risk)	667,895	261,187	-	929,082
Add/(Less) Total changes that relate to current and future service	**(15,191,637)**	**721,267**	**6,987,259**	**(7,483,111)**
Add: Insurance finance expenses				
Net finance expenses	**14,814,306**	**16,260**	**922,842**	**15,753,408**
Add/(Less): Net cash flows				
Net Cash flows	**(15,230,062)**	**-**	**-**	**(15,230,062)**
Closing insurance contract liabilities	**$160,649,805**	**$5,704,270**	**$28,371,371**	**$194,725,446**

10. Insurance contracts liabilities and reinsurance assets (continued)

10.1 Insurance contract liabilities (continued)

10.12 Estimates of the present value of future cash flows (continued)

	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total
Year ended December 31, 2022				
Opening insurance contract liabilities	**185,096,296**	**5,064,919**	**13,327,872**	**203,489,087**
Changes that relate to current service				
Contractual service margin	-	-	(5,210,951)	(5,210,951)
Risk adjustments	-	(537,722)	-	(537,722)
Experience adjustments	(4,152,362)	-	-	(4,152,362)
Changes that relate to future service				
Contracts initially recognized in the period	162,776	-	103,012	265,788
Experience adjustments	(2,329,451)	(4,543,779)	7,595,784	722,554
Changes in estimates reflected in the CSM	(8,954,110)	4,910,023	4,044,087	-
Changes in estimates that result in losses and reversal of losses onerous contracts (including reinsurer's non-performance risk)	(119,569)	56,719	-	(62,850)
Add/(Less) Total changes that relate to current and future service	**(15,392,716)**	**(114,759)**	**6,531,932**	**(8,975,543)**
Add: Insurance finance expenses				
Net finance expenses	**2,182,849**	**16,583**	**601,466**	**2,800,898**
Add/(Less) Net cash flows				
Net cash flows	**4,370,769**	**-**	**-**	**4,370,769**
Closing insurance contract liabilities	**$176,257,198**	**$4,966,743**	**$20,461,270**	**$201,685,211**

10. Insurance contracts liabilities and reinsurance assets (continued)

10.2 Reinsurance contract liabilities

10.21 Liability for remaining coverage on reinsurance contracts

	Excluding loss component	Loss component	Liability for incurred claims	Total
Year ended December 31, 2023				
Opening reinsurance contract liabilities	**11,477,928**	**-**	**(6,793,501)**	**4,684,427**
Add: Allocation of reinsurance premiums paid	**10,344,697**	**-**	**-**	**10,344,697**
Less: Amounts recovered from reinsurance				
Recoveries of incurred claims and other insurance service expense	**-**	**-**	**(5,779,622)**	**(5,779,622)**
Add/(Less): Net reinsurance finance (income)/expenses				
Net finance income from reinsurance contracts	**(71,913)**	**-**	**-**	**(71,913)**
Add/(Less) Net cash flows				
Premiums received	(6,234,164)	-	-	(6,234,164)
Amounts recovered	-	-	3,560,586	3,560,586
Net cash flows	**(6,234,164)**	**-**	**3,560,586**	**(2,673,578)**
Closing reinsurance contract liabilities	**$15,516,548**	**$-**	**$(9,012,537)**	**$6,504,011**

10. Insurance contracts liabilities and reinsurance assets (continued)

10.2 Reinsurance contract liabilities (continued)

10.21 Liability for remaining coverage on reinsurance contracts (continued)

	Excluding loss component	Loss component	Liability for incurred claims	Total
Year ended December 31, 2022				
Opening reinsurance contract assets	(17,436)	-	-	(17,436)
Opening reinsurance contract liabilities	3,088,636	-	545,953	3,634,589
Opening reinsurance contract liabilities	**3,071,200**	**-**	**545,953**	**3,617,153**
Add: Allocation of reinsurance premiums paid	**5,591,076**	**-**	**-**	**5,591,076**
Less: Amounts recovered from reinsurance				
Recoveries of incurred claims and other insurance service expense	**-**	**-**	**(230,443)**	**(230,443)**
Add/(Less): Net reinsurance finance (income)/expenses				
Net finance income from reinsurance contracts	**34,520**	**-**	**-**	**34,520**
Add/(Less) Net cash flows				
Premiums and premium tax paid	(4,959,887)	-	-	(4,959,887)
Amounts recovered	7,741,019	-	(7,109,011)	(632,008)
Net cash flows	**2,781,132**	**-**	**(7,109,011)**	**(4,327,879)**
Closing reinsurance contract assets	**11,477,928**	**-**	**-**	**11,477,928**
Closing reinsurance contract liabilities	**-**	**-**	**(6,793,501)**	**(6,793,501)**
Net closing	**$11,477,928**	**$-**	**($6,793,501)**	**$4,684,427**

10. Insurance contracts liabilities and reinsurance assets (continued)

10.2 Reinsurance contract liabilities (continued)

10.22 Estimates of the present value of future cash flows on reinsurance contracts

	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total
Year ended December 31, 2023				
Opening insurance contract assets	4,528,832	-	-	4,528,832
Opening insurance contract liabilities	-	10,229	145,366	155,595
Net opening balance	**4,528,832**	**10,229**	**145,366**	**4,684,427**
Changes that relate to current service				
Risk adjustments	-	(88,751)	-	(88,751)
Changes that relate to future service				
Contracts Initially recognized in the period	4,292,424	-	-	4,292,424
Experience adjustments	-	-	209,172	209,172
Changes that relate to past service				
Adjustments to liabilities for incurred claims	-	8,655	-	8,655
Add/(Less) Total changes that relate to current and future service	**4,292,424**	**(80,096)**	**209,172**	**4,421,500**
Add: Insurance finance expenses				
The effect of and changes in time of time value of money and financial risk	**68,082**	**-**	**3,579**	**71,661**
Add/(Less) Net cash flows				
Premiums and premium tax paid	(6,234,164)	-	-	(6,234,164)
Amounts recovered	3,560,586	-	-	3,560,586
Net cash flows	**(2,673,578)**	**-**	**-**	**(2,673,578)**
Closing insurance contract assets	**6,215,761**	**-**	**-**	**6,215,761**
Closing insurance contract liabilities	**-**	**(69,867)**	**358,117**	**288,250**
Net Closing Balance	**$6,215,761**	**($69,867)**	**$358,117**	**$6,504,011**

10. Insurance contracts liabilities and reinsurance assets (continued)

10.2 Reinsurance contract liabilities (continued)

10.22 Estimates of the present value of future cash flows on reinsurance contracts

	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total
Year ended December 31, 2022				
Opening insurance contract assets	-	-	(17,436)	(17,436)
Opening Insurance contract liabilities	3,634,589	-	-	3,634,589
Net opening balance	**3,634,589**	**-**	**(17,436)**	**3,617,153**
Changes that relate to current service				
Risk adjustments	**-**	(259,454)	-	(259,454)
Changes that relate to future service				
Contracts initially recognized in the period	5,187,407	-	-	5,187,407
Experience adjustments	-	-	162,998	162,998
Changes that relate to past service				
Adjustments to liabilities for incurred claims	**-**	269,683	-	269,683
Add/(Less) Total changes that relate to current and future service	**5,187,407**	**10,229**	**162,998**	**5,360,634**
Less: Reinsurance finance expenses				
The effect of and changes in time of time value of money ar financial risk	**34,716**	**-**	**(196)**	**34,520**
Add/(Less) Net cash flows				
Premiums and premium tax paid	(4,959,887)	-	-	(4,959,887)
Amounts recovered	632,008	-	-	632,008
Net cash flows	**(4,327,879)**	-	-	**(4,327,879)**
Closing insurance contract assets	**4,528,832**	**-**	**-**	**4,528,832**
Closing insurance contract liabilities	**-**	**10,229**	**145,366**	**155,595**
Net closing balance	**$4,528,832**	**$10,229**	**$145,366**	**$4,684,427**

10. Insurance contracts liabilities and reinsurance assets (continued)

10.3 Insurance revenue

	2023	2022
Contracts not measured under PAA:		
Amounts relating to the changes in the LR		
Expected claims and other expenses	12,798,556	9,460,537
Risk adjustment for risk expired	499,724	537,722
Contractual service margin for service provided	10,081,899	5,210,951
Recovery of acquisition cash flows	102,953	387
Loss adjustment at maturity	(62,298)	-
	$23,420,834	**$15,209,597**

10.4 Finance expenses

	2023	2022
Net finance expense		
Interest accreted to insurance contracts	4,375,267	3,481,128
Effect difference between current and locked-in rates on change in estimates	7,858,167	8,980,715
Effect of changes in interest rates and financial assumption	3,519,974	(9,660,945)
Total net finance expense	**$15,753,408**	**$2,800,898**

11. Deferred tax liabilities

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable.

Deferred income tax assets and liabilities and the deferred income tax charge in the statement of comprehensive income and other comprehensive income are attributable to the following:

	2023	2022
Balance at beginning of year	1,259,689	1,508,773
Deferred taxation on actuarial gain on retirement benefit asset	(109,606)	(249,084)
Balance at end of year	**$1,150,083**	**$1,259,689**
Deferred taxation is attributable to the following items:		
Retirement benefit asset	1,150,083	1,259,689
	$1,150,083	**$1,259,689**

12. Trade and other payables

	2023	2022 (restated)
Trade payables	3,133,613	2,733,948
Other payables	745,900	558,513
	$3,879,513	**$3,292,461**

13. Marketing and administration expenses

	2023	2022 (restated)
Salaries, wages and allowances	1,655,905	1,852,788
Pension costs	(803,200)	(743,900)
Other benefits	286,268	373,353
Depreciation	1,628,921	914,906
Purchase of goods and services	1,268,674	1,983,805
Professional fees	1,563,962	968,410
Total expenses	**$5,600,254**	**$5,349,362**
Apportionment		
Insurance service expense	1,921,171	2,196,390
Other operating expenses	3,679,083	3,152,972
	$5,600,254	**$5,349,362**

14. Taxation

	2023	2022
Current tax	424,146	295,957
Prior year under provision	-	31,300
Green fund levy	(3,985)	28,512
Tax charge	**$420,161**	**$355,769**

The tax on profits differs from the theoretical amount that would arise using the basic rate of tax as follows:

	2023	2022
Profit before tax	**3,815,863**	**7,909,663**
Tax at statutory rates 15% applicable to profits	572,379	1,186,449
Green fund levy	(3,985)	28,512
Prior year under provision	-	31,300
Tax effects of:		
Income not subject to tax	(779,877)	(9,477,728)
Expenses not deductible for tax	631,644	8,587,236
Tax charge	**$420,161**	**$355,769**

15. Related party transactions and balances

The Company has a related party relationship with its parent and with its directors and executive officers. A number of transactions have been entered into with related parties in the normal course of business.

On July 10, 2019, Assuria Schadeverzekering N.V., loaned the Company US$3,000,000 at an interest rate of 2.75% per annum with repayment due by June 30, 2029. During December 2020 the board of directors of Assuria Schadeverzekering N.V. agreed to change the interest rate on the loan to 0% effective January 1, 2021.

15. Related party transactions and balances (continued)

15.1 Subordinated debt

On December 1, 2021, the Company executed a zero-coupon subordinated loan agreement with its parent company, Assuria N.V., which has an original maturity date of no less than five (5) years from the execution date.

There is no collateral in place for the above loans.

	2023	2022
Subordinated debt	**$12,688,875**	**$12,717,750**

15.2 Other related party balances

	2023	2022
Related party loans	4,356,538	4,366,452
Other related party balances	3,939,390	793,219
Non-current portion	**$8,295,928**	**$5,159,671**

15.3 Related party transactions in the statement of comprehensive income

The related party transactions included in the statement of comprehensive income are as follows:

	2023	2022
a) Finance cost	$-	$500
b) Key management personnel compensation		
Directors' fees	$144,000	$144,000
Key management compensation	$678,000	$678,000
Professional fees	$87,581	$201,000
c) Interest received on mortgages	$162,810	$126,332

Other related party transactions are as follows:

	2023	2022
a) Mortgage principal repaid	$274,586	$236,337

16. Financial risk management

Introduction and overview

The Company has exposure to the following risks:

- Insurance risk
- Credit risk
- Liquidity risk
- Market risk
- Operational risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risks and the Company's management of capital. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

16. Financial risk management (continued)

Introduction and overview (continued)

The Company's overall risk management programme focuses on the unpredictability of the financial markets and seeks to minimize potential adverse effects on the financial performance of the Company through diversity and regular reviews of its investment portfolio. The Board of Directors approves written principles for overall risk management and investing excess liquidity and Management is responsible for its implementation.

(a) Insurance risk

The risk under an insurance contract is the risk that an insured event will occur including the uncertainty of the amount and timing of any resulting claim.

Insurance risks arise from the loss due to actual experience being different from the expectation with respect to claims and benefit payments and the cost of embedded options and guarantees associated with the insurance contracts. The Company is exposed to the following insurance risks: mortality risk, longevity risk, morbidity risk, interest rate risk and expense and inflation risk.

The mortality risk is the most significant risk taken by the Company from its ordinary life insurance business.

For traditional life insurance policies, the death benefits and premiums are guaranteed. For universal life (GEM) policies, the cost of insurance charges can be adjusted by the Company subject to certain maximum insurance factors.

The AIDS epidemic is an important consideration in selecting and managing mortality risk. HIV test is incorporated in the underwriting requirement for risk selection and additional provision in policy liability is made for the possible extra mortality due to AIDS.

(b) Credit risk

Credit risk arises from the possibility that counterparts may default on their obligation to the Company. The amount of the Company's maximum exposure to credit risk is indicated by the carrying amount of its financial assets.

Management of credit risk

Investment securities

The Company limits its exposure to credit risk by investing in liquid securities i.e. securities traded on the open market, bonds and fixed deposits held with reputable institutions. The Company invests in institutions with higher creditworthiness.

Loans and receivables

Reinsurance is placed with high rated counterparties and concentration of risk is avoided by following policy guidelines in respect of counterparties' limits that are set each year and are subject to regular reviews. Each year, management performs an assessment of the creditworthiness of reinsurers to update reinsurance purchase strategy and ascertains suitable allowance for impairment of reinsurance assets.

The credit risk in respect of customer balances incurred on non-payment of premiums or contributions will only persist during the grace period specified in the policy document on the expiry of which the policy is either repaid up or terminated. Loans awarded on policies are secured by the cash surrender value accumulated on the policy. Informal credit checks are performed for agents.

16. Financial risk management (continued)

(b) Credit risk (continued)

Management of credit risk (continued)

Exposure to credit risk would be the carrying amount of financial assets at December 31, as follows:

	2023	2022
At fair value through profit or loss (Mutual Funds) (Note 5)	-	3,860,399
At amortised cost		
Bond and mortgages (Note 5)	155,765,400	160,042,741
Trade and other receivables (Note 7)	1,797,221	2,140,886
Cash and cash equivalents	22,227,851	16,736,991
	$179,790,472	**$182,781,017**
The exposure to credit risk by type of counter party was as follows:		
Trinidad and Tobago government bonds	40,062,256	40,062,256
Other Commonwealth government bonds	9,124,705	9,124,705
Bonds and certificates of interest issued by banks	14,880,821	10,698,265
Corporate bonds, individual customers, and other counterparties	115,722,690	122,895,791
	$179,790,472	**$182,781,017**
The exposure to credit risk by geographic region was as follows:		
Trinidad and Tobago	141,697,700	155,612,599
Other Caricom Government Bonds	9,124,705	9,124,705
Other	28,968,067	18,043,713
	$179,790,472	**$182,781,017**

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings if available or to a rating assigned by management using an approach consistent with that used by Standard and Poors. The table below provides information regarding the credit risk exposure of the Company by classifying assets according to the Standard & Poor's issued credit rating.

AAA - An obligation rated 'AAA' has the highest rating assigned by Standard & Poors. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

AA - An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment is very strong.

A - An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

BBB - An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

Below BBB - Obligations rated 'Below BBB' are regarded as having significant speculative characteristics. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.

16. Financial risk management (continued)

(b) Credit risk (continued)

Management of credit risk (continued)

Not Rated - This indicates that there is insufficient information on which to base a rating. These balances are current and are monitored regularly for impairment. This classification includes obligations due from individuals, short term securities and receivables arising under contracts of insurance underwritten in the international property and casualty business of the Group.

16. Financial risk management (continued)

(b) Credit risk (continued)

The below table shows the concentration of credit risk at December 31 2022 and 2023.

	AA	A	BBB	BB	B	Not Rated	Total
Year ended December 31, 2023							
Non-current							
Investments	-	25,183,970	115,519,811	-	8,675,500	6,386,119	155,765,400
	$-	**$25,183,970**	**$115,519,811**	**-**	**$8,675,500**	**$6,386,119**	**$155,765,400**
Current							
Trade and other receivables	-	-	-	-	-	1,797,221	1,797,221
Cash and cash equivalents	-	3,635,592	17,908,623	-	683,636	-	22,227,851
	$-	**3,635,592**	**17,908,623**	**-**	**683,636**	**1,797,221**	**24,025,072**
	$-	**$28,819,562**	**$133,428,434**	**$-**	**$9,359,136**	**$8,183,340**	**$179,790,472**
Year ended December 31, 2022							
Non-current							
Investments	-	1,563,329	124,733,549	17,855,190	9,124,705	6,765,968	160,042,741
	$-	**$1,563,329**	**$124,733,549**	**$17,855,190**	**$9,124,705**	**$6,765,968**	**$160,042,741**
Current							
Mutual funds	-	-	-	-	-	3,860,399	3,860,399
Trade and other receivables	-	-	-	-	-	2,140,886	2,140,886
Cash and cash equivalents	68,936	3,648,609	9,412,321	-	3,607,126	-	16,736,991
	68,936	**3,648,609**	**9,412,321**	**-**	**3,607,126**	**6,001,285**	**22,738,277**
	$68,936	**$5,211,938**	**$134,145,870**	**$17,855,190**	**$12,731,831**	**$12,767,253**	**$182,781,018**

16. Financial risk management (continued)

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

Management of liquidity risk

The major liquidity risk confronting the Company is the daily calls on its available cash resources in respect of claims arising from insurance contracts and the maturity of investment securities. The Company sets limits on the minimum portion of maturing funds available to meet such calls and on the minimum level of borrowing facilities that should be in place to cover claims at unexpected levels of demand.

The following are the contractual maturities of financial liabilities and payments coming due subsequent to December 31, 2022 and 2023:

	Notes	Carrying amount	Contractual cash flows	Less than 12 months	2-4 years	More than 4 years
Year ended December 31, 2023						
Insurance contracts liabilities	10.1	194,725,446	-	4,525,884	-	190,199,562
Reinsurance contracts liabilities	10.2	6,504,011	-	-	-	6,504,011
Subordinated debt	15.1	12,688,875	12,688,875	-	-	12,688,875
Due to related parties	15.2	8,295,928	8,295,928	-	-	8,295,928
Trade and other payables	12	3,879,513	4,473,212	4,473,212	-	4,473,212
		$226,093,773	**$25,458,015**	**$8,405,394**	**$-**	**$222,161,588**
Year ended December 31, 2022						
Insurance contracts liabilities	10.1	201,685,211	-	5,737,342	-	195,947,869
Reinsurance contracts liabilities	10.2	4,684,427	-	-	-	4,684,427
Subordinated debt	15.1	12,717,750	12,717,750	-	-	12,717,750
Due to related parties	15.2	5,159,671	5,159,671	-	-	5,159,671
Trade and other payables	12	3,292,461	3,474,433	3,474,433	-	-
		$227,539,520	**$21,351,854**	**$9,211,775**	**$-**	**$218,509,717**

(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Interest rates

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk arises on interest-bearing financial instruments recognized in the statement of financial position.

16. Financial risk management (continued)

(d) Market risk (continued)

(i) Interest rates (continued)

Management of interest rate risk

The Investment Committee comprises three non-executive directors and provides general direction as to the types of investments that would comprise the Company's portfolio. The aim is to balance the risk and returns with the objective of maximizing investment income.

The strategies adopted to reduce interest rate risk are as follows:

a. Investments will generally be purchased on the primary market and on the secondary market at a price of par or below and held to maturity.

b. Purchases on the secondary market will be made above par where the yield to maturity is consistent with returns being enjoyed on comparable investments.

c. Investments will also be made with a view to holding to maturity.

d. The Company will maintain an appropriate balance of long term and short-term instruments to smooth un-realised gains or losses on long term instruments caused by fluctuations in interest rates.

Profile

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was as follows:

	2023	**2022**
Fixed-rate instruments		
Financial assets	184,434,291	188,704,395
	$184,434,291	**$188,704,395**

Fair value sensitivity analysis for fixed-rate instruments

The Company is unable to assess the sensitivity of the fair values of financial assets at fair value through profit or loss as a result of changes in interest rates at the reporting date due to the lack of sufficient information.

(ii) Price risk

Price risk is the risk that the value of a security will decline in the future.

Management of price risk

The Company manages its equity price risk by limiting its investment in those equities that are traded on the open market to no more than ten per cent (10%) of its total assets.

The exposure to price risk at the reporting date is $28,668,891 (2022: $24,801,255).

16. Financial risk management (continued)

(d) Market risk (continued)

(ii) Price risk (continued)

Price sensitivity analysis for financial instruments

A change of one per cent in interest rates at the statement of financial position date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis was performed on the same basis for 2022.

	2023	2022
1% increase	286,689	248,013
1% decrease	(286,689)	(248,013)

(iii) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company is exposed to currency risk on its revenue and services that are denominated in other currencies other than its functional currency. The Company's functional currency is Trinidad and Tobago Dollars (TTD). The other primary currency that these transactions are denominated in is United States Dollar (USD).

Management of currency risk

The Company mitigates against this risk by holding about 19% (2022: 19%) of its investment portfolio to provide a natural hedge to settle transactions with its foreign suppliers. The Company uses the spot market to adjust any imbalances.

Exposure to currency risk shown in Trinidad and Tobago Dollars at December 31, 2022 and 2023.

	Carrying amount	United States Dollars	Canadian Dollars
Year ended December 31, 2023			
Investment at fair value through profit or loss	786,699	-	786,699
Investments measured at amortised cost	46,668,016	46,668,016	-
Cash and cash equivalents	4,325,524	4,325,524	-
Due to related parties	(4,356,538)	(4,356,538)	-
Subordinated debt	(12,688,875)	(12,688,875)	-
Net exposure	**$34,734,826**	**$33,948,127**	**$786,699**
Year ended December 31, 2022			
Investment at fair value through profit or loss	985,824	-	985,824
Investments measured at amortised cost	47,318,308	47,318,308	-
Cash and cash equivalents	4,978,141	4,978,141	-
Due to related parties	(4,366,452)	(4,366,452)	-
Subordinated debt	(12,717,750)	(12,717,750)	-
Net exposure	**$36,198,071**	**$35,212,247**	**$985,824**

There were no foreign currency sales or purchases forecasted for the subsequent three months after year-end which would otherwise have been included in the exposure analysis above.

16. Financial risk management (continued)

(d) Market risk (continued)

(iii) Currency risk (continued)

Management of currency risk (continued)

The following significant exchange rates applied during the year:

	2023	**2022**
Reporting date spot rate:		
United States Dollar	$6.7674	$6.7828
Canadian Dollar	$5.4507	$5.3397

Sensitivity analysis

A one per cent strengthening of the Trinidad and Tobago Dollar against the United States Dollar and Canadian Dollar at December 31 would have decreased profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis was performed on the same basis for 2022.

	2023	**2022**
United States Dollar	$(680,489)	$(352,122)
Canadian Dollar	$(7,867)	$(9,858)

(e) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risk arises from all of the Company's operations.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost-effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to key management. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions
- requirements for the reconciliation and monitoring of transactions
- compliance with regulatory and other legal requirements
- documentation of controls and procedures
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- requirements for the reporting of operational losses and proposed remedial action
- development of contingency plans
- training and professional development
- ethical and business standards
- risk mitigation, including insurance where this is effective.

Compliance with Company standards is supported by a programme of periodic reviews undertaken by senior management.

17. Financial instruments

Fair value

The estimated fair values of certain financial instruments have been determined using available market information, and accordingly, the estimates presented here are not necessarily indicative of the amounts that the Company could realise in the current market exchange.

The carrying amounts of financial assets and liabilities, included under trade and other receivables, cash and cash equivalents and trade and other payables, approximate their fair values because of the short-term maturities of these instruments.

The carrying amount of the subordinated debt approximates its fair value.

Investments are measured at amortised cost less any impairment losses. This includes quoted and unquoted government securities and other bonds, which have interest rates that vary between 1.85% and 10.18%, and maturity dates that vary between the years 2023 to 2036.

The below table shows the carrying amount and fair value of the investments measured at amortised cost at December 31, 2022 and 2023.

	Notes	2023		2022	
		Carrying value	Fair value	Carrying value	Fair value
Quoted government bonds	5	63,386,748	52,560,961	56,967,265	55,129,296
Quoted other bonds	5	85,992,534	87,829,303	96,309,508	95,078,461
Mortgages	5	6,386,118	6,386,118	6,765,968	6,765,968
		$155,765,400	**$146,776,382**	**$160,042,741**	**$156,973,725**

As stated in Note 2.5, investments at fair value through profit or loss are carried at their fair values based on quoted market prices.

Fair value hierarchy

The different levels of hierarchy have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At the reporting date financial instruments carried at fair value, were categorized under Levels 1, 2 and 3. There was no transfer of financial instruments carried at fair value between levels during the year, neither were there any changes in the categorization from the prior year.

17. Financial instruments (continued)

Fair value (continued)

Classifications and fair values

The following table shows the carrying amounts of financial assets carried at fair value, including their levels – the fair value hierarchy at December 31, 2022 and 2023.

	Carrying amount	Fair value Level 1	Level 2	Level 3
Year ended December 31, 2023				
Financial assets measured at fair value				
Financial assets at fair value through profit or loss (Note 5)	28,668,891	-	28,668,891	-
	$28,668,891	**$-**	**$28,668,891**	**$-**
Year ended December 31, 2022				
Financial assets measured at fair value				
Financial assets at fair value through profit or loss (Note 5)	28,661,654	-	28,661,654	-
	$28,661,654	**$-**	**$28,661,654**	**$-**

18. Restatement

Where necessary, comparatives have been adjusted to conform to changes in presentation in the current year.

The following are the details of the changes made to the comparative information on the unconsolidated statements of financial position and comprehensive income, mainly as a result of revaluation of the property and the adoption of IFRS 17 and IFRS 9.

	As previously reported	Restatement	As restated
Year ended December 31, 2022			
Property, plant and equipment	36,544,884	(642,225)	35,902,659
Investment property	45,233,333	(43,033,433)	2,199,900
Non-current investments	118,351,713	41,691,028	160,042,741
Non-current loans receivable	1,737,662	(1,737,662)	-
Current investments	70,352,682	(41,691,028)	28,661,654
Current loans receivable	579,221	(579,221)	-
Accumulated deficit	65,330,565	(28,236,854)	37,093,711
Revaluation reserve	(52,705,144)	43,675,658	(9,029,486)
Non-current insurance contracts liabilities	(208,138,678)	6,453,467	(201,685,211)
Reinsurance contract liabilities	-	(4,684,427)	(4,684,427)
Current insurance contracts liabilities	(32,387,554)	32,387,554	-
Trade and other payables	(3,474,433)	181,972	(3,292,461)
Taxation payable	-	(241,599)	(241,599)
Insurance revenue	-	(15,209,597)	(15,209,597)
Insurance service expense	-	11,287,981	11,287,981
Net income or expense from reinsurance contracts held	-	5,360,633	5,360,633
Net investment results	-	(11,486,875)	(11,486,875)
Net finance expense from insurance contracts	-	2,800,898	2,800,898
Marketing and administration expenses	5,367,043	(2,214,071)	3,152,972
Other income	-	(3,815,675)	(3,815,675)
Long-term insurance premiums	(22,720,936)	22,720,936	-
Insurance premiums ceded to reinsurers	5,537,881	(5,537,881)	-
Reinsurance commission	(26,489)	26,489	-
Investment income	(10,064,620)	10,064,620	-
Other income	(675,420)	675,420	-
Net unrealized gain on investments	(1,864,679)	1,864,679	-
Net unrealized loss on mutual funds	442,424	(442,424)	-
Insurance benefits	(5,349,735)	5,349,735	-
Insurance claims	24,282,929	(24,282,929)	-
Commissions	705,169	(705,169)	-
Year ended December 31, 2021			
Property, plant and equipment	36,167,276	(1,117,402)	35,049,874
Investment property	45,233,333	(43,033,433)	2,199,900
Non-current investments	126,651,653	(2,380,649)	124,271,004
Accumulated deficit	65,330,565	(28,236,854)	37,093,711
Revaluation reserve	(52,705,144)	44,150,836	(8,554,308)
Non-current insurance contracts liabilities	(208,371,003)	4,881,916	(203,489,087)
Reinsurance contract liabilities	-	(3,617,153)	(3,617,153)
Current insurance contracts liabilities	(29,352,739)	29,352,739	-
Trade and other payables	(4,046,151)	141,599	(3,904,552)
Taxation payable	-	(141,599)	(141,599)

19. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company is subject to the capital requirements under the Insurance Act, 2018 as follows:

(a) Section 22: minimum paid-up share capital of $15,000,000.

(b) Section 82: maintain adequate capital base to ensure compliance upon completion on quarterly capital adequacy return, for which the minimum results allowed are (i) one hundred and fifty per cent (150%) capital ratio, and (ii) seventy-seven per cent (77%) net tier 1 ratio.

(c) Section 89: comply with credit exposure limits – (i) single person or entity borrower must not exceed ten per cent (10%) of capital base, and (ii) group borrower must not exceed twenty-five per cent (25%) of capital base.

As at December 31, 2023, the Company was compliant with the capital base requirements stipulated within the Insurance Act, 2018.

20. Subsequent events

The Company evaluated all events that occurred from January 1, 2024, through March 12, 2025, the date the financial statements were available to be issued. During the period, the Company did not have any subsequent events requiring recognition or disclosure in the financial statements.

FORM OF PROXY

REPUBLIC OF TRINIDAD AND TOBAGO

The Companies Act. Chap 81:01 (Section 143(1))

NAME OF COMPANY: ASSURIA LIFE (T&T) LTD. **Company No.:** A 6896 (C)

PARTICULARS OF MEETING

Forty-Third Annual Meeting of the Shareholders of the Company to be held on Wednesday 16th April 2025, at 9 a.m. at Assuria Life (T&T) Ltd., 49 Dundonald Street, Port of Spain.

I/We ____

OF ____

Being Shareholder(s) in the above Company, hereby appoint(s) the following person:

____

to be my/our proxy to attend and vote for me / us on my / our behalf at the above meeting and at any adjournment/s thereof, as indicated below on the resolutions to be proposed in the same manner; to the same extent and with the same powers as if I / we was / were/ present at the said meeting or such adjournment or adjournments thereof.

Dated: Signature of Shareholder(s):

Please indicate with an "X" in the spaces below and overleaf how you wish your proxy to vote on the resolutions referred to be cast. Unless otherwise instructed, the proxy may vote or abstain from voting as he / she thinks fit. Please consider the Notes 1- 6 overleaf for your assistance to complete and deposit this Proxy Form.

ORDINARY BUSINESS	FOR	AGAINST
RESOLUTION 1: BE IT RESOLVED That the minutes of the 42nd Annual Meeting be approved		
RESOLUTION 2: BE IT RESOLVED That the Audited Financial Statements of the Company for the financial year ended 31st December 2023 together with the reports of the Directors and the Auditors thereon be approved.		
RESOLUTION 3: BE IT RESOLVED That the retiring Directors are hereby re-elected en-bloc for the term from the date of their re-election until the close of the next Annual Meeting of the Company following their re-election, subject always to earlier termination.		
RESOLUTION 4: BE IT RESOLVED That BDO of 122-124 Frederick Street, Port of Spain be re-appointed as Auditors of the Company to hold office until the close of the next Annual Meeting.		
RESOLUTION 5: BE IT RESOLVED That Mr. R Toby be elected for the term from the close of the Annual Meeting of Shareholders until the Next Annual Meeting of the Company following his election, subject always to earlier termination.		
RESOLUTION 6: BE IT RESOLVED That any other business, which may be properly brought before the annual meeting be transacted.		

NOTES ON COMPLETING PROXY FORM

1. A shareholder may appoint a proxy of his / her own choice. If such an appointment is made, delete the words “Chairman of the Meeting” from the Proxy Form and insert the name and address of the person appointed proxy in the spaced provided and initial the alteration.

2. If the appointor is a Corporation, this Proxy Form must be under its common seal or and under the hand of an officer or attorney of the company duly authorized in that behalf.

3. A shareholder that is a body corporate may, in lieu of appointing a proxy authorize an individual by resolution of its directors or its governing body to represent it at the Annual Meeting.

4. In the case of joint shareholders, the names of all the joint shareholders must be stated on the Proxy Form and all joint shareholders must sign the Proxy Form.

5. If the Proxy Form is returned without any indication as to how the person appointed proxy shall vote, the proxy will exercise his / her discretion as to how he / she votes or whether he / she abstains from voting.

6. To be valid, this Proxy Form must be completed, signed and deposited at the registered office of the Company at the address below at least 48 hours before the time appointed for holding the Annual Meeting or adjourned meeting.

7. Complete the form by placing an X in the appropriate space and RETURN TO:

   The Secretary
   Assuria Life (T&T) Ltd
   49 Dundonald Street
   Port of Spain