The Guyana and Trinidad Mutual Fire Insurance Company Limited

144th ANNUAL REPORT - 2023

OUR VISION AND MISSION STATEMENTS

Our Vision

To be the premier customer-oriented Insurance Services Provider in Guyana and the Caribbean.

Our Mission

To consistently provide sound, solid and reliable customer-oriented Insurance Services of the highest professional and ethical standard in Guyana and across the Caribbean.

OUR CORE VALUES

1. **Professionalism** - We promote professionalism through exemplary conduct, deportment, positive attitudes and the highest ethical standards.

2. **Integrity** - We uphold the highest level of integrity in every aspect of our business.

3. **Quality Service** - We strive to ensure customers' satisfaction through quality service and continuous development of new and attractive products.

4. **Teamwork** - Teamwork is important to GTM as it encourages harmonious relations among employees as we aim to achieve the Company's goals and objectives.

5. **Training and Development** - We aim to provide superior customer service by ensuring that all team members are appropriately trained and developed.

6. **Commitment** - We are committed to uphold the Vision and Mission of the Company, so as to provide the best customer service.

7. **Excellence** - For GTM, excellence is important in order to meet and exceed the highest expectations of our policyholders, customers and the community.

A Tradition of Superior Insurance Service

Notice of Meeting

The **Ordinary General Meeting of Members** will be held at 17:00 hours on Monday, September 30, 2024 at the Black Magenta (Georgetown Club), 208 Camp Street, Georgetown.

AGENDA

1. To receive and consider the Report of the Directors, the Financial Statements for the year ended 31st December, 2023 and the Report of the Auditors thereon.

2. To sanction the declaration of a final dividend on Scrip Capital.

3. To elect Directors.

4. To fix remuneration of the Directors.

5. To elect Auditors and fix their remuneration.

6. To confirm the following amendment of the Ordinance:

   That Section 67 (1) be deleted and replace by the following:

   " Every policy of the Company, and every other document requiring to be formally executed, shall be signed and executed for and on behalf of the Company by a director and countersigned by the Secretary, who shall affix the corporate seal of the Company thereto and every policy of the Company shall be signed and executed, for and on behalf of the Company, by any person authorised by Resolution at a meeting of the Board of Directors to so do, and affix the corporate seal of the Company thereto."

BY ORDER OF THE BOARD

T. CASTELLO
Company Secretary/Accountant

GTM Buildings
27-29 Robb & Hincks Streets
Georgetown
28th August, 2024

N.B. The right to vote by proxy may only be exercised if the member resides outside of the City of Georgetown.

The appointed proxy must be a member of the Company.

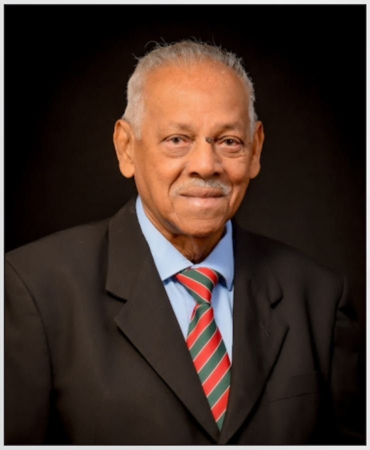
The instrument appointing a proxy must be deposited at the Head Office of the Company not less than twenty-four hours before the time appointed for holding the meeting.

HEAD OFFICE

27-29 Robb & Hincks Streets, Georgetown, Guyana

CHAIRMAN	**R. L. SINGH,** AA, ACIS
DIRECTORS	**E. A. LUCKHOO,** LL.B(HONS) (LOND), SC
	B. J. HARPER (MS.), BA
	P. S. FRASER
	G. E. DEAN, BSc., CGMA
	R. T. SINCLAIR, MSc.
	A. N. CARTER-SHARMA (MRS.), BEng. (ARCH), OSHA-30HR
MANAGING DIRECTOR	**R. ST. P. YEE,** BSc.(HONS), EMBA
COMPANY SECRETARY/ ACCOUNTANT	**T. CASTELLO,** BSoc.Sc., LL.B, ACCA, MBA, FLMI
FINANCE CONTROLLER	**K. NAUTH,** MBA, MSc., FCCA, CPA
INTERNAL AUDITOR	**J. CHAN-NILES (MRS.),** B.Soc.Sc (Accounting), FCCA, CRMA, CIA

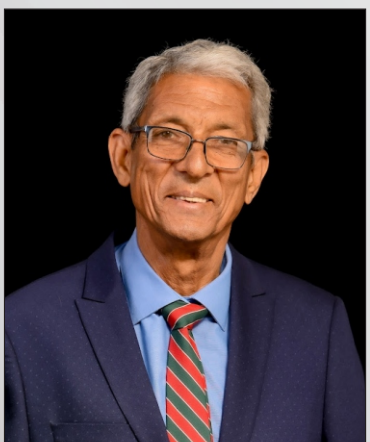
Chairman & Board of Directors



Mr. R. L. Singh, AA
Chairman

Mr. E. A. Luckhoo, SC
Director

Ms. B. J. Harper
Director



Mr. P. S. Fraser
Director

Mr. G. E. Dean
Director

Mr. R. T. Sinclair
Director

Mrs. A. N. Carter-Sharma
Director

Mr. R. St. P. Yee
Managing Director

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REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their REPORT and the AUDITED FINANCIAL STATEMENTS for the year ended 31 December, 2023.

FIRE BUSINESS

GUYANA & CARIBBEAN OFFICES

At the commencement of the year after adjustment for the change in currency rates the sum insured for business in force was $525,951,353,356 with annual premiums of $2,225,734,328.

New policies, increases and reinstatements totalled $61,020,929,587: in sums insured, yielding annual premiums of $192,458,040. The amount of insurance in force at 31 December, 2023 was $560,082,696,645 with annual premiums of $2,309,637,653.

SUMMARY OF POLICIES ISSUED AND EXPIRED

	SUM INSURED	ANNUAL PREMIUMS
	G$	G$
Insurance in force at 31-12-2022	525,951,353,356	2,225,734,328
Issued during the year ended 31-12-2023	61,020,929,587	192,458,040
	586,972,282,943	2,418,192,368
Expired during the year ended 31-12-2023	26,889,586,298	108,554,715
Insurance in force at 31-12-2023	560,082,696,645	2,309,637,653

The total amount of claims paid and provided for during the year amounted to $191,712,716 net of reinsurance recoveries.

TRIENNIAL CASH PROFIT

The Directors have declared a return of 30% of the premiums received after deduction of the usual reserve for unexpired time, in respect of those fire insurance policies issued in Guyana entitled to earn profit for the period ended 31 December, 2023. This will result in a return to policyholders of $37,340,938 in cash.

REPORT OF THE DIRECTORS

INVESTMENTS

At the commencement of the year, the total value of investments was $12,670,815,803. At 31 December 2023, securities were revalued in accordance with accounting best practice, which resulted in a total value of investments being $11,165,156,063. This movement in due to the fall in share price during 2023.

Mortgage Loans outstanding at 31 December, 2023 were $13,999,641.

Certificates for the securities have been examined by the Auditors.

DIVIDENDS

The Directors have approved a final dividend of 5% on the Preferent Scrip and First Preferred Stock, and recommend a final dividend of 5% on the Ordinary Scrip Capital.

DIRECTORATE

The following Directors retire from Office and are eligible for re-election — Messrs.P. S. Fraser, G. E. Dean and Mrs. A. N. Carter-Sharma.

CORPORATE GOVERNANCE

The Company shares a common Board of Directors with the Guyana and Trinidad Mutual Life Insurance Company Limited and regular meetings are held for each Company.

The Board has established a Budget and Liquidity Risk Management Committee, which on an ongoing basis, reviews the Company's liquidity requirements and monitors potential risks to the business. Other major Committees on which members of the Board serve, are the Audit , Risk Management, Information Systems, Marketing and Public Relations, Building, Investment and Organisational and Compensation.

AUDITORS

Ram & McRae Chartered Accountants have retired and are eligible for election.

INDEPENDENT AUDITOR'S REPORT

To the Members of
The Guyana and Trinidad Mutual Fire Insurance Company Limited
on the Financial Statements for the Year Ended 31 December, 2023

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **The Guyana and Trinidad Mutual Fire Insurance Company Limited**, which comprise the statement of financial position as at December 31, 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements on pages 6 to 59 present fairly, in all material respects, the financial position of **The Guyana and Trinidad Mutual Fire Insurance Company Limited** as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, Ordinance No. 31 of 1880 and the Insurance Act 2016.

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 *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other 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 these financial statements in accordance with International Financial Reporting Standards, Ordinance No. 31 of 1880 and the Insurance Act 2016, 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 — cont'd

Auditor's Responsibilities for the Audit of the Financial Statements - cont'd

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 controls 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.

Report on Other Legal and Regulatory Requirements

As stated in Note 41 to these financial statements, the Bank of Guyana has determined that the Company is not compliant with certain provisions of the Insurance Regulations, 2018 which require the Company to take corrective action over five years from November 6, 2019.

RAM & MC RAE
CHARTERED ACCOUNTANTS
PROFESSIONAL SERVICES FIRM
157 'C' WATERLOO STREET
GEORGETOWN
GUYANA

28th August, 2024

Table of Acronyms and Phrases

Certain acronyms have been used thoughout the financial statements and notes thereto to substitute phrases.These phrases are introduced once throughout the financial statements and notes.

For ease of reference, we have outlined the more frequent acronyms and their associated phrases are set out below:

Acronym		Phrase
AC	....	Amortised Cost
AOCI	....	Accumulated Other Comprehensive Income
CSM	....	Contractual Service Margin
ECL	....	Expected Credit Losses
FCF	....	Fullfilment Cash Flows
FRA	....	Fully Retrospective Approach
FVA	....	Fair Value Approach
FVOCI	....	Fair Value through Other Comprehensive Income
FVTPL	....	Fair Value Through Profit or Loss
GMM	....	General Measurement Model
IAS	....	International Accounting Standards
IASB	....	International Accounting Standards Board
IFRS	....	International Financial Reporting Standards
LIC	....	Liability for Incurred Claims
LRC	....	Liability for Remaining Coverage
OCI	....	Other Comprehensive Income
PAA	....	Premium Allocation Approach

STATEMENT OF FINANCIAL POSITION

As at 31 December, 2023

	Notes	2023	31-Dec-22 Restated	01-Jan-22 Restated
		G$	G$	G$
Assets				
Non-current assets				
Property and equipment	(15)	1,471,665,710	**1,463,991,579**	**1,634,377,273**
Right of use asset	(16)	1,296,954	**4,895,815**	**8,678,269**
Deferred tax asset	(17)	92,084,505	**69,279,087**	**73,670,574**
Financial investments:				
Debt securities at amortised cost	(18)a	656,431,670	**687,422,377**	**749,959,874**
Mortgage at amortised cost	(18)b	13,999,641	**14,803,922**	**21,465,321**
Equity securities at fair value through OCI	(18)c	10,494,724,752	**11,968,589,505**	**8,719,450,515**
Retirement benefit assets	(19)	259,279,817	**401,806,293**	**413,835,942**
		12,989,483,049	**14,610,788,578**	**11,621,437,768**
Current assets				
Reinsurance contract assets	(20)	207,549,673	**270,495,852**	**351,210,896**
Interest accrued	(21)	24,209,168	**16,227,001**	**15,969,814**
Receivables and prepayments	(22)	72,347,678	**67,761,927**	**77,479,325**
Related party receivable	(34)	—	**927,318**	—
Taxes recoverable	(35)	267,747,725	**255,337,613**	**61,185,514**
Treasury bills	(18)a	441,363,965	**384,164,024**	**466,060,002**
Statutory depoit	(23)	881,575,723	**872,878,995**	**864,802,870**
Cash on deposit	(24)	1,535,663,708	**1,501,194,966**	**1,302,191,136**
Cash at bank	(25)	1,613,588,341	**1,206,961,496**	**1,169,641,115**
Cash on hand and in transit	(25)	16,479,531	**18,684,974**	**4,766,373**
		5,060,525,512	**4,594,634,165**	**4,313,307,045**
Total assets		18,050,008,561	**19,205,422,743**	**15,934,744,813**
Equity and liabilities				
Capital and reserves				
Scrip and stock capital	(26)	1,000,000	**1,000,000**	**1,000,000**
Premium capital	(27)	165,140,547	**165,747,715**	**187,292,492**
Investment reserve	(28)	10,034,861,198	**11,506,653,799**	**8,507,342,847**
Other reserve	(29)	4,014,409,000	**3,828,570,000**	**3,442,680,278**
Dividends, biennial bonus and triennial profit	(30)	37,664,906	**42,067,685**	**46,716,286**
Revaluation reserve	(18)d	559,436,039	**559,436,039**	**772,083,615**
		14,812,511,690	**16,103,475,238**	**12,957,115,518**
Non-current liabilities				
Insurance contract liabilities	(32)	2,129,952,954	**2,161,759,255**	**2,004,242,160**
Pension reserve	(33)	17,811,185	**1,590,890**	**2,840,594**
Lease liabilities	(16)	—	**3,923,852**	**6,179,900**
Deferred tax liabilities	(17)	645,404,332	**693,177,642**	**629,759,279**
Retirement benefit obligations	(19)	112,653,982	**55,542,321**	**68,057,002**
		2,905,822,453	**2,915,993,960**	**2,711,078,935**
Current liabilities				
Lease liabilities	(16)	2,719,148	**2,615,900**	**4,180,455**
Related party payables	(34)	70,698,982	—	**100,664,864**
Investment contract liabilities	(31)	14,167,249	**22,035,028**	**34,129,132**
Provision for taxation	(35)	115,206,282	**4,568,714**	**63,084,730**
Payables and accruals	(36)	128,882,757	**156,733,903**	**64,491,178**
		331,674,418	**185,953,545**	**266,550,359**
Total equity and liabilities		18,050,008,561	**19,205,422,743**	**15,934,744,812**

The financial statements were approved by the Board of Directors on 28th August, 2024

On behalf of the Board:

Chairman: **MR. R. L. SINGH, AA**

Director: **MR. E. A. LUCKHOO, SC**

Company Secretary: **MR. T. CASTELLO**

"The accompanying notes form an integral part of these financial statements".

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 31 December, 2023

	Notes	2023 G$	2022 Restated G$
Insurance revenue	(6)	3,525,162,563	**3,407,299,330**
Insurance service expenses	(7)	(2,282,535,813)	**(2,470,123,839)**
Net expense from reinsurance contracts held	(7)	(661,484,227)	**(569,978,942)**
Insurance service result		581,142,523	**367,196,549**
Net investment return	(8)a	243,115,934	**165,269,155**
Finance income from insurance contract issued	(8)a	4,917,026	**19,680,616**
Finance income from reinsurance contract held	(8)a	1,583,087	**583,596**
Net investment and net insurance finance result		249,616,047	**185,533,367**
Other operating expenses	(7)	(317,904,440)	**(301,710,301)**
Other income	(8)b	853,471	**6,729,254**
Change in investment contract liabilities	(9)	(42,420,747)	**(46,501,075)**
Profit before tax		471,286,854	**211,247,794**
Taxation	(10)	(168,077,746)	**(78,765,321)**
Net profit after taxation		303,209,108	**132,482,473**
OTHER COMPREHENSIVE INCOME			
Items that will not be classified subsequently to profit or loss:			
Remeasurement of defined benefit pension plans, net of tax	(19)	(125,877,580)	**26,365,957**
Transfer to general reserve		2,182,552	**3,464,560**
Items that may be reclassified subsequently to profit or loss:			
Net charge to fair value of investments	(28)	(1,471,792,601)	**2,999,310,952**
Other comprehensive (loss) / income for the year net of tax		(1,595,487,629)	**3,028,969,507**
Total comprehensive (loss)/ income for the year net of tax		(1,292,278,521)	**3,161,451,980**

"The accompanying notes form an integral part of these financial statements".

PROFIT OR LOSS (ANNUAL) ACCOUNT — FIRE INSURANCE

For the Year Ended 31 December, 2023

	Notes	2023 G$	2022 G$
Premiums on without profit policies and commissions		1,214,484,538	**1,189,127,478**
Income from investments		215,518,040	**189,377,891**
Other income		853,471	**6,729,254**
		1,430,856,049	**1,385,234,623**
Deduct:			
Claims		185,460,845	**335,070,280**
Commissions and sales expenses		227,333,794	**200,994,223**
Salaries and other staff costs		406,458,381	**394,656,786**
Management expenses		365,402,257	**342,342,903**
Taxation		(82,759,255)	**(96,448,532)**
Reinsurance		270,703,971	**335,356,042**
Pension fund contribution		25,489,059	**20,416,230**
Transfer to investment reserve	(11)	2,072,153	**171,962**
Interest	(12)	66,153,981	**64,151,139**
		1,466,315,186	**1,596,711,033**
Transfer from premiums on with profit policies	(13)	(35,459,137)	**(211,476,410)**

This account, made up in accordance with By-Law 17 of this Company's Ordinance of Incorporation Chapter 210, (together with the accompanying profit or loss (triennial) account) has been prepared to reflect the declaration of triennial cash profit on fire policies entitled to profit in 2023.

"The accompanying notes form an integral part of these financial statements".

PROFIT OR LOSS (TRIENNIAL) ACCOUNT — FIRE INSURANCE

For the Year Ended 31 December, 2023

	Notes	2023 G$	2022 G$
Balance of unexpired risks reserve at beginning		20,419,745	**21,963,117**
Premiums received		124,615,369	**141,441,891**
Premiums on policies surrendered for profit		1,416,709	**581,727**
		146,451,823	**163,986,735**
Deduct:			
Unexpired risks reserve at end		21,908,873	**24,542,495**
Transfer to profit or loss (annual) account	(14)	142,409,023	**156,295,721**
Triennial profit 30 %		36,219,001	**41,833,272**
		200,536,897	**222,671,488**
Transfer from other reserve		(54,085,074)	**(58,684,753)**

This account, made up in accordance with By-Laws 12-14 of this Company's Ordinance of Incorporation Chapter 210, (together with the profit or loss (annual) account) has been prepared to reflect the declaration of triennial cash profit on fire policies entitled to profit in 2023.

"The accompanying notes form an integral part of these financial statements".

STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 December, 2023

	Scrip & stock capital G$	Premium capital G$	Investment reserve G$	Other reserves G$	Dividends, biennial bonus & triennial profit G$	Property & equipment revaluation reserve G$	Total G$
Balance at 1 December, 2021	**1,000,000**	**187,292,492**	**8,507,342,847**	**3,452,378,351**	**46,716,286**	**772,083,615**	**12,966,813,591**
Initial application or IFRS 17 - Insurance contracts, net of tax	—	—	—	(9,698,073)	—	—	(9,698,073)
Restated balance as at 1 January 2022	**1,000,000**	**187,292,492**	**8,507,342,847**	**3,442,680,278**	**46,716,286**	**772,083,615**	**12,957,115,518**
Total comprehensive income/(loss) for the year	—	—	2,999,138,990	132,482,473	—	—	3,131,621,463
Transfer of reserve on retirement of assets	—	—	—	253,579,211	—	(212,647,576)	40,931,635
Transfer of reserves	—	(21,544,777)	171,962	(171,962)	(4,648,601)	—	(26,193,378)
Balance at 31 December 2022	**1,000,000**	**165,747,715**	**11,506,653,799**	**3,828,570,000**	**42,067,685**	**559,436,039**	**16,103,475,238**
Changes in equity 2023							
Total comprehensive income/(loss) for the year	—	—	(1,473,864,754)	303,209,108	—	—	(1,170,655,646)
Transfer of reserves	—	(607,168)	2,072,153	(117,370,108)	(4,402,779)	—	(120,307,902)
Balance at 31 December 2023	1,000,000	165,140,547	10,034,861,198	4,014,409,000	37,664,906	559,436,039	14,812,511,690

"The accompanying notes form an integral part of these financial statements"

STATEMENT OF CASH FLOWS
For the Year Ended 31 December, 2023

	2023 G$	2022 Restated G$
Operating activities		
Profit before taxation	471,286,854	**211,247,794**
Adjustments for -		
Depreciation — property and equipment	30,047,047	**40,518,113**
Depreciation — right of use asset	3,782,454	**3,782,454**
Dividend and interest received	(243,115,934)	**(165,269,155)**
Lease interest	737,953	**921,546**
(Gain) / loss on disposal of property and equipment	—	**(5,807,037)**
Currency exchange (gain) / loss	(27,597,894)	**24,108,736**
Operating profit before working capital changes	235,140,480	**109,502,451**
(Increase) / decrease in receivables	(11,640,598)	**8,532,892**
Decrease in unclaimed dividends and triennial profit	4,402,779	**4,648,601**
Decrease in reinsurance contract assets	62,946,178	**80,715,045**
Increase / (decrease) in payables	59,068,132	**(9,671,843)**
Increase / (decrease) in insurance contract liabilities	(31,806,302)	**157,517,094**
Decrease in investment contract liabilities	(7,867,779)	**(12,094,104)**
Decrease in reserves	(173,889,837)	**(27,563,267)**
Decrease in retirement benefit assets	142,526,476	**12,029,649**
Decrease / (increase) in retirement benefit obligations	57,111,661	**(12,514,681)**
Net cash provided by operations	335,991,190	**311,101,837**
Taxes paid	(64,408,434)	**(253,861,853)**
Net cash provided by operating activities	271,582,757	**57,239,984**
Investing activities		
Purchase of property and equipment	(40,747,168)	**(114,325,382)**
Net (acquisition) / proceeds on investments	(30,990,707)	**62,537,497**
Net mortgage repayments	804,281	**6,661,399**
Net (increase) / decrease in treasury bills	(57,199,942)	**81,895,979**
Increase in cash on deposits	(34,468,742)	**(199,003,830)**
Increase in statutory deposits	(8,696,728)	**(8,076,125)**
Dividend and interest received	243,115,934	**165,269,155**
Net cash provided by / (used) in investing activities	133,798,342	**(5,041,307)**
Financing activities		
Net decrease in right of use asset	3,598,861	3,782,454
Decrease in lease liabilities	(3,820,604)	**(3,820,603)**
Interest paid on lease liabilities	(737,953)	**(921,546)**
Net cash used in financing activities	(959,696)	**(959,695)**
Net increase in cash and cash equivalents	404,421,402	**51,238,982**
Cash and cash equivalents at beginning of period	1,225,646,470	**1,174,407,488**
Cash and cash equivalents at end of period	1,630,067,872	**1,225,646,470**
Cash and cash equivalents consist of:		
Cash on hand, at bank and in transit	1,630,067,872	**1,225,646,470**

The accompanying notes form an integral part of these financial statements”

NOTES ON THE ACCOUNTS

(1) INCORPORATION AND ACTIVITIES

The Guyana and Trinidad Mutual Fire Insurance Company Limited was incorporated by Ordinance No. 31 of 15th December 1880. The objectives of the Company are to carry on the business of Property, Motor, Accident and Liability and any other class of insurance approved by the Regulators.

(2) ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

Amendments effective for the current year end

New and Amended Standards		**Effective for annual periods beginning on or after**
IFRS 9	Financial Instruments	1 January 2023
IFRS 17	Insurance Contracts	1 January 2023
IAS 1	Amendments to IAS 1 - Disclosure of Accounting Policies	1 January 2023
IAS 8	Amendments to IAS 8 - Definition of Accounting Estimates	1 January 2023
IAS 12	Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The Company adopted the International Financial Reporting Standard (IFRS 17) in conjunction with IFRS 9 – Financial instruments (“IFRS 9”) on January 1, 2023, which replace IFRS 4 – Insurance Contracts (“IFRS 4”) and IAS 39 – Financial instruments: recognition and measurement (“IAS 39”), respectively. While IFRS 9 was effective for annual periods beginning on or after January 1, 2018, IFRS 4 allowed a temporary exemption to delay the implementation of IFRS 9 until IFRS 17 was adopted.

IFRS 17 was applied retrospectively as at January 1, 2022, as a result comparative information was restated. A restated opening statement of financial position has been produced as of 1 January 2022.

The Company has adopted IFRS 9 retrospectively effective from the date of initial application of IFRS 17 on 1 January 2023. The Company also elected to apply the classification overlay to restate its comparative information, as permitted by an amendment to IFRS 17.

Refer to note 5 for details on the transitional impacts on the 2023 financial statements due to the adoption of IFRS 17 and IFRS 9.

The material accounting policies used in the preparation of these financial statements as a result of the adoption of IFRS 17 and IFRS 9 are summarised in notes 5.

Significant methods, judgements and assumptions applied in measurement of insurance contracts and financial instruments are set out in Notes 4, 39 and 40.

IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In May 2021, the IASB issued amendments to IAS 12 Income Taxes (“IAS 12”). The amendments, Deferred Tax related to Assets and Liabilities arising from a Single Transaction, narrow the scope of the recognition exemption in IAS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

NOTES ON THE ACCOUNTS

(2) ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS — CONT'D

Amendments effective for the current year end — cont'd

New and Amended Standards — cont'd

IAS 1 Disclosure of Accounting Policies

In February 2021, the IASB issued amendments to IAS 1 Presentation of Financial Statements ("IAS 1") and IFRS Practice Statement 2 Making Materiality Judgments ("IFRS Practice Statement 2"). The amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures.

IAS 8 Definition of Accounting Estimates

In February 2021, the IASB issued amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8"). The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates.

Pronouncements effective in the future period available for early adoption

Lack of Exchangeability (Amendments to IAS 21)	1 January 2025
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	1 January 2024
IAS 1, Practice Statement 2 Non-current Liabilities with Covenants	1 January 2024
Lease Liability in a Sale and Leaseback Amendments to IFRS 16	1 January 2024

(3) MATERIAL ACCOUNTING POLICIES

The material accounting policies are set out below:

a) Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain investments, property and equipment and conform with International Financial Reporting Standards (IFRS Accounting Standards).

IFRS 17

Insurance and reinsurance contracts classification

Contract classification remains unchanged on adoption of IFRS 17. The Company issues insurance contracts in the normal course of business (direct business). The Company also holds reinsurance contracts (ceded business) for claims arising from one or more insurance contracts issued by the Company. Insurance contracts transfer significant insurance risk at the inception of the contract. Insurance risk is transferred when the Company agrees to compensate a policyholder on the occurrence of an adverse specified uncertain future event.

Scope and separating components

The Company assesses its insurance contracts to determine whether they contain distinct components which must be accounted for under another IFRS instead of under IFRS 17. After separating any distinct components, the Company applies IFRS 17 to all remaining components of the (host) insurance contract. Currently, the Company's contracts do not include any distinct components that require separation.

NOTES ON THE ACCOUNTS

(3) MATERIAL ACCOUNTING POLICIES — CONT'D

IFRS 17
Level of aggregation

IFRS 17 introduces a new concept of aggregating insurance and reinsurance contracts into portfolios and groups for measurement purposes. Portfolios are comprises of contracts with similar risks which are managed together. The Company divides its direct and ceded business into portfolios. Management uses judgement in considering the main geographic areas, lines of businesses, distribution channels and legal entities in which it operates as the relevant drivers for establishing its various portfolios. Portfolios are then divided into groups of contracts disaggregated into annual cohorts and each annual cohort is classified into three groups based on the expected profitability of the contracts:

- a group of contracts that are onerous at initial recognition;
- a group of contracts that at initial recognition have no significant possibility of becoming onerous; or
- a group of the remaining contracts in the portfolio.

A group of insurance contracts is considered to be onerous at initial recognition if the fulfilment cash flows allocated to that group of contracts in total are a net outflow. This occurs if the present value of expected claims, attributable expenses and risk adjustment exceeds the premium. As all inwards contracts are measured under IFRS 17's Premium Allocation Approach (PAA), a simplified measurement model, due to the short-term nature of the contracts, therefore the Company takes the standard's default assumption that no groups are onerous unless facts and circumstances indicate otherwise. The grouping of insurance contracts is determined at initial recognition and is not subsequently reassessed.

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, the Company aggregates reinsurance contracts held within annual cohorts into:

- A group of contracts for which there is a net gain at initial recognition;
- a group of contracts for which at initial recognition there is no significant possibility of a net gain arising subsequently; and
- a group of the remaining contracts in the portfolio.

Recognition

An insurance contract issued by the Company is recognised at the earliest of:

- The beginning of the coverage period (i.e. the period during which the Company provides services in respect of any premiums within the boundary of the contract);
- when the first payment from the policyholder becomes due or, if there is no contractual due date, when it is received from the policyholder; and
- for a group of onerous contracts, when the group becomes onerous.

Groups of reinsurance contracts held are initially recognised at the earliest of:

- The beginning of the coverage period of the group of reinsurance contracts held; and
- the date of recognising an onerous group of underlying insurance contracts if the related reinsurance contract held was entered into or before that date.

Any premiums received before the recognition of the corresponding group of insurance contracts are recognised as deferred revenues in other liabilities. When the group of contracts are recognised as per above the premiums received are reclassified to the liability for remaining coverage (a component within insurance contract liabilities).

NOTES ON THE ACCOUNTS

(3) MATERIAL ACCOUNTING POLICIES — CONT'D

Contract boundary

The measurement of groups of insurance and reinsurance contracts includes all the future cash flows within the boundary of each contract. Cash flows are within the boundary of a contract if they arise from substantive rights and obligations that exist during the reporting period in which the entity can compel the policyholder to pay the premiums or has a substantive obligation to provide the policyholder with services. A substantive obligation or right ends when the Company has the practical ability to reassess risks and can set a price or level of benefits that fully reflects those risks.

For groups of reinsurance contracts held, 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 priceor level of benefits that fully reflects those reassessed risks or has a substantive right to terminate the coverage.

Measurement - Premium Allocation Approach (PAA)

The Company applies the PAA to all groups of contracts that meet the requirements for applying this simplified measurement model. This is the case if the coverage period of the contracts is one year or less, or (for longer coverage periods) if the simplified model produces a reasonable approximation of IFRS 17's general measurement model. The length of the coverage period is mainly determined by the concept of contract boundaries under IFRS 17. The carrying amount of a group of insurance contracts issued is the sum of Liability for Remaining Coverage (LRC) and Liability for Incurred Claims (LIC). The carrying amount of a group of reinsurance contracts held at the end of the reporting period is the sum of the Asset for Remaining Coverage (ARC) and the Asset for Incurred Claims (AIC).

On initial recognition of a group of insurance contracts a LRC equal to the premiums received is recognised. When measuring liabilities for remaining coverage, the PAA is broadly similar to the Company's previous accounting treatment under IFRS 4. On initial recognition of a group of reinsurance contracts held, the Company measures the ARC at the amount of ceding premiums paid on initial recognition minus commission income received.

When measuring the LIC, the Company applies discounting and includes an explicit risk adjustment for nonfinancial risk. The Company estimates the LIC the Fulfilment Cash Flows (FCF) related to incurred claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows; they reflect current estimates from the perspective of the Company and include an explicit adjustment for non-financial risk (the risk adjustment). The Company recognises the AIC for a group of reinsurance contracts held at the amount of the FCF relating to the claims recoverable.

Risk adjustment

The measurement of insurance contract liabilities includes a risk adjustment which replaces the risk margin under IFRS 4. For contracts measured under the PAA, unless contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the LIC. The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows and is estimated separately. It reflects the compensation the Company requires for bearing uncertainty about the amount and timing of the cash flows from non-financial risk as the Company fulfils insurance contracts. For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Company to the reinsurer.

NOTES ON THE ACCOUNTS

(3) MATERIAL ACCOUNTING POLICIES — CONT'D

Contract boundary

The measurement of groups of insurance and reinsurance contracts includes all the future cash flows within the boundary of each contract. Cash flows are within the boundary of a contract if they arise from substantive rights and obligations that exist during the reporting period in which the entity can compel the policyholder to pay the premiums or has a substantive obligation to provide the policyholder with services. A substantive obligation or right ends when the Company has the practical ability to reassess risks and can set a price or level of benefits that fully reflects those risks.

For groups of reinsurance contracts held, 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.

Discounting

IFRS 17 requires estimates of future cash flows to be discounted to reflect the time value of money and financial risk that reflects the characteristics of the liabilities and the duration of each portfolio. The estimates of FCF within the LIC and AIC are adjusted using current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent they are not already included in the cash flows. The discount rates reflect the characteristics of the cash flows arising from each group of insurance contracts, including the timing, currency and liquidity of cash flows. The LIC is discounted by adjusting a liquid risk-free yield curve to reflect the differences between the liquidity characteristics of the financial instruments that underlie the rates observed in the market and the liquidity characteristics of the insurance contracts. The Company has chosen to take the effect of the time value of money and changes in the time value of money and financial risk to the statement of profit or loss.

The Company does not adjust the liability for remaining coverage for insurance contracts issued for the effect of the time value of money, because insurance premiums are due within one year of the coverage period.

Onerous contracts

Where facts and circumstances indicate that contracts are onerous at initial recognition, the Company performs additional analysis to determine if a net outflow is expected from the contract. Such onerous contracts are separately grouped from other contracts and the Company recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Company for the liability for remaining coverage for any such onerous group depicting the losses recognised.

IFRS 17 requires the identification of groups of onerous contracts at a more granular level than the liability adequacy test performed under IFRS 4. For onerous contracts, a loss component determined based on estimated fulfilment cash flows is included in the LRC when insurance contracts are issued with a loss recognized immediately in net income, resulting in early recognition compared to IFRS 4. The loss component will be reversed to net income over the coverage period, therefore offsetting incurred claims. The loss component is measured on a gross basis but may be mitigated by a loss recovery component if the contracts are covered by reinsurance.

Where the Company has established a loss-recovery component, the Company amortises the amount of the loss recovery component within the ARC by decreasing the allocation of recoverables from reinsurers. The loss recovery component is amortised based on the passage of time over the remaining coverage period of the onerous group of contracts until the loss recovery component is reduced to nil.

The Company uses consistent assumptions to measure the estimates of the present value of future cash flows for a group of reinsurance contracts held with the groups of underlying insurance contracts issued.

NOTES ON THE ACCOUNTS

(3) MATERIAL ACCOUNTING POLICIES — CONT'D

Onerous contracts — cont'd

In the measurement of reinsurance contracts held, the probability weighted estimates of the present value of future cash flows include potential credit losses with the reinsurer to reflect the non-performance risk of the reinsurer.

The Company has elected to expense all insurance acquisition cash flows when incurred. Insurance acquisition cash flows arise from the cost of selling, underwriting and initiating a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs.

Subsequent measurement

For subsequent measurement of a profitable group of contracts, the carrying amount of the LRC is increased outside profit or loss by adding the further premium payments received. The LRC is reduced by the amount of insurance revenue earned as services are provided. The Company earns insurance revenue by spreading the expected total premium for the coverage period within the contract boundaries over the accounting periods in a risk-commensurate manner.

The Company measures the carrying amount of the ARC at the end of each reporting period. The ARC includes:

- reinsurance premiums paid less amounts recognised as allocation of reinsurance premium; and
- reinsurance recovery cash flows received less any amounts recoverable from reinsurers recognised in the period.

Groups that were not onerous at initial recognition can subsequently become onerous if facts and circumstances change during the coverage period. If a group of contracts becomes onerous or facts and circumstances indicate that the expected profitability of an onerous group during the remaining coverage has decreased, the Company increases the carrying amount of the LRC by the relevant amount, with the increase recognised within insurance service expenses. The Company amortises the amount of the loss component within the LRC by decreasing insurance service expenses.

The Company measures the carrying amount of the LIC at the end of each reporting period. The Company recognises the LIC for a group of insurance contracts as at the amount of the FCF relating to the incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported. The FCF are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk.

The Company's insurance contracts issued and reinsurance contracts held that generate cash flows in a foreign currency, are treated as monetary items and are revalued at period end exchange rates.

Insurance contracts – modification and derecognition

The Company derecognises insurance contracts when:

- the rights and obligations relating to the contract are extinguished (i.e. discharged, cancelled or expired); or

- the contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Company derecognises the initial contract and recognises the modified contract as a new contract.

When an insurance contract is derecognised, adjustments are made to the FCF and any net difference is charged to profit or loss.

When a modification is not treated as a derecognition, the Company recognises amounts paid or received for the modification with the contract as an adjustment to the estimate of fulfilment cash flows.

NOTES ON THE ACCOUNTS

(3) MATERIAL ACCOUNTING POLICIES — CONT'D

Insurance revenue

The insurance revenue for the period is the amount of expected premium receipts (excluding any investment component) allocated to the period. The Company allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time. The LRC is not discounted, as the Company expects that the time between providing each part of the services and the related premium due date is no more than a year.

Insurance service expense

Insurance service expense includes fulfilment and acquisition cash flows which are costs directly attributable to insurance contracts and are comprised of both direct costs and an allocation of indirect costs. It is composed of the following:

- Incurred claims and other insurance service expense, which are fulfilment cash flows and include direct incurred claims and non-acquisition costs directly related to fulfilling insurance contracts (excluding any investment component);
- adjustments to the LIC (including the risk adjustment) that do not arise from the effects of the time value of money, financial risk and changes therein; and
- Losses and reversals on onerous contracts.

The Company has elected to present changes in risk adjustment related to the non-financial portion in Insurance service result and changes in the financial portion (discount unwinding and changes in discount rates) in Net insurance financial result.

Expenses not meeting the above criteria are included in other operating expenses in the statement of profit and loss.

Net expense from reinsurance contracts

Net expense from reinsurance contracts comprises the amounts expected to be recovered from reinsurers and an allocation of the reinsurance premiums paid. The Company recognises the allocation of reinsurance premium based on the passage of time over the relevant coverage period.

The Company treats reinsurance cash flows that are contingent on claims of the underlying contracts as part of the amounts recoverable from reinsurers and includes ceded commissions not contingent on claims as a reduction of the premiums paid to reinsurers.

The amounts expected to be recovered from reinsurers include the effect of any risk of non-performance by the issuer of the reinsurance contract. For a group of reinsurance contracts held covering onerous underlying insurance contracts issued, the loss recovery component and the reversal of such loss recovery components are included as amounts recoverable from the reinsurer.

Insurance finance income and expense

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts issued or reinsurance contracts held arising from the effect of the time value of money, financial risk and changes therein. These include:

- Unwind of the initial discount i.e. interest accreted on the LIC; and
- the effect of financial risk and changes in financial risk.

The Company has elected to include insurance finance income and expenses in profit and loss and does not disaggregate these between profit or loss and Other Comprehensive Income (OCI).

NOTES ON THE ACCOUNTS

(3) MATERIAL ACCOUNTING POLICIES — CONT'D

Financial assets and liabilities

On initial recognition, financial assets are classified as measured at amortised cost, Fair Value through Other Comprehensive Income (FVOCI) or Fair Value Through Profit or Loss (FVTPL), depending on the Company's business model for managing the financial assets and whether the cash flows represent solely payments of principal and interest. The Company assesses its business models at a portfolio level based on its objectives for the relevant portfolio, how the performance of the portfolio is managed and reported, and the frequency of asset sales. The Company reclassifies financial assets when and only when its business model for managing those assets changes.

Financial instruments measured at amortised cost

Financial assets that are held to collect contractual cash flows where those cash flows represent solely payments of principal and interest, and which are held in a business model whose objective is to hold the assets to collect their cash flows. They are initially measured at their transaction price and subsequently at amortised cost using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. Such assets held by the Company include some of the Company's debt securities, mortgages, trade and other receivables, and cash and cash equivalents.

Financial liabilities are measured initially at their fair value and are subsequently measured at amortised cost using the effective interest method.

Financial assets measured at fair value through other comprehensive income

The Company has designated at initial recognition its equity instruments at FVOCI. For these investments, dividends are recognised within net investment return in the statement profit or loss but fair value gains and losses are not subsequently reclassified to profit or loss following derecognition of the investment.

a) Impairment of financial assets

The Company assesses the expected credit losses associated with its financial assets measured at amortised cost. The measurement of credit impairment is based on an expected credit loss (ECL) methodology, within IFRS 9, and depends upon whether there has been a significant increase in credit risk. The assessment of credit risk and the estimation of an ECL are unbiased, probability-weighted and incorporate all available information relevant to the assessment, including information about past events, current conditions and reasonable and supportable forecasts of economic conditions at the reporting date. The forward-looking aspect of IFRS 9 requires judgement as to how changes in economic factors affect ECLs.

For those credit exposures for which credit risk has not increased significantly since initial recognition, the Company measures loss allowances at an amount equal to the total expected credit losses resulting from default events that are possible within twelve months after the reporting date. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, the Company measures and recognises an allowance at an amount equal to the expected credit losses over the remaining life of the exposure, irrespective of the timing of the default ('Lifetime ECL').

If the financial asset becomes credit-impaired (following significant financial difficulty of issuer/borrower, or a default/breach of a covenant), the Company will recognise a Lifetime ECL. ECLs are derived from unbiased and probability weighted estimates of expected loss. The loss allowance reduces the carrying value of the financial asset and is reassessed at each reporting date. ECLs and subsequent remeasurements of the ECL are recognised in the statement of profit or loss.

NOTES ON THE ACCOUNTS

(3) MATERIAL ACCOUNTING POLICIES — CONT'D

a) Impairment of financial assets — cont'd

IFRS 9 provides a simplification where an entity may assume that the criterion for recognising lifetime ECL is not met if the credit risk on the financial instrument is low (“investment grade”) at the reporting date. For trade receivables and other short-term receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition

Financial assets are derecognised when the Company has transferred substantially all of the risks and rewards of ownership or when the rights to receive cash flows from the asset has expired, with any realised gains or losses recognised in the statement of profit or loss within net investment return.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss within net investment return.

b) Net investment return

Interest income from debt securities and loans is recognised on an accrual basis. Dividends are recognised when the shareholders’ right to receive payment is established, which is the ex-dividend date.

c) Fee and commission income

Other income is recognised as it is earned. This is mainly due to fees charged for routine transactions.

d) Foreign Currencies

Transactions in currencies other than Guyana dollars are recorded at the rates of exchange prevailing on the dates of the transactions. At the date of the financial statements, monetary assets and liabilities that are denominated in foreign currencies are re-translated at the rates prevailing on that date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on re-translation are included in the statement of profit or loss and other comprehensive income for the period.

e) Property, equipment and depreciation

Land and buildings held for use in the supply of services, or for administrative purposes are stated in the statement of financial position at cost or their revalued amounts. Revalued amounts are taken as the fair value at the date of revaluation determined from the market based evidence by appraisal undertaken by professional valuators.

Any revaluation increase arising on the revaluation of such land and buildings is credited to the revaluation reserve account. Depreciation on revalued assets is charged to the statement of profit or loss and other comprehensive income.

NOTES ON THE ACCOUNTS

(3) MATERIAL ACCOUNTING POLICIES — CONT'D

e) Property, equipment and depreciation — cont'd

Equipment and fixtures are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is charged so as to write off the cost or valuation of assets, other than land and construction work-in- progress, over their estimated useful lives as follows:-

Buildings	2% (reducing balance)
Furniture and fittings	10% (reducing balance)
Motor vehicles and machinery	20% (reducing balance)
Computer equipment	20% (straight line)
Other equipment	15% (reducing balance)

No depreciation is provided on land.

Assets are reviewed for impairment whenever there is objective evidence to indicate that the carrying amount of an asset is greater than its estimated recoverable amount, and are written down immediately to their recoverable amounts.

The gain or loss arising on the disposal or retirement of an item of fixed assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss and other comprehensive income.

f) Operating expenses

The Guyana and Trinidad Mutual Fire Insurance Company Limited and The Guyana and Trinidad Mutual Life Insurance Company Limited share common staff and facilities. In Guyana, staff are employed, and facilities owned by, The Guyana and Trinidad Mutual Fire Insurance Company Limited. In the Caribbean territories, staff are employed, and facilities owned by, The Guyana and Trinidad Mutual Life Insurance Company Limited. Relevant costs are shared between the Companies on a pre-determined, agreed and equitable reimbursement basis.

g) Employees' pension scheme

A defined benefit pension scheme is operated by The Guyana and Trinidad Mutual Fire Insurance Company. In Guyana, all staff are employed by The Guyana and Trinidad Mutual Fire Insurance Company Limited. Employment costs are shared with The Guyana and Trinidad Mutual Life Insurance Company Ltd on a pre-determined, agreed and equitable reimbursement basis.

A defined benefit pension plan is also operated for the sales representatives of both The Guyana and Trinidad Mutual Fire and The Guyana and Trinidad Mutual Life Insurance Companies. Contributions to the scheme are paid by The Guyana and Trinidad Mutual Fire Insurance Company Limited, and the relevant portion is then reimbursed by The Guyana and Trinidad Mutual Life Insurance Company Limited.

Contributions for the period were as follows:	**2023**	**2022**
	G$	**G$**
Pension scheme contribution (staff)	22,773,785	16,769,147
Pension scheme contribution (sales representative)	4,708,803	5,700,292
	27,482,588	**22,469,439**

Actuarial valuations for Sales Representatives and Staff schemes were completed as at January 1, 2023.

NOTES ON THE ACCOUNTS

(3) MATERIAL ACCOUNTING POLICIES — CONT'D

g) Employees' pension scheme — cont'd

The fair value of the plans' assets and the present value of the obligations are actuarially calculated at the end of each year and disclosed on the statement of financial position.

The movements in assets and liabilities of the pension schemes are recognised through the statement of profit or loss and other comprehensive income.

h) Taxation

Income tax expense represents the sum of the tax currently payable and the deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted in Guyana and the Caribbean territories at the reporting date.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is charged or credited to the statement of profit or loss and other comprehensive income except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities, and when they relate to income taxes levied by the same taxation authority, and the Company intends to settle its current tax assets and liabilities on a net basis.

o) Premiums Capital

The premium capital is an accumulation of profit premiums net of any refunds, lapses, surrenders and unexpired time. This together with any gain or loss on the profit or loss account is used in the computation of triennial cash profit for distribution amongst members at the end of each triennial period.

NOTES ON THE ACCOUNTS

(3) MATERIAL ACCOUNTING POLICIES — CONT'D

p) Investment reserve

This comprises the movement in the fair value of securities traded. This also includes provision made in accordance with By-Law 19 of the Company's Ordinance.

q) Revaluation reserve

This comprises the revaluation surplus arising from the revaluation of land and buildings and is disclosed net of
deferred tax.

r) Triennial profit

This is a return of premium to profit policyholders in cash at the end of a triennial period pursuant to the By-Laws of the Company. A rate of return is decided by the Directors based on the performance of the Company.

s) Biennial bonus

This is a cash bonus payable at a fixed rate of 30% at the end of the biennial period in accordance with the
conditions of the policy. These are non-participating policies with a special bonus condition attached and are currently only sold in the territory of St. Lucia.

t) Impairment of tangible assets

At the end of the financial period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

(4) CRITICAL ACCOUNTING JUDGEMENTS AND THE USE OF ESTIMATES

In the application of the Company's accounting policies, which are described in note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

NOTES ON THE ACCOUNTS

(4) CRITICAL ACCOUNTING JUDGEMENTS AND THE USE OF ESTIMATES — CONT'D

Key sources of estimation uncertainty

The following the key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have significant risk of causing material adjustments to the carrying amounts of assets and liabilities in the financial statements:

i) Insurance and reinsurance contracts

Management applies judgement to assess whether facts and circumstances indicate whether a group of contracts is onerous at initial recognition or subsequently assesses whether facts and circumstances indicate any changes in the onerous group's profitability and whether any loss component remeasurement is required.

When measuring the liabilities for incurred claims, the Company includes an explicit risk adjustment for non- financial risk. Judgement is applied in determining the methods for estimating the risk adjustment for non-financial risk.

The Company's most significant area of estimation uncertainty is in relation to the estimation of future claims and benefit payments arise primarily from the frequency and severity of claims and uncertainties regarding future inflation rates.

ii) Impairment of financial assets

ECL methodology requires the Company to apply estimates and exercise judgement when calculating an impairment allowance for financial assets carried at amortised cost.

iii) Useful lives of property and equipment

Management reviews the estimated useful lives of property and equipment at the end of each year to determine whether the useful lives of these assets should remain the same.

v) Valuation method of pension schemes

Certain assumptions were used in the disclosure information on the schemes based on information provided by the management of the Company.

NOTES ON THE ACCOUNTS

(5) IMPACT OF ADOPTION - IFRS 17 AND IFRS 9

On 1 January 2022, the transition date to IFRS 17, the Company identified, recognised and measured each group of insurance contracts as if IFRS 17 had always applied unless it was impracticable, derecognised any existing balances that would not exist had IFRS 17 always applied and recognised any resulting net difference in equity.

The following table summarises the impact of IFRS 17 on the Company's statement of financial position on transition:

	IFRS 4 31-Dec-21	IFRS 17 Adjustments	IFRS 17 1 Jan-22
	G$	G$	G$
Assets			
Total invested assets	13,314,307,020	—	13,314,307,020
Total reinsurance contract assets	17,871,502	333,339,394	351,210,896
Total other assets	2,387,027,146	(117,800,249)	2,269,226,897
Total assets	**15,719,205,668**	**215,539,145**	**15,934,744,813**
Total Insurance contract liabilities	1,749,114,769	255,127,393	2,004,242,162
Unclaimed dividends and triennial profit	34,129,132	—	34,129,132
Other liabilities	1,741,231,791	(29,890,175)	1,711,341,616
Total liabilities	**3,524,475,692**	**225,237,218**	**3,749,712,910**
Share capital	1,000,000	—	1,000,000
Other reserve	3,452,378,351	(9,698,073)	3,442,680,278
Investment	8,507,342,847	—	8,507,342,847
Premium capital	187,292,492	—	187,292,492
Dividends, biennial bonus and triennial profit	46,716,286	—	46,716,286
Total equity	**12,194,729,976**	**(9,698,073)**	**12,185,031,903**
Total liabilities and equity	**15,719,205,668**	**215,539,145**	**15,934,744,813**

On transition to IFRS 17 on 1 January 2022, the Company's equity was decreased by $9,698,073, after tax, mainly due to alignment of best estimates of liability for claims with the principles of the new standard, partially offset by the effect of discounting certain estimates for claims expected to be settled beyond 12 months. IFRS 17 also resulted in presentation changes as described in Note 3.

NOTES ON THE ACCOUNTS

(5) IMPACT OF ADOPTION - IFRS 17 AND IFRS 9 — CONT'D

Key changes on transition to IFRS 17 comprised the following:

IFRS 4 Dec.31'21 Reinsurance asset		17,871,502
(1)	Reclassification of reinsurance recoverable from provision	303,417,151
(2)	Reclassification of reinsurance related prepayments	14,915,213
(3)	Increase to best estimate of recoverable	11,708,828
(3)	Introduction of Risk Adjustment	4,803,293
(3)	Effect of discounting	(1,505,091)
		333,344,394
		351,210,896
IFRS 4 Dec.31'21 Insurance liability		1,749,114,769
(1)	Reclassed reinsurance recoverable from (IFRS 4's) claims provision	303,417,151
(2)	Reclassification of insurance related net receivable balances	(72,994,861)
(3)	Adjustment to estimates of future cash flows for the liability for incurred claims	21,882,443
(3)	Adjustment for risk adjustment (Gross)	7,318,482
(3)	Discounting of LIC expected to settle beyond 12 months	(4,495,823)
		2,004,242,161

(4) Insurance related receivables and payables – These amounts were previously reported either as separate line items in the financial statements or recorded in miscellaneous assets and liabilities. These amounts have been reclassified to insurance contract liabilities as they are insurance contract related.

Reinsurance contract assets – recoverable amounts due from reinsurers were previously reported on a net basis with insurance contract liabilities and on adoption of IFRS 17 these balances have been remeasured and reclassified to reinsurance contract assets as they are reinsurance related amounts.

Under the PAA, the Company concluded that only current and prospective information was required to reflect circumstances at the transition date, which made the fully retrospective approach practicable. The Company has applied the transition provisions in IFRS 17, and has not disclosed the impact of the adoption of IFRS 17 on each financial statement line item.

Adoption of IFRS 9: transition approach and impact
Classification and measurement of financial instruments
There were no material reclassifications as a result of applying IFRS 9 as:

– assets previously classified as Held to Maturity (HTM) and loans and receivables satisfy the IFRS 9 condition to be classified as 'held-to-collect'.
  These assets are measured at amortised cost as they are debt instruments with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and sales are infrequent or insignificant;
– equity investments will continue to be valued at either FVOCI when designated as such at initial recognition or FVTPL, on an instrument-by-instrument basis;
  and
– financial liabilities continue to be measured at amortised cost.

– The Company elected to apply IFRS 9's ECL impairment model, which replaces the IAS 39 incurred loss model, from 1 January 2023. The expected credit loss approach requires an allowance to be established at initial recognition of an asset classified as FVOCI or amortised cost, reflecting the level of losses anticipated having regard to, amongst other things, expected future economic factors. Subsequently, the amount of the allowance is affected by changes in the expectations of loss driven by changes in the associated credit risk. As at the date of transition, it was determined that the impact of ECLs were not material.

NOTES ON THE ACCOUNTS

(6) REVENUE AND EXPENSES BY REPORTING SEGMENT

The table below analyses the Company's revenue and results by reportable segment

For year ended 2023	Property	Motor	Accident & Liability	Marine	Total
	G$	G$	G$	G$	G$
Insurance revenue	1,748,602,506	1,627,630,092	145,823,168	3,106,797	3,525,162,563
Insurance service expenses (note 7)	(995,418,241)	(1,193,990,468)	(91,885,332)	(1,241,772)	(2,282,535,813)
Net (expense) income from reinsurance contracts held (note 7)	(563,699,155)	(84,558,681)	(13,226,391)	—	(661,484,227)
Insurance service result	189,485,110	349,080,943	40,711,445	1,865,025	581,142,523
Net investment return (note 8)	120,610,281	112,586,561	9,786,830	132,262	243,115,934
Finance (expense) income from insurance contracts issued	1,615,196	3,273,560	28,270	—	4,917,026
Finance income (expense) from reinsurance contracts held	520,029	1,053,956	9,102	—	1,583,087
Net investment and net insurance finance result	122,745,506	116,914,077	9,824,202	132,262	249,616,047
Unallocated:					
Change in investment contract liabilities					(42,420,747)
Other operating expenses (note 7)					(317,904,440)
Other income					853,471
Income before taxation	312,230,616	465,995,020	50,535,647	1,997,287	471,286,854
Taxation					(168,077,746)
Net profit after taxation	312,230,616	465,995,020	50,535,647	1,997,287	303,209,108

NOTES ON THE ACCOUNTS

(6) REVENUE AND EXPENSES BY REPORTING SEGMENT — CONT'D

The table below analyses the Company's revenue and results by reportable segment

For year ended 2022 (restated)	Property	Motor	Accident & Liability	Marine	Total
	G$	G$	G$	G$	G$
Insurance revenue	1,690,367,726	1,577,914,326	137,163,600	1,853,678	3,407,299,330
Insurance service expenses (note 7)	(978,420,785)	(1,390,922,388)	(99,436,840)	(1,343,826)	(2,470,123,839)
Net (expense) income from reinsurance contracts held (note 7)	(485,720,801)	(72,861,401)	(11,396,740)	—	(569,978,942)
Insurance service result	226,226,140	114,130,537	26,330,020	509,852	367,196,549
Net investment return (note 8)	81,990,345	76,535,855	6,653,044	89,911	165,269,155
Finance (expense) income from insurance contracts issued	6,464,893	13,102,571	113,152	—	19,680,616
Finance income (expense) from reinsurance contracts held	191,706	388,535	3,355	—	583,596
Net investment and net insurance finance result	88,646,944	90,026,961	6,769,551	89,911	185,533,367
Unallocated:					
Change in investment contract liabilities					(46,501,075)
Other operating expenses (note 7)					(301,710,301)
Other income					6,729,254
Income before taxation	314,873,084	204,157,498	33,099,571	599,764	211,247,794
Taxation					(78,765,321)
Net profit after taxation	314,873,084	204,157,497	33,099,570	599,764	132,482,473

NOTES ON THE ACCOUNTS

		2023 G$	2022 Restated G$
(7)	**EXPENSES BY NATURE**		
	Claims (gross)	1,240,027,743	**1,495,450,635**
	Adjustments to liabilities for incurred claims	9,080,500	**(2,358,598)**
	Reinsurance premium ceded net of recoveries on incurred claims	629,613,551	**539,502,581**
	Commissions and sales expenses	429,276,526	**362,016,434**
	Salaries and other staff costs	498,403,551	**481,790,108**
	Pension fund contribution	27,278,241	**22,469,439**
	Lease interest cost	1,157,953	**921,546**
	Withholding and other taxes	13,881,007	**12,820,867**
	Management expenses:		
	Operating expenses	351,257,474	**362,252,183**
	Depreciation — property and equipment	33,073,039	**40,518,113**
	Depreciation — right of use asset	3,782,454	**3,782,454**
	Directors' emoluments (a)	14,616,513	**12,298,400**
	Auditor's remuneration	10,475,928	**10,348,920**
	Total expenditure	3,261,924,480	**3,341,813,082**
	Represented by expenses included within the statement of profit or loss:		
	Insurance service expenses	2,282,535,813	**2,470,123,839**
	Net reinsurance expenses	661,484,227	**569,978,942**
	Other operating expenses	317,904,440	**301,710,301**
	Total expenditure	3,261,924,480	**3,341,813,082**

Note (a) Directors' emoluments

			2023 G$	2022 Restated G$
Chairman	—	R. L. Singh	3,252,825	**2,951,616**
Directors	—	P. S. Fraser	1,623,384	**1,475,808**
	—	E. A. Luckhoo	1,623,384	**1,475,808**
	—	B. J. Harper	1,623,384	**1,475,808**
	—	G. E. Dean	1,623,384	**1,475,808**
	—	A. Carter-Sharma	1,623,384	**983,872**
	—	R. Sinclair	1,623,384	**983,872**
Managing Director	—	R. St. P. Yee	1,623,384	**1,475,808**
			14,616,513	**12,298,400**

		2023 G$	2022 Restated G$
(8)(a)	**NET INVESTMENT AND NET INSURANCE FINANCE RESULT**		
	Interest income calculated using effective interest method:		
	Fixed deposits and debt securities	83,987,376	78,514,357
	Mortgages	1,065,355	1,145,989
	Other loans	3,874,446	3,671,276
	Loss on exchange	27,597,894	(24,108,736)
	Dividend income		
	Equity instruments designated at FVOCI	126,590,863	106,046,269
	Net investment income	243,115,934	165,269,155
	Net insurance financing result		
	Insurance finance income	4,917,026	19,680,616
	Reinsurance finance income	1,583,087	583,596
	Net investment and net insurance finance result	**249,616,047**	**185,533,367**
	Net fair value (losses) gains on equity instruments at FVOCI	(1,471,792,601)	2,999,138,990
	Total net investment and net insurance finance result	**(1,222,176,554)**	**3,184,672,357**

NOTES ON THE ACCOUNTS

		2023 G$	2022 Restated G$
(8)(b)	**OTHER INCOME**		
	Fee income	16,000	**12,500**
	Miscellaneous income	837,471	**6,716,754**
		853,471	**6,729,254**
(9)	**DIVIDENDS, BIENNIAL BONUS AND TRIENNIAL PROFIT**		
	Ordinary scrip dividend	30,001	**30,001**
	Preferent scrip dividend	5,012	**5,012**
	First preferred stock dividend	15,023	**15,023**
	Triennial cash profit paid	41,758,720	**44,086,736**
	Biennial bonus paid	611,991	**2,364,303**
		42,420,747	**46,501,075**
(10)	**TAXATION**		
	Reconciliation of tax expenses and accounting profit		
	Accounting profit	471,286,854	**211,247,794**
	Corporation tax at (40%)	188,514,741	**84,499,118**
	Add:		
	Tax effect of expenses not deductible in determining taxable profits:		
	Depreciation for accounting purposes	33,073,039	**16,207,245**
	Property tax	32,577,213	**29,504,352**
		254,164,993	**130,210,715**
	Deduct:		
	Tax effect of depreciation for tax purposes	(8,855,301)	**(18,428,334)**
	Gain on disposal of property and equipment	—	**(5,807,037)**
		245,309,692	**105,975,344**
	Adjustment / set off / effects of varying tax rates	(77,231,946)	**(27,210,023)**
		168,077,744	**78,765,321**
	Corporation tax (28% — 40%)	154,738,087	**28,532,769**
	Deferred tax (note 17)	13,339,659	**50,232,552**
		168,077,746	**78,765,321**

Taxation provisions are made in accordance with the tax administration laws of the various countries in which the Company operates, namely - Guyana, St. Lucia, St. Vincent and Grenada.

NOTES ON THE ACCOUNTS

	2023 G$	2022 G$
(11) TRANSFER TO INVESTMENT RESERVE		
By-Law 19 of the Company's Ordinance provides that in any year, the Directors may transfer from the interest account to the investment reserve account, an amount to provide for the past losses or future possible losses on investments or depreciation thereof.	2,072,153	**171,962**
(12) INTEREST		
Ordinary scrip	30,001	**30,001**
Preferent scrip	5,012	**5,012**
First preferred stock	15,023	**15,023**
Reserves	66,103,945	**64,101,103**
	66,153,981	**64,151,139**
(13) TRANSFER FROM PREMIUMS ON WITH PROFIT POLICIES		
Policies entitled to profit Dec 2022	—	**(73,866,008)**
Policies entitled to profit Dec 2023	(11,696,372)	**(58,293,470)**
Policies entitled to profit Dec 2024	(13,463,817)	**(79,316,932)**
Policies entitled to profit Dec 2025	(10,298,948)	—
	(35,459,137)	**(211,476,410)**
(14) TRANSFER TO PROFIT OR LOSS (ANNUAL) ACCOUNT on policies entitled to profit at December 2023		
As at 31 Dec 2020	—	**12,291,839**
As at 31 Dec 2021	71,023,187	**70,137,874**
As at 31 Dec 2022	59,689,463	**73,866,008**
As at 31 Dec 2023	11,696,373	**—**
	142,409,023	**156,295,721**

NOTES ON THE ACCOUNTS

(15) PROPERTY AND EQUIPMENT

	Land	Buildings	Furniture, computer and other equipment	Motor vehicles	Total
	G $	G $	G $	G $	G $
Cost/valuation					
At 1 January 2022 (i)	875,500,000	629,409,198	527,586,679	41,247,579	2,073,743,456
Additions	—	5,556,045	4,618,889	27,000,000	37,174,934
Work in progress	—	—	77,150,448	—	77,150,448
Disposals	(182,000,000)	(68,000,000)	—	—	(250,000,000)
At 31 December 2022	693,500,000	566,965,243	609,356,016	68,247,579	1,938,068,838
Additions	—	—	40,747,168	—	40,747,168
Disposals	—	—	—	(3,025,990)	(3,025,990)
At 31 December 2023	693,500,000	566,965,243	650,103,184	65,221,589	1,975,790,016
Comprising:					
Cost	43,678,282	239,248,513	650,103,184	65,221,589	998,251,568
Valuation	649,821,718	327,716,730	—	—	977,538,448
	693,920,000	566,965,243	650,103,184	65,221,589	1,975,790,016
Depreciation:					
At 1 January 2022 (i)	—	56,174,587	358,135,976	25,055,620	439,366,183
Charge for the year	—	9,328,357	26,451,366	4,738,390	40,518,113
Written back on disposals	—	(5,807,037)	—	—	(5,807,037)
At 31 December 2022	—	59,695,907	384,587,342	29,794,010	474,077,259
Charge for the year	—	10,001,777	16,430,547	3,614,723	30,047,047
At 31 December 2023	—	69,697,684	401,017,889	33,408,733	504,124,306
Net book values:					
At 31 December 2022	**693,500,000**	**507,269,336**	**224,768,674**	**38,453,569**	**1,463,991,579**
At 31 December 2023	693,500,000	497,267,559	249,085,295	31,812,856	1,471,665,710

NOTES ON THE ACCOUNTS

(16) LEASES

(a) Right of use asset

The statement of financial position shows the following amounts relating to leases:

	Buildings G$
Gross carrying amount:	
At 1 January 2022	26,079,292
Additions	183,593
Disposal	—
At 31 December 2023	26,262,885
Depreciation:	
At 1 January 2022	17,401,023
Change for the year	3,782,454
At December 2022	21,183,477
Change for the year	3,782,454
At December 2023	24,965,931
Net carrying amount:	
At 31 December 2022	**4,895,815**
At 31 December 2023	1,296,954

(b) Lease liabilities

	2023 G$	2022 G$
Current	2,719,148	**2,615,900**
Non-current	—	**3,923,852**
	2,719,148	**6,539,752**

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(c) The statement of profit or loss and other comprehensive income shows the following amounts relating to leases:

	2023 G$	2022 G$
Depreciation of right of use asset	3,782,454	**3,782,454**
Lease interest cost	737,953	**921,546**

(d) Total cash outflows for leases in 2023 were $3,121,737 (2022: $4,981,452).

NOTES ON THE ACCOUNTS

(16) LEASES — CONT'D

(e) The Company's leasing activities and how they are accounted for:

(i) On adoption of IFRS 16, the Company has chosen the modified retrospective approach, with the cumulative effect of the adoption being recognised as an adjustment to the opening balance of retained earnings in the statement of equity.

(ii) The Company leases various offices with lease contracts typically made for a period of three (3) to five (5) years that include extension and termination options. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. The lease agreements do not impose any covenants. Lease assets may not be used for borrowing purposes.

(iii) Leases are recognised as right of use assets and a corresponding lease liability at the date at which lease asset is available to the Company. On transition, for leases previously accounted for as operating leases with a remaining lease term of less than twelve months, the Company has applied the optional exemptions to not recognise right of use asset but to account for lease expense on a straight line basis over the remaining lease term.

(iv) At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using an incremental borrowing rate of 8%.

(v) The Company depreciates the right of use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The Company also assesses the right of use asset for impairment when such indicators exist.

(vii) Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed) and variable payments based on a rate of 3%, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

(viii) Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right of use asset, or profit or loss if the right of use asset is already reduced to zero.

NOTES ON THE ACCOUNTS

(17) DEFERRED TAX

Recognised deferred tax assets/liabilities are attributed to the following items:

	2023 G$	2022 G$
Deferred tax liabilities		
Property and equipment, revaluation	391,183,379	**391,183,379**
Property and equipment, timing difference	150,509,026	**141,271,745**
Retirement benefit assets	103,711,927	**160,722,518**
	645,404,332	**693,177,642**
Deferred tax assets		
Retirement benefit obligations	45,061,595	**22,216,929**
Accumulated tax losses	47,022,910	**47,062,158**
	92,084,505	**69,279,087**

Movement in temporary differences

Deferred tax liabilities	**Property and equipment revaluation G$**	**Property and equipment timing difference G$**	**Retirement benefit assets G$**	**Total G$**
At 1 January, 2022	**418,522,410**	**45,702,492**	**165,534,377**	**629,759,279**
Movement during the year:-				
Statement of profit or loss	(27,339,031)	95,569,253	(9,275,548)	58,954,674
Statement of other comprehensive income	—	—	4,463,689	4,463,689
At 31 December, 2022	**391,183,379**	**141,271,745**	**160,722,518**	**693,177,642**
Movement during the year:-				
Statement of profit or loss	—	9,237,281	12,184,404	21,421,685
Statement of other comprehensive income	—	—	(69,194,995)	(69,194,995)
At 31 December, 2023	391,183,379	150,509,026	103,711,927	645,404,332

Deferred tax assets	**Accumulated tax losses G$**	**Retirement benefit obligations G$**	**Total G$**
At 1 January, 2022	**46,447,773**	**27,222,801**	**73,670,574**
Movement during the year:-			
Statement of profit or loss	614,385	8,107,737	(8,722,122)
Statement of other comprehensive income	—	(13,113,609)	(13,113,609)
At 31 December, 2022	**47,062,158**	**22,216,929**	**69,279,087**
Movement during the year:-			
Statement of profit or loss	(39,248)	8,121,274	8,082,026
Statement of other comprehensive income	—	14,723,392	14,723,392
At 31 December, 2023	47,022,910	45,061,595	92,084,505

NOTES ON THE ACCOUNTS

(17) DEFERRED TAX — CONT'D

Net movements for the year

	2023 G$	2022 G$
Movements in deferred tax liabilities	47,773,310	**(63,418,363)**
Movements in deferred tax assets	22,805,418	**(4,391,487)**
Net movements for the year	70,578,728	**(67,809,850)**
Movements through the profit or loss account	13,339,659	**50,232,552**
Movements through statement of other comprehensive income	(83,918,387)	**17,577,298**
	(70,578,728)	**67,809,850**

(18) INVESTMENTS AND FAIR VALUE HIERARACHY ANALYSIS

Accounting classifications and fair value hierarachy of financial instruments

The following table shows the carrying amount and fair value of financial assets, including their fair value hierarachy, and financial liabilities, by measurement category.

(a) **Debit securities measured at amortised cost**	Rate of interest %	2023 G$	2023 Fair value hierarachy level	2022 Restated G$	2022 Fair value hierarachy level
Treasury Bills					
Government of St. Lucia Treasury Bills	4.50 - 7.00	337,063,151	2	279,863,209	2
Government of Grenada Treasury Bills	3.00 - 5.00	104,300,814	2	104,300,814	2
		441,363,965		**384,164,023**	
Bonds					
Government of Guyana Bond	4.75	—	2	25,000,000	2
Government of Grenada Bond	3.00	7,150,000	2	14,300,000	2
Government of St. Vincent Bond	7.00	28,600,000	2	28,600,000	2
Government of St. Lucia Bonds	4.00 - 6.50	620,681,670	2	619,522,377	2
Total Bonds		**656,431,670**		**687,422,377**	
Total carrying amount and fair value		**1,097,795,636**		**1,071,586,400**	
(b) **Other financial assets measured at amortised cost**					
— Mortgages		13,999,641	2	14,803,922	
Total carrying amount and fair value		13,999,641		14,803,922	
(c) **Equity investments measured at FVOCI**					
Equity investments in Guyana		10,489,537,400	1	11,963,402,153	1
Equity investments in the Eastern Caribbean		5,187,352	2	5,187,352	2
Total carrying amount and fair value		**10,494,724,752**		**11,968,589,505**	

NOTES ON THE ACCOUNTS

(18) INVESTMENTS AND FAIR VALUE HIERARACHY ANALYSIS — CONT'D

(d) Assets carried at fair values

Property and equipment	**2023 G$**	**2022 G$**
Net book value	1,471,665,710	**1,463,991,579**

On December 31, 2019, the Company's land and buildings in Guyana were professionally revalued by the Senior Valuation Officer of the Valuation Division of the Ministry of Finance resulting in an increase in the revaluation surplus for the year net of deferred tax of G$43,080,000 and was recognised through other comprehensive income for that year 2022. The revaluation surplus at the end of the year (net of deferred tax) of $559,436,039 (2022 - $559,436,039) is being held in revaluation reserve.

All valuations were based on open market value. The valuation of property has been derived by reference to the current market value in the case of land, and the replacement cost in the case of buildings. The most significant input for these valuation approaches is the value or replacement cost per square foot which is considered to be observable. The valuation of property is classified as a level 2.

If no revaluation of land and buildings were done, the net book value of land and buildings would have been Approximately G$212,809,111 (2022 — G$222,810,888).

(e) Valuation techniques and assumptions applied for the purposes of measuring fair values

For disclosure purposes, fair value measurements are classified as level 1, 2 or 3 based on the degree to which fair value is observable:

Level 1 financial assets are measured in whole or in part by reference to published quotes in an active market. In an active market quoted prices are readily and regularly available from an exchange, broker, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's-

Level 2 financial assets and liabilities are measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions. These financial assets with fair values based on Level 3 fair value measurements are those derived from a valuation technique that includes inputs for the asset that are unobservable.

The fair values of assets are determined as follows:

Debt securities
Debt securities are valued via independent external sources using directly observable inputs to models or other valuation methods. The valuation methods used are typically of an industry accepted standard and include broker- dealer quotes.

Equity investments
Equity securities are valued based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Where an active market does not exist equities are measured using comparable company valuation multiples.

Mortgages and loans
The fair value of mortgages and loans is determined by discounting the expected future contractual cash flows using a current market interest rate applicable to financial instruments with a similar yield, credit quality, and maturity characteristics. Mortgages are secured against the borrowers' properties.

NOTES ON THE ACCOUNTS

(19) DEFINED BENEFIT ASSETS / OBLIGATIONS

The last actuarial valuations of the plans' assets and the present value of the defined benefit obligations for the sales representatives and the administrative staff were carried out as at January 1, 2023 for both plans by the Actuaries. The present value of the defined benefit obligations and the related current service cost to comply with IAS 19 were measured by the Actuaries as at December 31, 2023. The projected unit method was used as required by IAS 19.

	2023		2022	
	Sales reps. plan	Staff plan	Sales reps. plan	Staff plan
	G$	G$	G$	G$
Amounts recognised in the statement of financial position				
Fair value of plan assets	371,671,942	818,749,416	**383,540,645**	**851,164,918**
Present value of obligations	484,325,924	559,469,599	**439,082,966**	**449,358,625**
Fund status asset/(liability)	(112,653,982)	259,279,817	**(55,542,321)**	**401,806,293**
Net defined benefit asset/(liability)	(112,653,982)	259,279,817	**(55,542,321)**	**401,806,293**
,				
Reconciliation of amounts recognised in the statement of financial position				
Opening benefit asset/(liability)	(55,542,321)	401,806,293	**(68,057,002)**	**413,835,942**
Net pension cost	(30,511,270)	3,487,073	**(31,910,478)**	**(47,810,442)**
Contributions paid	10,208,089	26,973,939	**11,641,137**	**24,621,553**
Re-measurements recognised in other comprehensive income	(36,808,480)	(172,987,487)	**32,784,022**	**11,159,240**
Closing defined benefit asset/(liability)	(112,653,982)	259,279,818	**(55,542,321)**	**401,806,293**
Plan assets at fair value				
At beginning of year	383,540,645	851,164,918	**333,447,142**	**756,456,763**
Actual return on plan assets	(18,510,704)	(55,296,340)	**40,819,628**	**72,142,588**
Employer contributions	10,208,088	26,973,939	**11,641,137**	**24,621,553**
Employee contributions	5,498,414	16,707,808	**6,517,534**	**19,457,788**
Benefit payments	(9,064,501)	(20,800,909)	**(8,884,796)**	**(21,513,774)**
	371,671,942	818,749,416	**383,540,645**	**851,164,918**
Benefit obligations				
At beginning of year	439,082,965	449,358,625	**401,504,144**	**342,620,821**
Current service cost	27,306,689	24,518,759	**28,096,250**	**20,327,637**
Interest cost	22,547,664	22,978,573	**20,718,432**	**17,587,832**
Employee contributions	5,498,413	16,707,808	**6,517,534**	**19,457,788**
Actuarial (gain) / loss	(1,045,306)	74,560,883	**(8,868,598)**	**22,596,371**
Benefit payments	(9,064,501)	(20,800,911)	**(8,884,796)**	**(21,513,774)**
past service cost	—	(7,854,138)	**—**	**48,281,950**
	484,325,924	559,469,599	**439,082,966**	**449,358,625**

NOTES ON THE ACCOUNTS

(19) DEFINED BENEFIT ASSETS / OBLIGATIONS — CONT'D

The major categories of plan assets are as follows:

	2023		2022	
	Sales reps. plan	Staff plan	Sales reps. plan	Staff plan
	G$	G$	G$	G$
Investments	568,241,529	750,582,529	**561,436,552**	**814,177,142**
Current liabilities	(37,265,921)	(4,344,325)	**(23,235,867)**	**(535,241)**
Cash	170,969,396	67,939,944	**202,529,916**	**37,523,017**
	701,945,004	814,178,148	**740,730,601**	**851,164,918**

Principal actuarial assumptions at the statement of financial position date

	2023 Sales reps. plan	2023 Staff plan	2022 Sales reps. plan	2022 Staff plan
Assumed discount rate	5.00%	5.00%	**5.00%**	**5.00%**
Future promotional salary increases	2.00%	2.00%	**2.00%**	**2.00%**
Future inflationary salary increases	3.00%	3.00%	**0.00%**	**3.00%**
Expected rate of future pension increases	2.00%	2.00%	**2.00%**	**2.00%**

Summary of movements in plans' assets and liabilities	2023	2022
	G$	G$
Opening value of plans' assets	401,806,293	**(413,835,942)**
Opening value of plans' liabilities	(55,542,321)	**68,057,002**
Closing value of plans' assets	,259,279,817	**401,806,293**
Closing value of plans' liabilities	(112,653,983)	**(55,542,321)**
Net movements for the year	492,889,806	**485,032**
Recognised through the statement of profit or loss account (note a)	10,157,829	**(43,458,230)**
Recognised in other comprehensive income (note b)	(209,795,967)	**43,943,262**
	(199,638,138)	**485,032**

(a) The amounts recognised in the statement of profit or loss are included in salaries and other staff costs.

(b) Amounts recognised in other comprehensive income net of 40% deferred tax. (125,877,580) **26,365,957**

NOTES ON THE ACCOUNTS

(20) REINSURANCE CONTRACT ASSETS HELD

Reininsurance Contract Roll-Forward by Type

The tables below present a roll-forward of the carrying amounts of reinsurance contracts held showing assets for remaining coverage and assets for incurred claims measured using the PAA.

	Assets for remaining	Assets for incurred claims		Total
	Excluding loss component	`present value of future cash flows Estimate of	Risk adjustment	
	G$	G$	G$	G$
For year ended 31 December 2023				
Reininsurance contract assets at beginning of year	38,214,161	229,147,814	3,133,877	270,495,852
Allocation of reinsurance premiums	(796,569,653)	—	—	(796,569,653)
Recoveries of incurred claims	—	135,085,426	—	135,085,426
Net income (expense) from reinsurance contracts held	(796,569,653)	135,085,426		(661,484,227)
Reinsurance finance income (expenses)	—	1,379,904	203,183	1,583,087
Total changes in the Statement of Profit or Loss	(796,569,653)	136,465,330	203,183	(659,901,140)
Cash flows				
Premium paid net of commission income and other directly attributable expenses paid	796,817,785	—	—	796,817,785
Amounts recovered	—	(199,862,824)	—	(199,862,824)
Total cash flows	796,817,785	(199,862,824)	—	596,954,961
Reinsurance contract assets at end of year	38,462,293	165,750,320	3,337,060	207,549,673
For year ended 31 December 2022				
Reininsurance contract assets at beginning of year	32,786,715	314,447,363	3,976,818	351,210,896
Allocation of reinsurance premiums	(762,894,125)	—	—	(762,894,125)
Recoveries of incurred claims	—	198,536,905	1,510,821	200,047,726
Changes in asset for incurred claims	—	(4,665,564)	(2,466,980)	(7,132,544)
Net income (expense) from reinsurance contracts held	(762,894,125)	193,871,341	(956,159)	(569,978,942)
Reinsurance finance income (expenses)	—	470,378	113,218	583,596
Total changes in the Statement of Profit or Loss	(762,894,125)	194,341,720	(842,941)	(569,395,346)
Cash flows				
Premium paid net of commission income and other directly attributable expenses paid	768,321,571	—	—	768,321,571
Amounts recovered	—	(279,641,268)	—	(279,641,268)
Total cash flows	768,321,571	(279,641,268)	—	488,680,303
Reinsurance contract assets at end of year	38,214,161	229,147,814	3,133,877	270,495,852

There were no loss recovery components recognised.

NOTES ON THE ACCOUNTS

		2023	2022 Restated
		G$	G$
(21)	**INTEREST ACCRUED**		
	Fixed deposits	7,874,373	**5,278,065**
	Stocks, bonds and debentures	8,871,441	**5,946,372**
	Treasury bills	7,463,354	**5,002,564**
		24,209,168	**16,227,001**

		2023	2022 Restated
(22)	**RECEIVABLES AND PREPAYMENTS**		
	Receivables	71,104,569	**66,255,943**
	Less: ECL allowance (2022: impairment provision)	(18,550,506)	**(13,701,941)**
		52,554,063	**52,554,002**
	Prepayments	19,793,615	**15,207,925**
		72,347,678	**67,761,927**

Receivables comprise of staff loans and other sundry receivables
while premayments consists of securities deposits

		2023	2022 Restated
(23)	**STATUTORY DEPOSITS**		
	Deposits at amortised cost	881,575,723	**872,878,995**

These are deposits with Insurance Regulators and with financial institutions held in trust to the order of the relevant Insurance Regulators.

		Average rate of interest %	2023	2022 Restated
(24)	**CASH ON DEPOSIT**			
	Non Statutory Short term deposit accounts	0.04	929,237,100	**732,471,233**
	Statutory Fixed deposits	0.01	162,443,061	**145,489,979**
	Non Statutory Fixed deposits	0.63	443,983,547	**623,233,754**
			1,535,663,708	**1,501,194,966**

		2023	2022 Restated
(25)	**CASH AT BANK AND CASH ON HAND**		
	Cash at Bank	1,613,588,341	**1,206,961,496**
	Cash on Hand and in transit	16,479,531	**18,684,974**
		1,630,067,872	**1,225,646,470**

NOTES ON THE ACCOUNTS

(26) SCRIP AND STOCK CAPITAL

	2023 G$	2022 G$
Ordinary scrip	600,000	**600,000**
Preferent scrip	100,000	**100,000**
First preferred stock	300,000	**300,000**
	1,000,000	**1,000,000**

These represent the stock capital of the Company. These are not available for payment of any expenses or claims incurred by the Company until all other funds are exhausted. Stockholders are entitled to be paid interest in accordance with the Company's Ordinance. Stock and scrip do not carry voting rights and dividends are paid at the average rate of interest that is declared by the Company each year.

(27) PREMIUM CAPITAL

	2023 G$	2022 Restated G$
Policies entitled to profit Dec 2023	—	**105,318,739**
Policies entitled to profit Dec 2024	105,211,527	**59,606,082**
Policies entitled to profit Dec 2025	59,620,223	—
Subtotal (i)	164,831,750	**164,924,821**
St. Lucia bonus policies (A)	308,797	**—**
St. Lucia bonus policies (B)	—	**822,894**
Subtotal (ii)	308,797	**822,894**
Total	165,140,547	**165,747,715**

(i) This represents premiums on with-profit policies entitled to cash profit payment in the future years.

(ii) This policy was introduced in St. Lucia in 2007, and entitles the policyholders to a rebate of a percentage of premiums paid on a biennial basis.

(28) INVESTMENT RESERVE

	2023 G$	2022 Restated G$
Balance at 1 January	11,506,653,799	**8,507,342,847**
Movement in reserves for the year:		
Net fair value (losses) / gain on equity instruments at FVOCI	(1,473,864,754)	**2,999,138,990**
Transfer to investment reserve	2,072,153	**171,962**
Net movements in investment reserve for the year	(1,471,792,601)	**2,999,310,952**
Balance at 31 December	10,034,861,198	**11,506,653,799**

This represents accumulated change in fair value of equity investments and transfers in accordance with By-Law 19 of the Company's Ordinance as per note 11.

NOTES ON THE ACCOUNTS

		2023 G$	2022 Restated G$
(29)	**OTHER RESERVES**		
	General reserve	4,014,409,000	**3,828,570,000**
	This represents retained earnings.		
(30)	**DIVIDENDS, BIENNIAL BONUS AND TRIENNIAL PROFIT RESERVE**		
	Ordinary scrip dividend	30,000	**30,000**
	Preferent scrip dividend	5,000	**5,000**
	First preferred stock dividend	15,000	**15,000**
	Triennial cash profit	37,340,938	**41,770,817**
	Biennial bonus	273,968	**246,868**
		37,664,906	**42,067,685**
(31)	**INVESTMENT CONTRACT LIABILITIES**		
	Represented by:		
	Ordinary scrip dividend	165,153	**146,574**
	Preferent scrip dividend	26,078	**23,111**
	First preferred stock dividend	68,503	**60,672**
	Triennial cash profit	21,775,294	**33,898,775**
	As at 1 January	22,035,028	**34,129,132**
	Amount paid	(7,880,937)	**(12,123,481)**
	Measurement changes	13,158	**29,377**
	As at 31 December	14,167,249	**22,035,028**
	Represented by:		
	Ordinary scrip dividend	165,748	**165,153**
	Preferent scrip dividend	29,053	**26,078**
	First preferred stock dividend	78,091	**68,503**
	Triennial cash profit	13,894,357	**21,77,294**
	Total	14,167,249	**22,035,028**

These liabilities represent unclaimed dividends and triennial profit.

NOTES ON THE ACCOUNTS

(32) INSURANCE CONTRACT LIABILITIES

Insurance Contract Roll-Forward by Type

The tables below present a roll-forward of the carrying amounts of insurance contracts issued showing liabilities for remaining coverage and liabilities for incurred claims measured using the PAA.

	Liability for remaining	Liability for incurred claims		Total
	Excluding loss component	`present value of future cash flows Estimate of	Risk adjustment	
	G$	G$	G$	G$
For year ended 31 December 2023				
Insurance contract Liabilities at beginning of year	1,094,924,365	1,027,791,058	39,043,832	2,161,759,255
Insurance revenue	(3,525,162,563)	—	—	(3,525,162,563)
Insurance service expenses				
Incurred claims and other expense	—	1,597,845,547	—	1,597,845,547
Insurance aquisition cash flows	696,077,150	—	—	696,077,150
Adjustments to liabilities for incurred claims	—	(9,921,961)	(1,464,923)	(11,386,884)
Insurance service result before reinsurance	(2,829,085,413)	1,587,923,586	(1,464,923)	(1,242,626,750)
Insurance finance (income) expenses	—	(4,462,673)	(454,353)	(4,917,026)
Total changes in the Statement of profit or Loss	(2,829,085,413)	1,583,460,912	(1,919,276)	(1,247,543,776)
Cash flows				
Premiums received, net of aquisition cash flows	2,931,150,941	—	—	2,931,150,941
Claims and other insurance service expense paid	—	(1,715,413,466)	—	(1,715,413,466)
Total cash flows	2,931,150,941	(1,715,413,466)	—	1,215,737,475
Insurance contract Liabilities at end of year	1,196,989,893	895,838,505	37,124,556	2,129,952,954
For year ended 31 December 2022				
Insurance contract Liabilities at beginning of year	1,026,776,398	938,329,780	39,135,983	2,004,242,161
Insurance revenue	(3,407,299,330)	—	—	(3,407,299,330)
Insurance service expenses				
Incurred claims and other expense	—	1,828,597,514	—	1,828,597,514
Insurance aquisition cash flows	643,884,923	—	—	643,884,923
Adjustments to liabilities for incurred claims	—	(546,543)	(1,812,056)	(2,358,599)
Insurance service result before reinsurance	(2,763,414,407)	1,828,050,971	(1,812,056)	(937,175,492)
Insurance finance (income) expenses	—	(21,400,521)	1,719,905	(19,680,616)
Total changes in the Statement of profit or Loss	(2,763,414,407)	1,806,650,450	(92,151)	(956,856,108)
Cash flows				
Premiums received, net of aquisition cash flows	2,831,562,374	—	—	2,831,562,374
Claims and other insurance service expense paid	—	(1,717,189,172)	—	(1,717,189,172)
Total cash flows	2,831,562,374	(1,717,189,172)	—	1,114,373,202
Insurance contract Liabilities at end of year	1,094,924,365	1,027,791,058	39,043,832	2,161,759,255

There were no loss components recognised.

NOTES ON THE ACCOUNTS

	2023 G$	2022 Restated G$
(33) PENSION RESERVE		
At 1 January	1,590,890	2,840,594
Movements for the year	16,220,296	**(1,249,704)**
At 31 December	17,811,186	**1,590,890**

This is a reserve created to provide for directors' pensions.

	2023 G$	2022 Restated G$
(34) RELATED PARTY (PAYABLE) RECEIVABLE		
This amount represents the net balance due from GTM Life Insurance Company Limited for shared costs and inter company transactions.	(70,698,982)	**927,318**
(35) TAXATION PAYABLE / (RECOVERABLE)		
Taxation payable	115,206,282	**4,568,714**
Taxation recoverable	(267,747,725)	**(255,337,613)**

Taxes recoverable arise when advance payments on corporation taxes exceed the tax assessed for the year. Taxes payable and recoverable are disclosed separately, as the Company does not have a legally enforceable right to offset them.

	2023 G$	2022 Restated G$
(36) PAYABLES AND ACCRUALS		
Sundry payables	35,156,595	**63,773,974**
Accruals	93,726,162	**92,959,929**
	128,882,757	**156,733,903**

(37) CONTINGENT LIABILITIES

There are several pending litigation matters as at the date of the financial statements. The outcome of these matters cannot be determined at this stage.

NOTES ON THE ACCOUNTS

(38) RELATED PARTY TRANSACTIONS

(a) Transactions with related Company

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. The Company shares a common Chairman and Board of Directors with The Guyana and Trinidad Mutual Life Insurance Company Limited. In Guyana, staff are employed, and facilities owned by, The Guyana and Trinidad Mutual Fire Insurance Company Limited. In the Caribbean territories, staff are employed, and facilities owned by, The Guyana and Trinidad Mutual Life Insurance Company Limited. Relevant costs are shared between the Companies on a pre-determined, agreed and equitable reimbursement basis.

Transactions with related company

	2023 G$	2022 G$
Costs incurred and shared by The Guyana and Trinidad Mutual Life Insurance Company Limited for the year.	80,573,405	**73,749,411**
Costs incurred and shared with The Guyana and Trinidad Mutual Life Insurance Company Limited for the year.	144,771,836	**159,736,673**
Net balance due to The Guyana and Trinidad Mutual Life Insurance Company Limited for shared costs.	70,698,982	—
Net balance due from The Guyana and Trinidad Mutual Life Insurance Company Limited for shared costs.	—	**927,318**
The fixed assets of The Guyana and Trinidad Mutual Life Insurance Company Limited are insured with this Company.		
Insurance coverage	954,383,595	**927,748,242**
Premiums for the year	4,613,088	**4,518,127**
Investment in The Guyana and Trinidad Mutual Fire Insurance Company Limited	100,000	**100,000**

(b) Key management personnel

(i) Compensation

The Company's key management personnel comprise its Managing Director and Senior Managers. The remuneration paid during the year is included among the costs shared by The Guyana and Trinidad Mutual Life Insurance Company Limited.

	2023 G$	2022 G$
Short term benefits	41,769,546	**79,984,217**
(ii) Directors' emoluments	14,616,513	**12,298,400**

NOTES ON THE ACCOUNTS

(39) FINANCIAL RISK MANAGEMENT

Financial risk management objectives

The Company's Management monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by the use of techniques that are governed by management's policies on foreign exchange risk, interest rate risk and credit risk.

a) Market risk

The Company's activities expose it to the financial risks of changes in foreign currency exchange rates and interest rates. The Company uses gap analysis, interest rate sensitivity and exposure limits to financial instruments to manage its exposure to interest rate and foreign currency risk. There has been no change in the Company's exposure to market risks or the manner in which it manages these risks.

i) Price risk

Price risk is the risk that the fair value of the Company's investment portfolio will fluctuate because of changes in market prices (other than those arising from interest rate or currency risk), whether those changes are caused by factors specific to the individual investment or other market factors. The Company's price risk exposure primarily relates to equity investments at FVOCI. Management continually identifies the risk and diversifies the portfolio in a 5% asset price decrease at 31 December 2023 would reduce the value of our equity investments by approximately $524,736,238 (31 December 2022 – $598,429,475).

ii) Interest rate risk

The Company's exposure to interest rate and spread risk arises from measurement of the LIC and AIC, fixed rate debt securities and cash deposits and the employee benefit plan. A decline in interest rates or narrowing spreads can result in compression of the net spread between interest earned on investments. In contrast, increases in interest rates or a widening of credit spreads can reduce market values of fixed income assets, which may lead to lower capital or losses in the event of the liquidation of assets prior to maturity.

Sensitivity analysis

The Company 's exposure to interest rate risk is minimal but the Company's management continuously monitors and manages these risks through the use of appropriate tools and asset-liability strategies to limit any adverse effects. The sensitivity of the price of fixed rate securities to movements in interest rates is indicated by their duration. The greater a security's duration, the greater its price volatility to movements in interest rates. The sensitivity of the Company's interest rate risk to interest rate movements is detailed below, assuming linear movements in interest rates.

A positive number indicates an increase in surplus before taxation where the interest rate appreciates by 50 basis points. For a decrease of 50 basis points in the interest rate, there would be an equal and opposite impact on surplus before taxation and the balances would be negative.

	Increase/ decrease in basis points	Impact on surplus	
		2023	**2022** Restated
		G$M	**G$M**
Cash deposits	+/-50	7.68	14.82
Fixed rate debt securities	+/-50	5.49	5.36
Mortgages and loans	+/-50	0.07	0.07

NOTES ON THE ACCOUNTS

(39) FINANCIAL RISK MANAGEMENT — CONT'D

(a) Market risk - cont'd

(iii) Foreign currency risk

The Company is exposed to currency risk by holding investments, reinsurance contract assets and other monetary assets. It is also exposed by underwriting and incurring liabilities in currencies other than the currency of the primary environment in which the operating segments operate. The Company is exposed to fluctuations in foreign exchange rates that can impact both its profitability and the reported value of such assets and liabilities. The currencies which the Company is mainly exposed to are Pounds Sterling, United States, Eastern Caribbean and Trinidad & Tobago dollars.

	2023				
	£ Sterling	US$	EC$	TT$	Total G$ equivalent
Assets	1,386,593	5,850,984	33,172,552	660,231	**3,994,978,498**
Liabilities	—	—	5,092,834	—	**364,137,633**

	2022				
	£ Sterling	US$	EC$	TT$	Total G$ equivalent
Assets	1,386,593	4,882,682	34,630,859	660,231	**3,901,265,605**
Liabilities	—	—	5,775,157	—	**412,923,748**

Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 3% increase or decrease in the Guyana dollar against the relevant currencies. Although a rate is not formally adopted and used as a measure, 3% gives a prudent possibility of a change in rate.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for 3% change in foreign currency rate. A positive number below indicates an increase in reserves if the currency were to strengthen 3% against the Guyana dollar. If the currencies were to weaken 3% against the Guyana dollar, there would be an equal and opposite impact on the reserves and the balances would be negative.

	£ Sterling impact G$M	US Dollar impact G$M	EC Dollar impact G$M	TT Dollar impact G$M	Total G$M equivalent
2023 Profit	11.3	210.0	60.2	0.6	**282.1**
2022 Profit	10.6	30.9	86.7	0.6	**128.8**

NOTES ON THE ACCOUNTS

(39) FINANCIAL RISK MANAGEMENT — CONT'D

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its commitments associated with financial instruments.

The Company manages its liquidity risk by maintaining an appropriate level of resources in liquid or near liquid form.

The following table details the Company's remaining contractual maturity or expected maturity profile based on undiscounted cash flow of its financial assets, reinsurance contract assets' AIC, insurance contract liabilities' LIC and financial liabilities.

	No specified Maturity	1 to 3 months	4 to 12 months	1 to 5 years	Over 5 years	Total
	G$	G$	G$	G$	G$	G$
2023						
Assets						
Debit securities	—	71,500,000	282,620,555	706,481,670	—	1,060,602,225
Mortgages and loans	—	148,039	444,118	3,997,059	10,214,708	14,803,924
Equity securities	10,494,724,752	—	—	—	—	10,494,724,752
Statutory deposits	—	—	—	881,575,723	—	881,575,723
Interest accrued	—	22,328,321	75,124	1,805,723	—	24,209,168
Receivables and prepayments	—	52,554,063	—	—	—	52,554,063
Reinsurance contract assets	—	29,420,682	88,262,045	48,067,593	—	165,750,320
Cash on deposit	—	1,351,740,148	183,923,560	—	—	1,535,663,708
Cash at bank	1,613,588,341	—	—	—	—	1,613,588,341
Cash on hand and in transit	16,479,531	—	—	—	—	16,479,531
Total	12,124,792,625	1,527,691,252	555,325,402	1,641,927,768	10,214,708	15,859,951,755
Liabilities						
Insurance contract liabilities	—	159,011,335	477,034,004	259,793,166	—	895,838,505
Pension reserve	17,811,185	—	—	—	—	17,811,185
Related party payables	70,698,982	—	—	—	—	70,698,982
Investment contract liabilities	14,167,249	—	—	—	—	14,167,249
Payables and accruals	128,882,757	—	—	—	—	128,882,757
Total	231,560,174	159,011,335	477,034,004	259,793,166	—	1,127,398,678

(39) FINANCIAL RISK MANAGEMENT — CONT'D

(b) Liquidity risk - cont'd

	No specified maturity	1 to 3 months	4 to 12 months	1 to 5 years	Over 5 years	Total
	Restated G$	Restated G$	Restated G$	Restated G$	Restated G$	Restated G$
2022						
Assets						
Debit securities	—	2,164,748	286,754,339	582,214,202	—	871,133,289
Mortgages and loans	—	148,039	444,118	3,997,059	10,214,706	14,803,922
Equity securities	11,968,589,505	—	—	—	—	11,968,589,505
Statutory deposits	—	—	—	872,878,995	—	872,878,995
Interest accrued	—	362,114	15,864,888	—	—	16,227,002
Receivables and prepayments	—	67,761,927	—	—	—	67,671,927
Related party receivables	—	927,318	—	—	—	927,318
Reinsurance contract assets	—	30,663,809	91,991,428	43,095,083	—	165,750,320
Cash on deposit	—	375,298,742	1,125,896,225	—	—	1,501,194,966
Cash at bank	1,206,961,496	—	—	—	—	1,206,961,496
Cash on hand and in transit	18,684,974	—	—	—	—	18,684,974
Total	13,194,235,975	477,326,697	1,520,950,997	1,502,185,339	10,214,706	16,704,913,715
Liabilities						
Insurance contract liabilities	—	190,141,346	570,424,037	267,225,675	—	1,027,791,058
Pension reserve	1,590,890	—	—	—	—	1,590,890
Related party payables	—	—	—	—	—	—
Investment contract liabilities	22,035,028	—	—	—	—	22,035,028
Payables and accruals	—	156,733,903	—	—	—	156,733,903
Total	23,625,918	346,875,249	570,424,037	267,225,675	—	1,208,150,879

NOTES ON THE ACCOUNTS

(39) FINANCIAL RISK MANAGEMENT — CONT'D

(c) Credit risk - cont'd

Concentration of assets and liabilities

Credit risk is the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Company.

The Company faces credit risk in respect of its receivables, debt securities, mortgages and cash and cash equivalents. However, this risk is controlled by close monitoring of these assets by the Company. The maximum credit risk faced by the Company are the balances reflected in the financial statements.

Impairment assessment of financial assets (from 1 January 2023)

The Company's impairment assessment and expected credit loss (ECL) methodology is set out below.

Expected credit loss

ECLs are calculated by considering the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD). The PD is determined by reference to third party information on available companies, or using qualitative information available to the Company, and depends on whether a financial asset requires determination of a 12-month ECL or lifetime ECL. The LGD is determined with reference to any exposure reducing instruments such as collateral or liquid assets that the counterparty may have. The EAD is determined as the amount of the loan balance outstanding at the reporting date.

The Company assesses the possible default events within 12 months for the calculation of ECL for financial assets in stage 1 of the ECL. Lifetime ECL is required to be calculated for instruments in stages 2 or 3. In all instances, the expected loss given default is based on external historical data and on a broad range of forward-looking information as economic inputs, such as GDP growth and equity markets indexes.

Significant increase in credit risk and default

The Company continuously monitors all financial assets subject to ECLs. To determine whether an instrument or a portfolio of instruments is subject to 12-month ECL or lifetime ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition.

The Company considers that there has been a significant increase in credit risk when any contractual payments are more than 30 days past due. In addition, the Company also considers a variety of instances that may indicate unlikeliness to pay by assessing whether there has been a significant increase in credit risk. Such events include:

- The payment trends and internal rating of the counterparty indicating default or near-default;
- The counterparty (or any legal entity within the debtor's group) filing for bankruptcy protection; and
- The counterparty's listed debt suspended at the primary exchange because of facts about financial difficulties.

The Company considers a financial instrument credit impaired for ECL calculations in all cases when the counterparty becomes 90 days past due on its contractual payments. The Company may also consider an instrument to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full. In such cases, the Company recognises a lifetime ECL.

NOTES ON THE ACCOUNTS

(39) FINANCIAL RISK MANAGEMENT — CONT'D

(c) Credit risk - cont'd

Significant increase in credit risk and default - cont'd

The Company applies the simplified approach to measuring ECL which uses a lifetime ECL for receivables, cash and cash equivalents held at amortised cost and are short-term in nature. To measure the lifetime ECL, receivables and other assets have been grouped based on shared credit risk characteristics. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability to settle receivables. Estimates of fulfilment cash flows of reinsurance contract assets and insurance contract liabilities reflect conditions existing at the measurement date, including, where appropriate, adjustments for the risk of non-performance of reinsurers and expected credit losses on premiums due from policyholders and intermediaries.

Amounts arising from expected credit loss: financial investments measured at amortised cost

The following table sets out information about the credit quality of the financial investments measured at amortised cost and subject to IFRS 9's general model. These financial assets include debt securities, mortgages and loans and are segmented into three stages of credit impairment:

Stage 1 - no significant increase in credit risk since inception;
Stage 2 - significant increase in credit risk since inception;
Stage 3 - asset is impaired.

	Gross carrying amount	ECL	Net carrying amount
	G$	G$	G$
Stage 1			
Investment grade			
Debt securities	1,090,645,635	—	1,090,645,635
Stage 1			
Not rated			
Debt securities	7,150,000	—	7,150,000
Mortgages	13,999,641	—	13,999,641
Other receivables	71,104,569	(18,550,506)	52,554,063
	92,254,210	(18,550,506)	73,703,704
	1,182,899,845	(18,550,506)	1,164,349,339

For assets in stage 1, the allowance is calculated as the expected credit losses from events within 12 months after the reporting date. IFRS 9 provides a simplification where an entity may assume that the criterion for recognising lifetime ECL is not met if the credit risk on the financial instrument is low (investment grade) at the reporting date. The Company applied the low credit risk simplification to its investment grade assets. This represents approximatively 89.9% of the debt securities portfolio as at 1 January 2023 and 99.3% at 31 December 2023.

Mortgages are secured against the borrowers' properties as at 31 December 2023, and property valuations were in excess of mortgage loan amounts. ECLs on mortgages and cash deposits have been determined to be immaterial at the start of the financial year and as at 31 December 2023.

NOTES ON THE ACCOUNTS

(39) FINANCIAL RISK MANAGEMENT — CONT'D

(c) Credit risk - cont'd

Impairment assessment (up to 31 December 2022)

The Company determines, at each balance sheet date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. Those financial assets are impaired according to either a debt, equity or loans impairment model. The appropriate impairment model is determined based on the characteristics of each instrument. Objective evidence of impairment includes:

- A loss event that occurred after initial recognition that has an impact on the estimated future cash flows;
- A payment default or a significant and prolonged decline in the fair value of an investment below cost.

The table below shows the Company's maximum exposure to credit risk:

	2022 Restated G$ Maximum exposure
Investments (i)	**687,422,374**
Loans and recievables (ii)	**14,803,924**
Interest accrued (iii)	**16,227,002**
Receivables and prepayments (iv)	**199,096,644**
Related party receivable (v)	**927,318**
Statutory deposits (vi)	**872,878,995**
Treasury bills (vii)	**384,164,024**
Cash and cash equivalents (viii)	**2,726,841,436**
Total credit risk exposure	**4,902,361,717**

Receivables balances are classified as follows:

Current	**185,394,703**
Impaired	**13,701,941**
	199,096,644

(i) Investments in Government Bonds are assets for which the likelihood of default are considered low by the Company.

(ii) Loans and receivables include the sum of G$14,803,924 that comprise of mortgages. These are fully secured against the borrowers' properties as such the likelihood of loss is considered extremely low by the Company.

(iii) Interest accrued represents amounts due or accrued on the various investments of the Company. These amounts would either be received in the new financial year, or would materialise on the maturity of the investment(s) in accordance with their terms and conditions.

(iv) Receivables and prepayments comprise a number of advances and loans to staff and sales representatives on which interest is earned. They also include amounts for securities pending redemption and amounts owing to the Company by other organisations. A provision for irrecoverable debts of $13,701,941 was reflected as at December 31, 2022.

NOTES ON THE ACCOUNTS

(39) FINANCIAL RISK MANAGEMENT — CONT'D

(c) Credit risk - cont'd

(v) Receivables and prepayments comprise a number of advances and loans to staff and sales representatives on which interest is earned. They also include amounts for securities pending redemption and amounts owing to the Company by other organisations. A provision for irrecoverable debts of $13,701,941 was reflected as at December 31, 2022.

(vi) Related party receivable represents net balance due from The Guyana and Trinidad Mutual Life Insurance Company Limited for shared costs. The Company has a sound capital base and management continuously monitors this account.

(vii) Statutory deposits represent deposits with Insurance Regulators and with financial institutions held in trust to the order of the Insurance Regulators. The likelihood of default is considered very low by the Company.

(vii) Treasury bills are investments in Eastern Caribbean Governments and are such that the likelihood of default is extremely low and have therefore been considered virtually risk-free by the Company.

(viii) Cash and cash equivalents include balances held with commercial banks. These banks have been assessed by the Company as being creditworthy, with very strong capacity to meet their obligations as they fall due. The related risk is therefore considered very low.

Ageing of trade and other receivables which were past due but not impaired

There were no mortgages and other receivables which were impaired

Ageing of trade and other receivables which were impaired

	2022 Restated G$
120 + days	**13,701,941**
Provision for impairment - individually assessed	**13,701,941**

NOTES ON THE ACCOUNTS

(40) INSURANCE RISK

The principal risks that the Company faces under its insurance contracts are that actual claims are greater than estimates, actual claims are not adequately mitigated by reinsurance, and that total claims from the portfolio of contracts exceed the estimate used in pricing those contracts. The risks and mitigating factors are discussed below.

Risk management objectives and policies

The Company mitigates its risks by engaging in both facultative reinsurance and excess of loss reinsurance treaties. Reinsurance coverage for perils and other risks excluded from the excess of loss treaty are facultatively reinsured on a yearly renewable basis. The Company also engages in redlining where it reserves the right to offer no coverage in specified geographic areas. The Company declines, rates up, applies excesses, accepts small participation or a combination of more than one of the preceding as part of its overall prudent underwriting principles.

Terms and conditions of insurance contracts

All insurance contracts issued by the Company include conditions aimed at protecting it. Some of these include stating assumed risks clearly (aimed at removing any ambiguity), inclusion of excess clauses, reserving the right to terminate the policy with notice, and clearly stating the maximum limit of any liability. The Company promises to settle claims as soon as possible, all consideration given to proper investigations to establish that the insured event and losses have occurred.

Concentration of insurance risk

Insurance risks are spread in a number of geographical areas across the four territories in which the Company operates.

Following the adoption of IFRS 17, the Company now includes additional elements such as the consideration of the cash flows within the contract boundary, discounting and the risk adjustment for non-financial risk calculation, in its valuation of insurance contract liabilities. This continues to be the largest area of estimation uncertainty. For all our contracts, uncertainty in the estimation of future claims arise primarily from the severity and frequency of claims and uncertainties regarding future inflation rates.

The Company estimates the ultimate costs of settling claims incurred but unpaid at the reporting date and the value of salvage and other expected recoveries by reviewing individual claims reported and making allowance for claims incurred but not yet reported. The ultimate cost of settling claims is estimated using a range of loss reserving techniques, leveraging the Company’s historical experience and external benchmarks. The ultimate cost of settling claims is estimated separately for each class of business, except for large claims, which are assessed separately from other claims.

NOTES ON THE ACCOUNTS

(40) INSURANCE RISK — CONT'D

Discounting

The Company applies the bottom-up approach when deriving its discount rates for discounting the LIC and AIC. This approach requires the use of an appropriate (liquid) risk-free yield curve plus a specific illiquidity premium above the risk-free yield curve to represent the reduced liquidity of the insurance contract cashflows compared to the observable risk-free rates. The risk-free yields and illiquidity premium are derived using reference data supplied by third parties with management judgement applied where appropriate, in particular in the derivation of the illiquidity premium. The Company has elected to recognise changes in the effect of discounting as part of insurance finance income or expense in the statement of profit or loss. The following table provides a weighted average summary of the discount rates used to present value cash flows:

	Policy duration			
	1 year	2 years	3 years	5 years
As at 31 December 2023	4.84%	4.75%	4.62%	4.37%
As at 31 December 2022	5.33%	5.21%	4.92%	4.71%

Under the PAA, only the LIC component of the net liability on insurance contracts issued and the AIC component of the net asset on reinsurance contracts held is sensitive to possible changes in insurance risk and interest rate risk variables. The following table presents information on how reasonably possible changes in the yield curve made by the Company impact the valuation of the net insurance contract liabilities, profit before tax.

NOTES ON THE ACCOUNTS

(40) INSURANCE RISK — CONT'D

Risk adjustment

The risk adjustment is the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. It reflects an amount the Company would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount. Under the PAA, the risk adjustment for non-financial risk is limited to the LIC and the AIC.

The Company estimates the probability distribution of the expected present value of the future cash flows from the contracts at each reporting date and calculates the risk adjustment for non-financial risk as the excess of the value at risk at the target confidence level over the expected present value of the future cash flows allowing for the associated risks over all future years. The target confidence level is the 80th percentile for the liability for incurred claims.

The main assumptions underlying estimation of the risk adjustment are:

- Historical claims development can be used to generate the full range of potential outcomes; and
- Expert judgments to allow for the correlation between line of business and region.

Additional qualitative judgment is used to assess the extent to which there are events not included in the historical data.

The Company's insurance risk appetite and methods used to determine the risk adjustment for non-financial risk and resulting confidence level were not changed for the years ended 31 December 2023 and 2022.

Sensitivity analysis

The Company's profitability is sensitive to the flow of monies (1) inwards from policyholders; and (2) outwards to policyholders. If policyholders are unable to pay their premiums, the inflow of cash will be constrained. If claims are above anticipated averages, there will be strain on the Company's finances and it would have to seek alternative financing solutions. Its cash flow would therefore be affected negatively. The following table presents information on how reasonably possible changes in assumptions made by the Company impact the valuation of the net insurance contract liabilities' LIC and the AIC component of reinsurance contract assets, profit after tax.

	LIC (AIC) at 31 December 2023	Impact on Profit	LIC (AIC) at 31 December 2022	Impact on Profit
	G4	**G$**	**G$**	**G$**
Unpaid claims ans expenses - 5% increase				
Insurance contract liabilities	44,791,925	(26,875,155)	51,389,553	(30,833,732)
Reinsurance contract assets	(8,287,516)	4,972,510	(11,457,391)	6,874,434
Net insurance contract liabilities	36,504,409	(21,902,646)	39,932,162	(23,959,297)

The analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

(40) INSURANCE RISK — cont'd

Claims Development

Claims are provided for and kept as a liability until they are settled or have expired. At the time of loss, a provision is made based on best estimates. There is some amount of uncertainty surrounding the timing of payments and the exact amount to be paid for most claims. There are occasions where the provision is in excess of the incurred loss. This is adjusted at the time of claim settlement or at the point of the revision of provisions, whichever is earlier. Similarly, there are times when the provision is insufficient to cover the losses estimated. These too are adjusted at the earlier of claims payment or overall claims revision.

The Company considers the claims development information presented below to show the period (being the 2017 accident year) when the earliest material claims arose, and for which there is still uncertainty in respect of the amount and timing of the claims payments as at 31 December 2023.

	2016 G$	2017 G$	2018 G$	2019 G$	2020 G$	2021 G$	2022 G$	2023 G$	Total G$
Net liability for incurred claims-discounted									
At end of accident year	304,170,415	263,341,543	298,128,221	272,920,036	218,199,161	240,929,591	416,262,737	593,689,395	
One year later	801,860,046	320,529,556	279,179,903	286,207,084	275,465,823	318,148,123	448,497,247		
Two years later	802,236,166	271,726,939	279,987,826	310,869,240	322,950,089	318,148,123			
Three years later	840,821,314	283,384,046	281,480,326	298,945,831	322,950,089				
Four years later	843,300,236	283,386,046	278,655,520	298,945,831					
Five years later	848,448,236	348,175,019	278,655,520						
Six years later	858,570,774	348,175,019							
Seven years later	858,570,774								
Current estimate	**858,570,774**	**348,175,019**	**278,655,520**	**298,945,831**	**322,950,089**	**318,148,123**	**448,497,247**	**593,689,395**	**3,467,631,997**
Cummulative net claim cost paid todate	(855,793,649)	(342,788,837)	(271,164,186)	(297,435,083)	(302,927,712)	(305,487,168)	(386,227,504)	—	(2,761,824,138)
Undiscount net claims	2,777,125	5,386,182	7,491,334	1,510,748	20,022,377	12,660,955	62,269,743	593,689,395	705,807,859
Risk adjustment and loss adjustment expense	—	—	—	—	—	—	—	—	(69,216,531)
Effect of discounting	—	—	—	—	—	—	—	—	(11,148,709)
Net liability for incurred claims	**2,777,125**	**5,386,182**	**7,491,334**	**1,510,748**	**20,022,377**	**12,660,955**	**62,269,743**	**593,689,395**	**763,875,681**

	Estimate of the present value of future cash flows G$	Risk Adjustment G$	Total G$
Represented as: **31 December 2023**			
Gross liabilities for incurred claims	895,838,505	37,124,556	932,963,061
Amounts recoverable from reinsurance	165,750,320	3,337,060	169,087,380
Net liabilities for incurred claims	730,088,185	33,787,496	763,875,681

NOTES ON THE ACCOUNTS

(41) INSURANCE ACT 2016

The Insurance Act 2016 became effective in 2018. Part XIV section 171 of the Act relates to the statutory fund and refers to the Regulations made under the Insurance Act 2016, which also became effective in 2018.

Part 4 of the Regulations stipulate the statutory fund's composition, limits and other requirements including investments. The area of non-compliance is described below:

Category limits
As stated in part 4 number 33 of the Regulations; "the category limits of investments for statutory fund requirements shall be as set out in Schedule 3." Schedule 3 specifies a maximum of 20% of the statutory fund for shares of Corporations in Guyana. At present, 72.5% of the statutory fund represents investment in shares of Corporations in Guyana.

Management is currently in the process of resolving this issue.

(42) APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the Directors on 28th August , 2024.