99th

ANNUAL REPORT 2023

The Guyana and Trinidad Mutual Life Insurance Company Limited

Our Vision and Mission Statements

The Guyana and Trinidad Mutual Life Insurance Company Limited

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 16:45 hours on Wednesday, 28th August, 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 elect Directors.

3. To fix remuneration of the Directors.

4. To elect Auditors and fix their remuneration.

BY ORDER OF THE BOARD

T. CASTELLO
Company Secretary/Accountant

GTM Buildings
27-29 Robb & Hincks Streets
Georgetown
24th July, 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.

Chairman & Board of Directors

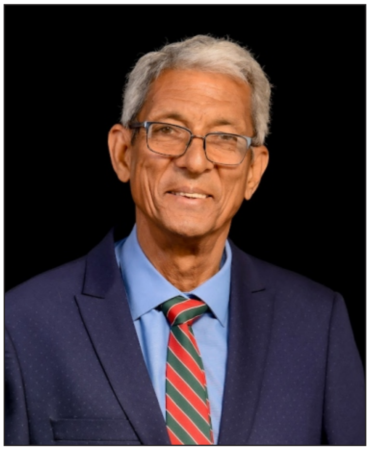
CHAIRMAN	**R. L. SINGH,** AA, ACIS
DIRECTORS	**E. A. LUCKHOO,** LL.B(HONS) (LOND), SC
	B. J. HARPER (MS.), BA
	P. S. FRASER
	G. E. DEAN, BSc., CGMA
	R. T. SINCLAIR, MSc.
	A. N. CARTER-SHARMA (MRS.), BEng. (ARCH), OSHA-30HR
MANAGING DIRECTOR	**R. ST. P. YEE,** BSc.(HONS), EMBA

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

Management Team

MANAGING DIRECTOR	**R. ST. P. YEE,** BSc.(HONS), EMBA
MANAGER (AG.)	**D. RAMSAROOP,** FLMI, ACS
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
BRANCH MANAGER, GRENADA	**N. ENNIS (MS.),** ACII, BSc.
BRANCH MANAGER, ST. LUCIA	**G. MAXWELL (MS.),** BSc., FCII, MSc.
BRANCH MANAGER, ST. VINCENT	**C. CAMBRIDGE,** AIAA, ACS(HONS), AIRC, Dip.Mgt (UWI)

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Report of the Directors

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

All amounts stated are in Guyana dollars.

INSURANCE IN FORCE
At the commencement of the year, after adjustments including adjustment for the change in currency exchange rate there were 14,240 policies in force insuring $105,968,566,489 with annual premiums of $1,293,044,898. During the year 1,191 policies were issued insuring $14,384,876,136 with annual premiums of $148,962,186. As at 31 December 2023, there were 14,331 policies in force insuring $112,903,913,210 including bonus additions, yielding annual premiums of $1,353,134,581.

GROUP LIFE
At the commencement of the year, there were 125 group plans in force with annual premiums of $322,399,607 insuring a total sum of $46,569,682,050. As at 31 December 2023, there were 117 group plans in force with annual premiums of $313,114,260 insuring a total sum of $44,183,288,340.

HEALTH INSURANCE
At the commencement of the year, there were 208 group plans and 3,157 individual plans with annual premiums of $1,421,679,950. During the year, 25 group plans and 420 individual plans were issued with annual premiums of $84,083,636. At 31 December 2023, there were 219 group plans and 3,106 individual plans with annual premiums of $1,134,946,269.

ACCIPROTECT
At the commencement of the year, there were 2,113 policies insuring $3,666,500,000 with annual premiums of $14,600,364. At 31 December 2023, there were 2,210 policies insuring $3,672,500,000 with annual premiums of $15,450,108.

CLAIMS
Total claims paid and provided for during the year amounted to $972,902,083. Death claims in respect of 83 policies totalled $150,700,000 net of reinsurance ; endowments matured required $54,868,209 ; payments under annuity policies were $19,895,226; and health insurance benefits paid amounted to $747,438,649. Since inception of the Company, the total net claims paid and provided for amounted to $11,879,109,093.

INVESTMENTS
At the commencement of the year, the total value of investments was $12,814,892,661 (restated). The value of investments purchased during the year amounted to $215,100,000 while redemptions were $67,099,098. At 31 December 2023, securities were revalued in accordance with the Company's accounting policy, which resulted in a net decrease in the fair value of $1,076,166,812. The total value of investment as at December 31, 2023 was $11,529,151,213.

DIRECTORATE
All the Directors retire as provided in the Company's Ordinance and are eligible for re-election.

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

The Board has established a Budget and Liquidity and 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 re-election.

Independent Auditor's Report

To the Members of
The Guyana and Trinidad Mutual Life 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 & Trinidad Mutual Life 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 5 to 59 present fairly, in all material respects, the financial position of The Guyana & Trinidad Mutual Life 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.VI of 1925 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.VI of 1925 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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

As stated in Note 35 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 FiIRM
157 'C' WATERLOO STREET
GEORGETOWN
GUYANA

July 24, 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 and 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 G$	31 December 2022 Restated G$	1 January 2022 Restated G$
Cash on hand and in transit		31,992,299	**6,297,355**	**2,029,887**
Cash at bank	(11)	2,472,700,255	**1,947,486,166**	**1,196,757,630**
Cash on deposit	(12)	3,936,570,200	**3,779,965,688**	**3,637,644,171**
Investments:				
Loans and debit securities	13(a)	2,349,979,484	**2,309,554,120**	**2,273,509,809**
Equity instruments	13(b)	9,179,171,729	**10,505,338,541**	**7,669,554,073**
Statutory deposits	(14)	224,274,141	**224,040,341**	**223,489,483**
Reinsurance contract assets	(15)	995,734,234	**921,946,285**	**983,141,660**
Segregated funds' assets	(17)	797,346,510	**946,787,439**	**933,113,325**
Related party	(18)	70,698,935	—	**100,664,866**
Accrued and unpaid interest	(19)	51,140,982	**42,197,368**	**40,116,115**
Receivables and prepayments	(20)	53,091,690	**108,129,453**	**134,354,744**
Tax recoverable	(21)	9,792,353	**8,899,159**	**13,496,926**
Property and equipment	(22)	1,739,695,045	**1,780,070,622**	**1,537,316,312**
Total assets		21,912,187,857	**22,580,712,537**	**18,745,189,001**
Equity and liabilities				
Capital and reserves				
Guarantee capital	(23)	100,000	**100,000**	**100,000**
Investment reserve	(24)	9,221,728,844	**10,297,895,656**	**7,462,111,188**
Revaluation reserve	(22)	343,257,293	**343,257,293**	**343,257,293**
Retained earnings		1,901,626,153	**1,309,260,928**	**440,720,330**
Insurance finance income reserve		3,007,797,563	**3,090,073,204**	**—**
Total equity		14,474,509,853	**15,040,587,081**	**8,246,188,811**
Insurance contract liabilities	(15)	5,178,923,621	**5,142,544,378**	**8,135,540,620**
Deposit administration fund	(25)	1,370,928,647	**1,348,709,022**	**1,243,023,301**
Sundry reserve	(26)	17,714,960	**1,494,640**	**2,744,320**
Segregated funds' liabilities	(17)	797,346,510	**946,787,439**	**933,113,325**
Investment contract liabilities		3,045,430	**3,026,819**	**3,008,362**
Taxation	(21)	3,231,922	**3,355,516**	**3,067,574**
Payables and accruals	(27)	66,486,914	**93,280,324**	**178,502,688**
Related party	(17)	—	**927,318**	**—**
Total liabilities		7,437,678,004	**7,540,125,456**	**10,499,000,190**
Total equity and liabilities		21,912,187,857	**22,580,712,537**	**18,745,189,001**

The financial statements were approved by the Board of Directors on 24 July, 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)	1,872,285,767	**1,921,681,717**
Insurance service expenses	(9)	(1,388,840,958)	**(1,389,232,992)**
Net income (expense) from reinsurance contracts held	(9)	29,316,773	**(31,514,430)**
Insurance service result		512,761,582	**500,934,295**
Net investment income	(7)	312,366,942	**217,549,170**
Net insurance finance expense for insurance contracts		(49,474,774)	**(68,769,889)**
Net reinsurance finance income (expense) from reinsurance contracts		71,263,009	**196,435,726**
Net insurance finance (expense) income		21,788,235	**127,665,838**
Net financial result		334,155,177	**345,215,007**
Fee and commission income		29,679,559	**4,016,726**
Other income		12,934,344	**14,125,591**
Other operating expenses	(9)	(275,002,267)	**(240,373,239)**
Increase in investment contract liabilities		18,610	**—**
Profit before taxation		614,547,005	**623,918,380**
Taxation	(10)	(22,181,780)	**(5,377,782)**
Net profit after taxation		592,365,225	**618,540,598**
OTHER COMPREHENSIVE INCOME **Items that may be reclassified subsequently to profit or loss:**			
Insurance finance income/(expenses) from insurance contracts issued		(87,428,264)	**3,406,729,513**
Finance income/expenses from reinsurance contracts held		5,152,623	**(316,656,309)**
	(8)	(82,275,641)	**3,090,073,204**
Items that may not be reclassified subsequently to profit or loss:			
Fair value (loss) / gain on equity investments designated at fair value through other comprehensive income (FVOCI)	(24)	(1,076,166,812)	**3,085,784,468**
Other comprehensive income for the year, net of taxation		(1,158,442,453)	**6,175,857,672**
Total comprehensive (loss)/ income for the year		(566,077,228)	**6,794,398,270**

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

Statement of Changes in Equity

For the Year Ended 31 December, 2023

	Guarantee capital	Investment reserve	Revaluation reserve	Insurance finance income reserve	Retained earnings	Total
	G $	G $	G $	G $	G $	G$
Balance at 31 December 2021	**100,000**	**7,462,111,188**	**343,257,293**	**—**	**1,278,218,240**	**9,083,686,721**
IFRS 17 transitional adjustment, net of tax					(837,497,910)	(837,497,910)
Restated balance as at 01 January 2022	100,000	7,462,111,188	343,257,293	—	440,720,330	8,246,188,811
Changes in equity 2022						
Transfer of shares for property	—	(250,000,000)	—	—	250,000,000	—
Total comprehensive income for the year	—	3,085,784,468	—	3,090,073,204	618,540,598	6,794,398,270
Balance at 31 December 2022	**100,000**	**10,297,895,656**	**343,257,293**	**3,090,073,204**	**1,309,260,928**	**15,040,587,081**
Changes in equity 2023						
Total comprehensive income for the year	—	(1,076,166,812)	—	(82,275,641)	592,365,225	(566,077,228)
Balance at 31 December 2023	100,000	9,221,728,844	343,257,293	3,007,797,563	1,901,626,153	14,474,509,853

Statement of Cash Flows

For the Year Ended 31 December, 2023

	2023 G$	2022 Restated G$
Operating activities		
Profit before taxation	614,547,005	**623,918,380**
Adjustments for:		
Depreciation	42,766,294	**23,577,127**
Dividends and interest received	(312,366,942)	**(217,549,170)**
Loss / (gain) on exchange	(26,744,757)	**19,985,235**
Operating profit before working capital changes	318,201,600	**449,931,573**
Increase / (decrease) in insurance and reinsurance contracts	36,379,243	**(2,992,996,243)**
Increase in deposit administration fund	22,219,625	**105,685,721**
Increase / (decrease) in sundry reserve	16,220,320	**(1,249,680)**
Decrease in receivables & prepayments	133,779,757	**113,216,043**
Decrease / (increase) in reserves	167,724,359	**3,090,073,204**
(Decrease) /increase in liabilities	(177,143,045)	**(70,602,475)**
Net cash provided by operations	**517,381,859**	**694,058,142**
Taxes paid	(22,305,374)	**(492,547)**
Net cash provided by operating activities	**495,076,485**	**693,565,595**
Investing activities		
Acquisition of property and equipment	(2,390,717)	**(16,331,437)**
Increase in statutory deposits	(233,800)	**(550,858)**
(Increase) / decrease in reinsurance contract assets	(73,787,949)	**61,195,375**
Increase in accrued and unpaid interest	(8,943,614)	**(2,081,253)**
Net acquisition of investments	(14,573,802)	**(56,029,071)**
Dividends and interest received	312,366,942	**217,549,170**
Net cash provided by investing activities	212,437,060	**203,751,926**
Net increase in cash and cash equivalents	707,513,545	**897,317,521**
Cash and cash equivalents at beginning of period	5,733,749,209	**4,836,431,688**
Cash and cash equivalents at end of period	6,441,262,754	**5,733,749,209**
Cash and cash equivalents consist of:		
Cash on deposit, at bank, on hand and in transit	6,441,262,754	**5,733,749,209**
	6,441,262,754	**5,733,749,209**

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

Notes on the Accounts

1. INCORPORATION AND ACTIVITIES

The Guyana and Trinidad Mutual Life Insurance Company Limited was incorporated in Guyana by Ordinance No. 6 of 1925 on 30 May 1925. It is engaged in the underwriting of long-term insurance business and associated insurance activities.

2. ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

a) Pronouncements effective in current period

New and Amended Standards and Interpretation

		Effective for annual periods beginning on or after
IFRS 9	— Financial Instruments	1 January 2023
IFRS 17	— Insurance Contracts	1 January 2023
IAS 1	— Disclosure of Accounting Policies	1 January 2023
IAS 8	— Definition of Accounting Estimates	1 January 2023
IAS 12	— Deferred Tax related to Assets and Liabilities arising from a single transaction	1 January 2023

International Financial Reporting Standard 17 (IFRS 17) was adopted on January 1, 2023 with a transition date of January 1, 2022. The Company has restated comparative information for 2022 applying the transition provisions in IFRS 17.

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts and reinsurance contracts. It introduces a model that measures groups of contracts based on the present value of future cash flows with an explicit risk adjustment for non-financial risk (the fulfilment cash flows) and a Contractual Service Margin (CSM) representing the unearned profit to be recognised in profit or loss over the service period (coverage period). Losses on contracts that are onerous at inception are recognised immediately.

The core of IFRS 17 is the General Measurement Model (GMM), supplemented by the Variable Fee Approach (VFA) which is a specific adaptation for contracts with direct participation features, and the Premium Allocation Approach (PAA) which is a simplified model for short duration contracts.

The application of IFRS 17 significantly impacts the measurement and presentation of insurance and reinsurance contracts. The financial impact of measurement changes is more significant for long term life insurance than non-life short term insurance contracts, however, there are significant changes to presentation and disclosures for all insurance contracts. Investment contracts with no significant insurance risk or discretionary participation features, mortgage loans and pension administration business are out of scope and therefore not impacted by the new standard.

Material accounting policy changes made on transition to IFRS 17 and IFRS 9 are summarised below:

Under IFRS 17, an insurance contract is defined as a contract under which the issuer accepts significant insurance risk from the policyholder by agreeing to compensate the policyholder if an insured event adversely affects the policyholder. IFRS 17 includes new requirements for the separation of distinct investment components and distinct goods or non-insurance service components of insurance contracts. At transition to IFRS 17, there were no distinct investment components and only immaterial distinct service components in our insurance contracts.

The measurement of insurance contracts under IFRS 17 differs from the Policy Premium Method currently applied under IFRS 4. The most significant differences by measurement component are as follows:

Present value of future cash flows:

- The discount rates used to compute present value future cash flows under IFRS 17 are based on the characteristics of the insurance contracts. Under IFRS 4, discount rates are based on the portfolio of assets supporting the insurance contract liabilities and reinvestment assumptions.

- Estimates under IFRS 17 include the prevailing market view of the cost of financial guarantees, which requires a valuation consistent with market option prices. Under IFRS 4, the cost of financial guarantees is based on the amount required to fulfill the obligation.

- Expense cash flows under IFRS 17 are those directly attributable to the fulfillment of the obligations under insurance contracts.

Notes on the Accounts

2. ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS — cont'd

Material accounting policy changes made on transition to IFRS 17 and IFRS 9 are summarised below: — cont'd

Risk adjustment:

- Measures the compensation required for uncertainty related to non-financial risk, such as mortality, morbidity, surrender and expenses under IFRS 17.
- Provisions for uncertainty related to financial risk are included in the present value of future cash flows under IFRS 17.
- No amount is provided for asset-liability mismatch risk under IFRS 17.
- Under IFRS 4, amounts provided for the risks listed above are reflected in a provision for adverse deviations included in insurance contract liabilities.

Contractual Service Margin (CSM):

- This is a new component of liabilities and necessitates the "grouping" of insurance contracts, which is not required under IFRS 4.
- The CSM represents unearned profits, which will be amortised into income over the term of the contracts.

The measurement approach under IFRS 17 and IFRS 4 is similar for insurance contracts measured using the PAA, such as our group health contracts. Differences arise mainly in the measurement of the Liability for Incurred Claims, where the discount rate and risk adjustment changes noted above apply.

The Company has also adopted IFRS 9 Financial Instruments from 1 January 2023 and comparatives have been retrospectively restated applying the classification overlay. IFRS 9 incorporates new classification and measurement requirements for financial assets, introduces a new expected credit loss impairment model to replace the IAS 39 incurred loss model and new hedge accounting requirements. The Company had previously deferred the application of IFRS 9 to align with the implementation of IFRS 17. IFRS 9 has not resulted in any measurement differences on adoption by the Company, but does impact the disclosure of financial instruments as described in note 5.

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 3, 4 and 5.

Significant methods, judgements and assumptions applied in measurement of insurance contracts and financial instruments are set out in note 3 and 5.

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.

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.

Notes on the Accounts

2. ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS — cont'd

b) 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
Non-current Liabilities with Covenants IAS 1, Practice Statement 2	1 January 2024
Lease Liability in a Sale and Leaseback Amendments to IFRS 16	1 January 2024

3. MATERIAL ACCOUNTING POLICIES

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.

The material accounting policies are set out below:

b) Insurance and Reinsurance Contracts

The Company issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders by agreeing to compensate the policyholder if a specified uncertain future event affects the policyholder. An assessment of the significance of the insurance risk transferred to the Company by each individual contract is performed by reviewing books of contracts with homogeneous risk features.

Reinsurance contracts held are insurance contracts under which the Company is the policyholder and have transferred insurance risk to the issuer of the contract, the reinsurer. In the normal course of business, the Company uses reinsurance to limit its exposure to large losses and that such arrangements be placed with well-established, highly-rated reinsurers.

Amounts related to insurance contracts that impact income are included in the Net insurance service result of the statement of profit or loss and the insurance finance income (expenses) line in the net investment result.

IFRS 17 requires one of three accounting models to be applied to insurance contracts. The Company has applied the following models depending on the underlying contract type. Group benefits and short duration health insurance contracts generally apply the simplified Premium Allocation Approach (PAA). All other insurance contracts apply the General Measurement Model (GMM), including most life insurance contracts and annuities and the associated reinsurance contracts held. Insurance contracts without direct participation features are eligible to use the PAA if the coverage period is one year or less, or if the result of applying the PAA is not expected to be a materially different result than applying the GMM in each reporting period over the life of the contract.

The statement of financial position presents insurance contracts issued and reinsurance contracts held as both assets and liabilities, depending on whether the portfolio is in an asset or liability position.

Separating Components from Insurance and Reinsurance Contracts Held

The Company has assessed its insurance contracts and reinsurance contracts held products to determine whether they contain distinct components which must be accounted for under another IFRS rather than IFRS 17. After separating any distinct components, the Company applies IFRS 17 to all remaining components of the (host) insurance contract.

Some insurance contracts issued by the Company include a surrender option under which the surrender value is paid to the policyholder on maturity or earlier lapse of the contract. These surrender options have been assessed to meet the definition of a non-distinct investment component under IFRS 17. IFRS 17 defines investment components as the amounts that an insurance contract requires an insurer to repay to a policyholder in all circumstances. Investment components which are highly interrelated with the insurance contract of which they form a part are considered non-distinct and are not separately accounted for. However, receipts and payments of the investment components are recorded outside of profit or loss. Differences between expected and actual cash surrender payouts flow through the CSM and, as such, impact future profitability.

Notes on the Accounts

3. MATERIAL ACCOUNTING POLICIES — cont'd

b) Insurance and Reinsurance Contracts — cont'd

Some of the Company's policies allow policyholders the option of leaving maturity proceeds on deposit with the Company and are non-participating investment contract liabilities. These deposits are recognised and designated at fair value through profit or loss.

Service components of insurance contracts are treated as separate service contracts only if the service component is not highly interrelated with the insurance component and we provide no significant service in integrating the service component with the insurance component. Service components that are not separated are accounted for with insurance contracts.

Level of Aggregation

IFRS 17 requires an entity to determine the level of aggregation for applying its requirements. The level of aggregation for the Company is determined by dividing business written into portfolios of contracts which have similar risks and are managed together. The Company previously applied aggregation levels under IFRS 4, which were significantly higher than the level of aggregation required by IFRS 17. IFRS 17 also requires that no new groups contain contracts issued more than one year apart.

The direct insurance portfolios are divided into:

- Group of contracts that are onerous at initial recognition
- Group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently
- Group of the remaining contracts in the portfolio

The Company has identified the portfolios of insurance contracts issued based on the fact that these portfolios contain products that are subject to similar risks and managed together. The expected profitability of these portfolios is based on the current actuarial valuation assumption which include existing and new business.

For financial reporting, the Company has assigned the portfolios to one of three reporting segments, namely, Life, Health and Annuities.

For PAA business, groups of insurance contracts are assumed to not be onerous unless the facts and circumstances indicate otherwise.

The "reinsurance contracts held" portfolios are divided into similar groups as the direct insurance contracts and follow the underlying direct contracts that they support:

- A group of contracts on which there is a net gain on initial recognition
- A group of contracts that have no significant possibility of a net gain arising subsequent to initial recognition.
- A group of the remaining contracts in the portfolio.

Recognition

The Company recognises groups of insurance contracts that it issues from the earliest of the following:

- The beginning of the coverage period of the group of contracts; or
- The date when the first payment from a policyholder in the group becomes due; or
- For a group of onerous contracts, when a group becomes onerous

The Company recognises a group of reinsurance contracts held from the beginning of the coverage period of the group or when the first underlying direct contract is issued for proportionate reinsurance. The Company adds new contracts to the group when they are issued or initiated.

Notes on the Accounts

3. MATERIAL ACCOUNTING POLICIES — cont'd

b) Insurance and Reinsurance Contracts — cont'd

Contract Boundary

The Company includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay the premiums, or in which the Company has a substantive obligation to provide the policyholder with services. Riders, representing add-on provisions to a basic insurance policy that provide additional benefits to the policyholder at additional cost, issued together with the main insurance contracts form part of a single insurance contract with all of the cash flows within its boundary.

Measurement Models
Insurance Contracts – Initial Measurement

For non-onerous insurance contracts, IFRS 17's GMM measures the actuarial liabilities of a group of insurance contracts as the total of:

- The present value of the Fulfillment Cash Flows (FCFs); and
- A CSM representing the unearned profit the Company will recognise as it provides service to the insurance contracts in the group.

FCFs comprise unbiased and probability-weighted estimates of future cash flows, discounted to present value to reflect the time value of money and financial risks, plus risk adjustments for non-financial risk.

The Company's objective in estimating future cash flows is to determine the expected value, or the probability-weighted mean, of the full range of possible outcomes, considering all reasonable and supportable information available at the reporting date without undue cost or effort. The Company estimates future cash flows considering a range of scenarios which have commercial substance and give a good representation of possible outcomes. The cash flows from each scenario are probability-weighted and discounted using current assumptions.

When estimating future cash flows, the Company includes all cash flows that are within the contract boundary, including:

- Premiums and related cash flows
- Claims and benefits
- Acquisition costs
- Claims handling costs
- Policy administration and maintenance costs, including recurring commissions that are expected to be paid
- An allocation of fixed and variable overheads directly attributable to fulfilling insurance contracts
- Premium taxes

The Company incorporates, 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. The Company estimates the probabilities and amounts of future payments under existing contracts based on information obtained, including:

- Information about claims already reported by policyholders;
- Historical data about the Company's own experience, supplemented, when necessary, with data from other sources and adjusted to reflect current conditions;
- Current pricing information.

The risk adjustment for non-financial risks represents the compensation required for uncertainty related to non-financial risks (mortality, morbidity and surrender, etc.). The risk adjustment is reduced as the non-financial risks of our insurance contracts diminish over time.

Notes on the Accounts

3. MATERIAL ACCOUNTING POLICIES — cont'd

b) Insurance and Reinsurance Contracts — cont'd

The CSM is a component of the liability for the group of insurance contracts that represents the unearned profit the Company will recognise as it provides services. The CSM on initial recognition is an amount that, unless the group of contracts is onerous, results in no net income arising from initial recognition of the FCFs.

For reinsurance contracts held, there is no restriction on the CSM based on profitability at initial recognition, and any losses are deferred in the same manner as profits. In addition, the CSM for reinsurance contracts held can be adjusted to offset any gains or losses on the groups of underlying direct contracts that would have gone through CSM if the group of underlying direct contracts had a CSM balance.

For groups of contracts assessed as onerous, the Company recognises a loss in insurance service expense in the statement of profit or loss, resulting in the carrying amount of the liability for the group being equal to the FCFs and the CSM of the group being zero. A loss component is established for the Liability for Remaining Coverage (LRC) for an onerous group depicting the losses recognised.

The carrying value of insurance contracts comprises the LRC and the Liability for Incurred Claims (LIC):

The LRC reflects the Company's obligation to pay valid claims for insured events that have not yet occurred (i.e., the obligation that relates to the unexpired portion of the coverage period) and at initial recognition, comprises all remaining expected future cash inflows and cash outflows under the group of insurance contracts plus the CSM for groups subject to GMM.

The LIC reflects the Company's obligation to pay claims for insured events that have already occurred, including events that have occurred but for which claims have not been reported, and other incurred insurance expenses. At initial recognition of a group of contracts, the LIC is usually nil as no insured events have occurred.

Initial measurement of insurance contracts applying the PAA consist of the LRC measured as premiums received that relate to future service. If a group of PAA contracts is onerous on initial recognition, then the Company recognises a loss in insurance service expense and increases the LRC for the difference between the current estimates of the FCFs that relate to remaining coverage and the carrying amount of the LRC.

For groups using the PAA, insurance acquisition cash flows are recognised in the statement of profit or loss when incurred, rather than including such expenses in the measurement of LRC.

Insurance Contracts – Subsequent Measurement
Insurance Contracts

For insurance contracts measured under the GMM, the CSM at the end of the reporting period represents the profit in the group of insurance contracts that has not yet been recognised in profit or loss, because it relates to future service to be provided.

For a group of insurance contracts where the GMM applies, the carrying amount of the CSM of the group at the end of the reporting period equals the carrying amount at the beginning of the reporting period adjusted, as follows:

- The effect of any new non-onerous contracts added to the group
- Interest accreted on the carrying amount of the CSM during the reporting period, measured at the discount rates at initial recognition
- The changes in FCFs relating to future service, except to the extent that:
    - Such increases in the FCFs exceed the carrying amount of the CSM, giving rise to a loss; or
    - Such decreases in the FCFs are allocated to the loss component of the LRC
- The effect of any currency exchange differences on the CSM; and
- The amount recognised as insurance revenue because of the transfer of services in the period, determined by the allocation of the CSM remaining at the end of the reporting period (before any allocation) over the current and remaining coverage period.

Notes on the Accounts

3. MATERIAL ACCOUNTING POLICIES — cont'd

b) Insurance and Reinsurance Contracts — cont'd

The locked-in discount rate is set at the date of initial recognition for contracts that joined a group over a 12-month period. The discount rate used for accretion of interest on the CSM is determined using a bottom-up approach at inception.

The changes in FCFs relating to future service that adjust the CSM comprise:

- Experience adjustments that arise from the difference between the premium receipts (and any related cash flows such as insurance acquisition cash flows and insurance premium taxes) and the estimate, at the beginning of the period, of the amounts expected. Differences in premiums received (or due) related to current or past services are recognised immediately in the profit or loss, while differences related to premiums received (or due) for future services are adjusted against the CSM

- Changes in estimates of the present value of future cash flows in the LRC, except those relating to the time value of money and changes in financial risk (recognised in the statement of profit or loss rather than adjusting the CSM);

- Differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period;

- Changes in the risk adjustment for non-financial risk that relate to future service.

The Company measures the carrying amount of a group of insurance contracts at the end of each reporting period as the sum of: (i) the LRC comprising FCFs related to future service allocated to the group at that date and the CSM of the group at that date; and (ii) the LIC for the Company comprised of the FCFs related to past service allocated to the group at that date.

For subsequent measurement of insurance contracts measured applying the PAA, the LRC is increased for any additional premiums received and decreased by amounts recognised as insurance revenue for services provided during the period and any additional insurance acquisition cash flows paid.

The LIC is measured as the FCFs for losses on claims and expenses that have not yet been paid, including a risk adjustment for non-financial risk and the time value of money.

For groups of onerous contracts, the LRC which includes a loss component is remeasured using the same calculation as on initial recognition reflecting any changes by adjusting the loss component as required until the loss component reduces to zero. If a loss component did not exist on initial recognition but there are indications that a group of contracts is onerous on subsequent measurement, then the Company establishes the loss component using the same methodology as on initial recognition.

Reinsurance Contracts Held

The measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued, with the exception of the following:

- Measurement of the cash flows include an allowance on a probability-weighted basis for the effect of any non- performance by the reinsurers;

- The Company determines the risk adjustment for non-financial risk so that it represents the amount of risk being transferred to the reinsurer;

- The Company defers both profits and losses at initial recognition in the statement of financial position as a CSM and releases this to profit or loss as the reinsurer renders services;

- On initial recognition of direct insurance contracts losses are partially offset by reinsurance adjustments through a loss recovery component.

Notes on the Accounts

3. MATERIAL ACCOUNTING POLICIES — cont'd

b) Insurance and Reinsurance Contracts — cont'd

Reinsurance Contracts Held — cont'd

- On subsequent measurement, changes in the FCFs are recognized in profit or loss if the related changes arising from the underlying ceded contracts have been recognized in profit or loss. Alternatively, changes in the FCFs adjust the CSM.

The Company treats reinsurance cash flows that are contingent on claims on the underlying contracts as part of the claims that are expected to be reimbursed under the reinsurance contracts held and excludes investment components and commissions from an allocation of reinsurance premiums presented on the statement of profit or loss.

Loss Components and Loss Recovery Components

Groups of contracts which are expected to be onerous exclusive of amounts ceded are separately measured.

A loss component represents a notional record of the losses attributable to each group of onerous insurance contracts (or contracts profitable at inception that have become onerous). The loss component is released based on a systematic allocation of the subsequent changes in the FCFs to: (i) the loss component; and (ii) the LRC excluding the loss component. The loss component is also updated for subsequent changes in estimates of the FCFs related to future service. The systematic allocation of subsequent changes to the loss component results in the total amounts allocated to the loss component being equal to zero by the end of the coverage period of a group of contracts (since the loss component will have been materialised in the form of incurred claims). The Company uses the proportion on initial recognition to determine the systematic allocation of subsequent changes in future cash flows between the loss component and the LRC excluding the loss component.

When a loss component is recognised on underlying insurance contracts, a recovery is simultaneously recognised in profit or loss relating to the recovery of that loss from the reinsurance contract held. This recovery is then tracked, similar to the loss component, and determines the amounts that are subsequently presented in the statement of profit or loss within net reinsurance results. The loss recovery component is adjusted on subsequent measurement to reflect changes in the loss component of the onerous group of underlying contracts to the extent that it impacts reinsured cash flows, however it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Company expects to recover from the reinsurance contracts held.

Insurance Finance Income or Expense

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- The effect of the time value of money and changes in the time value of money
- The effect of financial risk and changes in financial risk

Finance expense includes interest accretion on the GMM CSM where the rate is fixed at the date of establishing the CSM group.

The Company disaggregates insurance finance income or expenses on insurance contracts issued for most of its groups of insurance contracts between income or expenses and OCI. The impact of changes in market interest rates on the value of the life insurance and related reinsurance assets and liabilities are reflected in OCI in order to minimise accounting mismatches. The impacts from differences between current period rates and locked-in rates are presented in OCI.

Insurance Contracts – Modification and Derecognition

The Company derecognizes 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 would result in a different insurance contract or a change in measurement model.

Where changes in expected future cash flows and risk adjustment on GMM contracts arise from non-financial assumption changes and experience variances, the difference between measuring the change in fulfilment cash flows using current financial assumptions and the impact which adjusts the CSM using locked in financial assumptions is recognised in the statement of profit or loss in net finance expenses.

Notes on the Accounts

3. MATERIAL ACCOUNTING POLICIES — cont'd

b) Insurance and Reinsurance Contracts — cont'd

Presentation

The carrying value of portfolios of insurance contracts issued and reinsurance contracts held that are in an asset position are presented as Insurance contract assets and reinsurance contract held assets in the statement of financial position, while the carrying value of portfolios of insurance contracts issued and reinsurance contracts held that are liabilities are presented as insurance contract liabilities excluding those for account of segregated fund holders and Reinsurance contract held liabilities. Assets for insurance acquisition cash flows incurred before initial recognition of the contracts to which they are attributable are included in the carrying value of the portfolio associated with those contracts.

Amounts related to insurance contracts that impact income are included in the Net insurance service result of the statement of profit or loss and the Insurance finance income (expenses) line in the Net investment result.

i) **Insurance service result**

The insurance service result represents the Company's profits recognised on insurance contracts and reinsurance contracts excluding the impact of the time value of money and financial risks related to such contracts. The insurance service result contains three components:

- Expected future cash outflows in the period, including claims and directly attributable expenses expected to be incurred
- Release of the risk adjustment for non-financial risk as risk expires throughout the term of the contract
- CSM earned over the service period, amortised based on coverage units for each period of service
- Amounts related to insurance acquisition cash flows
- Premium experience adjustments that relate to current or past service
- Allocation of expected premium receipts from PAA contracts

Insurance revenue excludes investment components

ii) **Insurance service expenses**

For insurance contracts, insurance service expenses are comprised of:

- Actual claims (excluding investment components) and fulfilment expenses incurred, adjusted for the allocation of loss components;

- The recognition of losses on onerous contracts;

- Other non-financial assumption changes which do not adjust the CSM, including those which affect the valuation of the liability for incurred claims;

- Any impairment of acquisition cash flows, net of reversals (GMM); and

- The amortisation of insurance acquisition cash flows (GMM).

iii) **Net income and expenses from reinsurance contracts**

Net income (expenses) from reinsurance contracts held represents the insurance service result for groups of reinsurance contracts held and is comprised of:

- The allocation of reinsurance premiums paid, which is calculated using the same principles as used to calculate revenue on insurance contracts;

- Amounts recoverable from reinsurers, which is calculated using the same principles as used to calculate insurance service expenses on insurance contracts;

- The recognition of, and subsequent movements in, reinsurance loss recovery components; and

- The effect of changes in the risk of reinsurers' non-performance.

Notes on the Accounts

3. MATERIAL ACCOUNTING POLICIES — cont'd

c) Segregated funds

Segregated funds' assets and liabilities represent funds and the Company's obligation to maintain these funds to meet specific investment objectives of certain pension schemes that bear the investment risk.

The assets of each scheme are segregated and are not subject to claims that arise out of any other business of the Company. The assets and liabilities are carried at fair values. Deposits, withdrawals, net investment income and realised gains and losses, together with the increase or decrease in market value of investments are charged or credited to the segregated funds' assets and liabilities, and not recorded in the Company's statement of profit or loss.

Investment income and both realised and unrealised gains and losses accrue directly to the pension schemes. The Company earns fees for the administration of these schemes which is included in fee income.

d) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognises and measures financial instruments applying the requirements in IFRS 9 'Financial instruments' and in IFRS 13 'Fair value measurement'.

Financial instruments carried on the statement of financial position include investments, loans, receivables, payables, accruals, borrowings and cash resources.

e) Financial Assets and Liabilities

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provision of the financial instrument. IFRS 9 divides financial assets into two classifications: amortised cost and fair value. Where assets are measured at fair value, gains and losses can be recognised through profit or loss (fair value through profit or loss, FVTPL) or recognised in other comprehensive income (fair value through other comprehensive income, FVOCI).

Financial assets that meet the following two conditions must be measured at amortised cost, unless the asset is designated at FVTPL under the fair value option:

- Business model test: the objective of the entity's business model is to hold the financial asset to collect (HTC) contractual cash flows (rather than to sell the asset prior to its contractual maturity); and

- Cash flow characteristic test: the contractual terms of the financial asset give rise on specified dates to
cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

A financial asset is measured at FVOCI if both of the following conditions are met and the asset is not designated at FVTPL:

- The asset is held within a business model that is held to collect and sell (HTC&S), in which both the collection of contractual cash flows and the sale of financial assets are integral to achieving the objective of the business model; and

- The contractual terms of the asset give rise, on specified dates, to cash flows that are SPPI.

Financial assets that are managed on a fair value basis and do not meet the objectives of a HTC or HTC&S business model, such as financial assets that are held for trading, are measured at FVTPL and fall within the scope of other business models.

Notes on the Accounts

3. MATERIAL ACCOUNTING POLICIES — cont'd

e) Financial Assets and Liabilities — cont'd

The following table summarises the financial assets included in the statement of financial position and the applicable classifications:

	IFRS 9
Cash, cash equivalents and short-term securities	FVTPL
Debt securities	Amortised cost
Equity securities	FVOCI (designated)
Mortgages and loans	Amortised cost
Other receivables	Amortised cost
Payables and accruals	Amortised cost

Debt securities, mortgages and loans classified as amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses, and impairment are presented in net investment income (loss) in the statement of profit or loss.

For equity securities dividend income are recognised in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains or losses are recognised in OCI and are never reclassified to profit or loss.

Cash equivalents are highly liquid instruments with a term to maturity of three months or less. Cash and cash equivalents are classified as FVTPL and the fair values are assumed to approximate their carrying values, due to their short-term nature or because they are frequently repriced to current market rates. Short-term securities are those that have a term to maturity exceeding three months but less than one year. The fair value of short-term securities is approximated by their carrying amount.

Purchases and sales of investments are recognised on the trade date, which is the date that the Company commits to purchase or sell the assets, at their fair values.

Prior to January 1, 2023, with the exception of the classification overlay approach, most financial assets supporting insurance contract liabilities were classified as Available for Sale (AFS). These assets comprised common shares and changes in the fair value of these financial assets were recorded in fair value change in OCI in the period in which they occur.

Prior to January 1, 2023, with the exception of the overlay approach, mortgages, loans and receivables were recorded at amortised cost, using the effective interest rate method, net of provisions for impairment losses, if any. Mortgages are secured by real estate. In most instances, loans are secured by policy values. Loans and receivables are defined as non-derivative financial assets with fixed or determinable payments that are not quoted in active markets. Loans on policies are included in insurance contract cash flows under IFRS 17.

Derecognition

A financial asset is derecognised when the contractual rights to its cash flows expire, or the Company has transferred its economic rights to the asset and substantially all risks and rewards. In instances where substantially all risks and rewards have not been transferred or have been retained, the assets are derecognised if the asset is not controlled through rights to sell or pledge the asset.

Investment Income

Interest income and dividend income are included in net investment income in the statement of profit or loss for all financial assets. Dividend income is recognised when the right to receive payment is established, which is usually the ex-dividend date. Interest income is recognised using the effective interest rate method. Fees that are an integral part of the effective yield of the financial asset are recognised as an adjustment to the effective interest rate of the instrument.

Changes in the fair value of equity securities designated at FVOCI are the statement of comprehensive income in the period in which they occur.

Notes on the Accounts

3. MATERIAL ACCOUNTING POLICIES — cont'd

f) Fair Value

Fair value is the amount of consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act. When a financial instrument is initially recognised, its fair value is generally the value of the consideration paid or received. Subsequent to initial recognition, the fair value of a financial asset or liability quoted in an active market is generally the closing price. For financial instruments such as cash equivalents and short-term investments that have a short duration, the carrying value of these instruments approximates fair value.

Fair value measurements used in these financial statements have been classified using a fair value hierarchy based upon the transparency of the inputs used in making the measurements. The three levels of the hierarchy are:

Level 1 - Fair value is based on unadjusted quoted prices for identical assets or liabilities in an active market. The types of financial instruments classified as Level 1 generally include cash and exchange traded common and preferred shares.

Level 2 - Fair value is based on quoted prices for similar assets or liabilities in active markets. For financial assets and liabilities, valuation based on significant observable inputs, or inputs that are derived principally from or corroborated with observable market data through correlation or other means. The types of financial instruments classified as Level 2 generally include cash equivalents, short-term investments, government bonds, mortgages and loans.

Level 3 - Fair value is based on valuation techniques that require one or more significant inputs that are not based on observable market inputs. These unobservable inputs reflect the Company's expectations about the assumptions market participants would use in pricing the asset or liability.

All of the Company's financial instruments requiring fair value measurement meet the requirements of Level 1 or Level 2 of the fair value hierarchy.

g) Impairment of Financial Assets

Policies after January 1, 2023 (IFRS 9)

Financial assets held at amortised cost are in the scope of expected credit loss (ECL) requirements under IFRS 9. This includes financial assets held at amortised cost such as loans to banks, other loans, and receivables. ECL is an unbiased, probability-weighted estimate of credit losses. It considers all reasonable and supportable information, including forward looking economic assumptions and a range of possible outcomes. ECL is calculated on either a 12-month (Stage 1) or lifetime basis (Stage 2 or Stage 3) depending on the extent to which credit risk has increased significantly since initial recognition, except where the Company uses the simplified approach to apply lifetime expected credit losses to trade receivables that do not contain a significant financing component.

Significant increase in credit risk and default

The assessment of significant increase in credit risk considers counterparties' credit risk rating, changes in borrower-specific internal risk ratings and relevant external forward looking factors.

The Company considers that there has been a significant increase in credit risk when any contractual payments are more than 30 days past due. 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.

The simplified approach is used when calculating the expected credit loss for other receivables, which represents the lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. Historical experience, external indicators and forward-looking information is used to calculate the expected credit losses.

Incorporation of forward-looking information

The measurement of ECL for each stage and the assessment of significant increase in credit risk considers future events and economic conditions. The estimation and application of forward-looking information requires significant judgment.

Notes on the Accounts

3. MATERIAL ACCOUNTING POLICIES — cont'd

g) Impairment of Financial Assets — cont'd
AFS Debit Instruments (IAS 39)

Prior to January 1, 2023, an AFS debt instrument would be identified as impaired when there is objective evidence suggesting that timely collection of the contractual principal or interest is no longer reasonably assured. This may result from a breach of contract by the issuer, such as a default or delinquency in interest or principal payments, or evidence that the issuer is in significant financial difficulty. Impairment is recognised through net income. Impairment losses previously recorded in net income are reversed if the fair value subsequently increases and can be objectively related to an event occurring after the impairment loss was recognised.

AFS Equity Instruments (IAS 39)

Prior to January 1, 2023, objective evidence of impairment of an equity instrument exists if there has been a significant or prolonged decline in the fair value of the investment below its cost or if there is a significant adverse change in the technological, market, economic or legal environment in which the issuer operates or the issuer is experiencing financial difficulties.

Loans and Receivables (IAS 39)

Prior to January 1, 2023, mortgages and loans were individually evaluated for impairment in establishing the allowance for impairment.

Objective evidence of impairment exists if there is no longer reasonable assurance of full collection of loan principal or loan interest related to a mortgage or loan. Events and conditions considered in determining if there is objective evidence of impairment include the value of the security underlying the mortgage or loan, geographic location, industry classification of the borrower, an assessment of the financial stability and credit worthiness of the borrower, repayment history or an assessment of the impact of current economic conditions. If objective evidence of impairment is found, allowances for credit losses are established to adjust the carrying value of these assets to their net recoverable amount and the impairment loss is recorded in net income. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised, the impairment loss is reversed by adjusting the allowance account and the reversal is recognised in net income.

h) Taxation

Income tax expense represents the sum of the tax payable using varying bases for Guyana and the Caribbean Offices. For Guyana, corporation tax is based on its investment income from the statutory fund with expenses restricted to 12% of investment income.

i) 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 valuers.

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

Equipment and fixtures are stated at cost less accumulated depreciation and any recognised impairment loss.

Notes on the Accounts

3. MATERIAL ACCOUNTING POLICIES — cont'd

i) Property, equipment and depreciation — cont'd

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)
Computer Equipment	—	20%	(reducing balance)
Other Equipment	—	15% - 20%	(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 is written down immediately to its recoverable amount.

The gain or loss arising on the disposal or retirement of an item of property and equipment 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.

j) 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. Any 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.

k) Reserves

Gains and losses on the revaluation of FVOCI assets are recorded in the investment reserve. Gains and losses arising out of the revaluation of property are recorded in the revaluation reserve.

l) Assets under management

The Company provides custody and investment management services to certain pension schemes. Those assets that are held in a fiduciary capacity are not included in these financial statements.

m) Pension plan

A defined benefit pension scheme is operated by The Guyana and Trinidad Mutual Fire Insurance Company Limited. The Guyana and Trinidad Mutual Life Insurance Company Limited has no employees in Guyana. All staff are employed by The Guyana and Trinidad Mutual Fire Insurance Company Limited, and employment costs are shared on a pre-determined, agreed and equitable reimbursement basis. The Company also pays the corresponding portion of pension contribution to the pension scheme.

Notes on the Accounts

3. MATERIAL ACCOUNTING POLICIES — cont'd

m) Pension plan — cont'd

A defined benefit pension plan is also operated for the insurance advisors 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 year were as follows:	**2023** **G$**	**2022** **G$**
Pension scheme contribution (staff)	3,941,189	**3,290,527**
Pension scheme contribution (insurance advisors)	8,185,594	**11,413,448**

Actuarial valuations are conducted every 3 years. The last year this was completed at December 31, 2022.

n) Foreign currencies

Transactions in currencies other than Guyana dollars are recorded at the rates of exchange prevailing on the dates of transactions. At the date of the financial statements, monetary assets and liabilities that are denominated in foreign currencies are 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.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which were described in Note 3, the Directors are required to make judgments, 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.

Key sources of estimation uncertainty

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

Level of aggregation

For measurement purposes, insurance contracts are aggregated into groups based on an assessment of risks and dividing each portfolio into annual cohorts by year of issue. Judgement is required in assessing if the contracts have similar risks that are managed together. Each annual cohort is further subdivided into three groups, and judgement is applied to determine the profitability of contracts at initial recognition.

Notes on the Accounts

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY — cont'd

Measurement of insurance contract liabilities

In applying IFRS 17 requirements for the measurement of insurance contract liabilities subject to the GMM, the following inputs and methods were used that include significant estimates:

- The present value of future cash flows estimated using actuarial techniques.
- The approach and assumptions used to derive discount rates, including any illiquid premiums;
- The approach and confidence level for estimating risk adjustments for non-financial risk; and
- The assumptions about future cash flows relating to mortality, morbidity, policyholder's behaviour, and expense inflation.

Details of how insurance contract liabilities are accounted for are included within the insurance risk management note.

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.

5. ADOPTION OF IFRS 17 INSURANCE CONTRACTS

The Company has adopted IFRS 17 effective from 1 January 2023 and comparative information for the year ended 31 December 2022 has been retrospectively restated. IFRS 17 replaces IFRS 4 Insurance Contracts and significantly changes the way the Company recognises, measures, presents and discloses its insurance contracts and reinsurance contracts held. It introduces a model that measures groups of contracts based on the present value of future cash flows with an explicit risk adjustment for non-financial risk and a contractual service margin ('CSM'), representing the unearned profit to be recognised in profit or loss over the coverage period. New accounting policies adopted following the implementation of IFRS 17 are included within note 3 and critical accounting estimates and judgements applied are detailed in Note 4.

Changes in accounting policies resulting from the adoption of IFRS 17 have been applied using a fully retrospective approach ('FRA') to the extent practicable and using a Fair Value Approach ('FVA') approach where the FRA was considered impracticable.

In determining whether it was practicable for the FRA transition method to be applied, the Company considered the following key factors:

- The ability to obtain assumptions and data at the required level of granularity, without the material use of hindsight; and
- The availability and usability of historic data.

The FRA has been applied to the Company's health and group life policies and the FVA to the Company's remaining policies. On transition, the CSM (net of reinsurance) is calculated under the FVA.

In applying the FVA, the CSM (or loss component) has been determined at 1 January 2022 as the difference between the fair value of a group of contracts and the present value of expected future cash flows including acquisition costs, plus an explicit risk adjustment. In determining the fair value, the Company has applied the requirements of IFRS 13 Fair Value Measurement, except for the demand deposit floor requirement, as required by IFRS 17. The fair value determined by the Company uses cash flows with contract boundaries consistent with IFRS 17 requirements. The measurement of the fair value of contracts includes items taken into consideration by a market participant but which are not included in the IFRS 17 measurement of contracts, such as a risk premium to reflect a market participant's view of uncertainty inherent in the contract cash flows being valued and a profit margin.

Notes on the Accounts

5. ADOPTION OF IFRS 17 INSURANCE CONTRACTS — cont'd

Impact of Transition

Due to the adoption of IFRS 17, key line items on the statement of financial position were impacted as follows:

	IFRS 4 **31 Dec-2021**	IFRS 17 Measurement changes	IFRS 17 Prsentation changes	**IFRS 17** **01 Jan-2022**
	G$	**G$**	**G$**	**G$**
Assets				
Total invested assets	15,205,053,972	—	(202,068,919)	15,002,985,053
Total reinsurance contract assets	105,063,574	(236,313,347)	1,114,391,433	983,141,660
Total other assets	1,942,783,440	—	(116,834,477)	1,825,948,963
Segregrated funds' assets	993,113,325	—	—	933,113,325
Total assets	18,186,014,311	(236,313,347)	795,488,036	18,745,189,001
Liabilities				
Insurance contract liabilities	6,713,583,073	601,184,564	820,772,983	8,135,540,620
Investment contract liabilities	—	—	3,008,362	3,008,362
Deposit admin funds' liabilities	1,243,023,301	—	—	1,243,023,301
Other liabilities	212,607,891	—	(28,293,309)	184,314,582
Segregated funds' liabilities	933,113,325	—	—	933,113,325
Total liabilities	9,102,327,590	601,184,564	795,488,036	10,499,000,190
Guarantee capital	100,000	—	—	100,000
Investment reserve	7,462,111,188	—	—	7,462,111,188
Revaluation reserve	343,247,293	—	—	343,257,293
Retained earnings	1,278,218,240	(837,497,910)	—	440,720,330
Total equity	9,083,686,721	(837,497,910)	—	8,246,188,811
Total liabilities and equity	18,186,014,311	(236,313,346)	795,488,036	18,745,189,001

Measurement changes impacting opening equity are attributed to:

Recognition of the contractual service margin (net of reinsurance) of $528,093,884 which reflects the unearned profit to be recognised in profit or loss as services provided, related to groups of contracts in force at transition; and the remaining changes relate to the explicit adjustments in respect of non-financial risk, replacing some of the margins for uncertainty implicitly included in the measurement of cash flows under IFRS 4.

In addition to the measurement changes described above IFRS 17 has impacted how insurance and reinsurance contract-related balances are presented in the statement of financial position. Certain assets and liabilities previously reported separately are now included within IFRS 17 balances, these include balances such as policy loans and premiums outstanding, premiums advanced and insurance contract/reinsurance payables/receivables and payables. Other liabilities and assets have been partly reclassified within IFRS 17 liabilities and assets where these balances relate to insurance/reinsurance contracts, such as directly attributable accruals.

Upon implementation of IFRS 17 new income statement line items associated with insurance contract accounting were introduced. Consequently, previously reported IFRS 4 line items net premium earned, total income and total expenditure have been replaced. Insurance premium income is removed as this is no longer presented in the income statement under IFRS 17; instead, amounts are included in the balance sheet to adjust the carrying value of liabilities arising from insurance contracts. Claims, net movement in actuarial liabilities and changes in insurance contract liabilities relating to IFRS 4 are removed. The IFRS 17 relevant amounts are reflected in insurance service expenses, net insurance finance income, net expense from reinsurance contracts held and net finance expense from reinsurance contracts held.

Notes on the Accounts

5. ADOPTION OF IFRS 17 INSURANCE CONTRACTS — cont'd

Insurance finance income/(expense)

Net insurance finance income totalling $3,217,739,042 represents the change in the carrying amount of (re)insurance contracts arising from the effect of, and changes in, the time value of money and financial risk, primarily attributed to current discount rates applied to groups of contracts measured under the GMM.

Insurance revenue

IFRS 4's earned premiums have been adjusted for remeasured net changes in the liability for remaining coverage relating to the current service period of $644,994,569 and amortisation of CSM $78,949,947.

The net reinsurance expense is adjusted by $19,493,174 for revisions to certain best estimates of reinsurance recoverable on incurred claims and $146,890,169 for the deferral of ARC amounts for groups measured under the GMM.

Attributable expenses

Directly attributable expenses are the costs associated with originating and fulfilling an identified portfolio of insurance contracts. These costs include claims and benefits, commissions expenses and an appropriate allocation of fixed and variable costs. Non-directly attributable overheads are shown on the operating expenses line. Variances between actual and expected claims for the current period, losses on onerous contracts and reversal of losses on onerous contracts are recognised within insurance service expenses.

5.1 ADOPTION OF IFRS 9 FINANCIAL INSTRUMENTS

IFRS 9 replaced IAS 39 Financial Instruments: Recognition and Measurement, for annual periods beginning on or after 1 January 2018. The Company elected, under the amendments to IFRS 4, to apply the temporary exemption from IFRS 9, to defer the initial application date of IFRS 9 to 1 January 2023.

IFRS 9 introduces new classification and measurement requirements for financial assets, resulting in the Company's financial assets being measured at FVOCI or amortised cost. The basis of classification depends on the business model for managing the cash flows from these assets and their contractual cash flow characteristics. The IFRS 9 expected credit loss model for impairment is applied to any financial assets held at amortised cost. The outcome for financial liabilities remains unchanged as the Company continues to recognise these liabilities at amortised cost.

The retrospective restatement of comparatives for the classification overlay has resulted in no material adjustments to the measurement of financial instruments in the financial statements.

The Company has elected to apply IFRS 9's expected credit loss requirements from 1 January 2023 and on the initial application of these requirements, there was no material impact on the Company financial statements.

IFRS 17 also introduces significant changes in the presentation of the income statement:

- Insurance revenue, the composition of which is set out in the revised accounting policy Note 3 (b)(i), replaces net earned premiums. For contracts measured under the GMM, recovery of insurance acquisition cash flows is included in insurance revenue, and an equal and opposite amount for the amortisation of insurance acquisition cash flows is included in insurance service expenses.

- Insurance service expenses separately present the claims and expenses incurred in fulfilling insurance contracts, including losses and reversals of losses on onerous contracts.

Notes on the Accounts

5.1 ADOPTION OF IFRS 9 FINANCIAL INSTRUMENTS — cont'd

- Net income (expense) from reinsurance contracts held represents the insurance service result for groups of reinsurance contracts held and comprises the allocation of reinsurance premiums paid, amounts recoverable from reinsurers and the recognition of, and subsequent movements in, reinsurance loss recovery components, and the effect of changes in the risk of reinsurers' nonperformance.
- The insurance service result separately presents the result, before the effects of financial risks, for insurance and investment contracts, and comprises insurance revenue, insurance service expenses and net expense from reinsurance contracts held.
- The net financial result comprises investment return, the finance income/expense on insurance and reinsurance contracts that arises from discounting, changes in financial risk.
- Net investment income is reported after reclassed insurance related amounts.
- Other income and other expense items (comprising non-directly attributable costs) are presented in a similar manner as previously reported.

Total comprehensive income for the year ended 31 December 2022 had been restated as follows:

	2022 As adopted G$	Adjustments G $	2022-Restated G$
Insurance premiums	2,645,626,233	(723,944,516)	1,921,681,717
Reinsurance premiums ceded	(197,897,773	166,383,343)	(31,514,430)
Expenditure:			
Benefits and claims	(1,051,122,532)	—	—
Surrenders	(217,739,584)	—	—
Commissions and sales expenses	(223,682,914)	—	—
Salaries and other staff costs	(164,318,982)	—	—
Management expenses	(297,972,322)	—	—
Withholding and other taxes	(4,086,765)	—	—
Insurance service expense	—	569,690,107	(1,389,232,992)
Other operating expense	—	(240,373,239)	(240,373,239)
Total operating expenditure	(1,958,923,099)	329,316,869	(1,629,660,230)
Net movement in actuarial liabilities	(160,018,562)	160,018,562	—
Net insurance finance income	–	127,665,838	127,665,838
Income from investments	236,065,335	(18,516,165)	217,549,170
Other income	18,142,317	—	18,142,317
Net profit before taxation	582,994,451	40,923,929	623,918,380
Taxation	(5,377,782)	—	(5,377,782)
Net profit after taxation	577,616,669	40,923,929	618,540,598
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to profit or loss:			
Net insurance finance income	—	3,090,073,204	3,090,073,204
Items that may not be reclassified susequently to profit or loss:			
Fair value gains on investments	3,085,784,468	—	3,085,784,468
Other comprehensive income for the year	3,085,784,468	3,090,073,204	6,175,857,672
Total comprehensive income for the year	3,663,401,137	3,130,997,133	6,794,398,270

Notes on the Accounts

	2023 G$	2022 Restated G$
6. INSURANCE REVENUE		
Contracts measured under the GMM		
Amounts relating to changes in liabilities for remaining coverage		
CSM recognised for services provided	86,510,226	**78,949,947**
Change in risk adjustment for non-financial risk for risk expired	(46,402,398)	**23,702,688**
Expected claims and other insurance service expenses	413,225,604	**298,135,067**
Amortisation (recovery) of insurance acquisition cash flow	(53,613,297)	**(42,186,092)**
Total	399,720,135	**358,601,610**
Contract measure under the PAA	1,472,565,632	**1,563,080,107**
Total insurance revenue	1,872,285,767	**1,921,681,717**
7. NET INVESTMENT INCOME		
Interest income from investment at amortised cost		
Government fixed income securities	97,045,597	**87,021,025**
Fixed deposits	30,823,614	**21,177,129**
Mortgages and other loans	20,307,059	**31,287,866**
	148,176,270	**139,486,020**
Dividend income		
Equities designated at FVOCI	137,445,915	**98,048,384**
Gain / Loss on exchange	26,744,757	**(19,985,235)**
Net investment income	312,366,942	**217,549,170**
8. NET INSURANCE FINANCE (EXPENSE) INCOME		
Finance (expense) / income from insurance contracts issued		
Interest accretion	(395,668,498)	**(545,468,391)**
Effect of changes in interest rates and other financial assumptions	258,765,460	**3,883,428,014**
Insurance finance income	(136,903,038)	**3,337,959,623**
Finance income (expense) from reinsurance contracts held		
Interest accretion	50,715,007	**(70,208,143)**
Effect of changes in interest rates and other financial assumptions	25,700,625	**`(50,012,439)**
Reinsurance finance income (expense)	76,415,632	**(120,220,582)**
Net insurance finance (expense) income	(60,487,406)	**3,217,739,042**
Represented by:		
Amounts recognised in profit or loss	21,788,235	**127,665,838**
Amounts recognised in other comprehensive income	(82,275,641)	**3,090,073,204**
	(60,487,406)	**3,217,739,042**

Notes on the Accounts

9. EXPENDITURE

	2023 G$	2022 Restated G$
Claims and benefits	982,200,340	**1,039,179,843**
Adjustments to LIC and loss components	(58,890,368)	**(17,766,368)**
Claim recoveries and allocation of reinsurance premium paid	121,448,030	**131,387,927**
Commissions and sales expenses	230,580,345	**223,682,914**
Salaries and other staff costs	171,631,344	**164,318,982**
Management expenses:		
Depreciation	42,790,258	**23,577,127**
Actuarial and consultancy fees	44,250,000	**11,515,400**
Directors' emoluments (a)	14,616,513	**12,298,400**
Auditor's remuneration	10,954,264	**6,541,720**
Operating expenses	71,269,016	**62,297,950**
Withholding and other taxes	3,676,710	**4,086,765**
Total expenditure	1,634,526,452	**1,661,120,660**
Represented by expenses included within the statement of profit or loss:		
Insurance service expenses	1,388,840,958	**1,389,232,992**
Net (income) / expense from reinsurance contracts	(29,316,773)	**31,514,430**
Other operating expenses	275,002,267	**240,373,239**
Total expenditure	1,634,526,452	**1,661,120,660**

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**
	— R. Sinclair	1,623,384	**983,872**
	— A. Carter-Sharma	1,623,384	**983,872**
Managing Director	— R. St. P. Yee	1,623,384	**1,475,808**
		14,616,513	**12,298,400**

10. TAXATION

	2023 G$	2022 Restated G$
Corporation tax (varying rates)	22,181,780	**5,377,782**

Taxation on the Company has been computed based on the applicable laws relating to life insurance companies in Guyana and the Caribbean Islands in which the Company operates.

Notes on the Accounts

	2023 G$	2022 Restated G$
11. CASH AT BANK		
Balance at beginning	1,947,486,166	**1,196,757,630**
Movement	525,214,089	**750,728,536**
Balance at end	2,472,700,255	**1,947,486,166**

12. CASH ON DEPOSIT

	2023 G$	2022 Restated G$
Short term deposit accounts	777,000,791	**594,375,363**
Fixed deposits	3,159,569,409	**3,185,590,325**
	3,936,570,200	**3,779,965,688**

The interest rates on fixed deposit and short term deposit accounts are at varying rates from 0.01% to 2.75%.

13. INVESTMENTS

	2023 G$	2022 Restated G$
(a) Loans and debit securities	2,349,979,484	**2,309,554,120**
	2,349,979,484	**2,309,554,120**
(b) Equity instruments		
Equity investment in Guyana	9,167,221,426	**10,493,388,238**
Equity investment in Grenada	11,950,303	**11,950,303**
	9,179,171,729	**10,505,338,541**

14. STATUTORY DEPOSITS

	2023 G$	2022 Restated G$
These are deposits with Insurance Regulators.	224,274,141	**224,040,341**
In addition to the foregoing, these assets are held in trust to the order of the Insurance Regulators and includes: shares, fixed deposits, bonds and treasury bills	12,669,703,229	**15,215,829,000**

Notes on the Accounts

15. INSURANCE CONTRACTS ISSUED AND REINSURANCE CONTRACTS HELD

Insurance Contract Roll-Forward by Type

The tables below present a roll-forward of the net asset or liability for all insurance contracts issued showing liabilities for the remaining coverage and laibility for incurred claims. These tables include insurance contracts measured using the PAA.

For year ended 31 December 2023	Liability for remaining coverage		Liability for incurred claims			Total
			Contracts	Contracts measures under PAA		
	Excluding loss component	Loss component	measured under GMM	Estimate of PV of future cash flow	Risk adjustment	
	G$	**G$**	**G$**	**G$**	**G$**	**G$**
Insurance contract liabilities at beginning of year	**4,517,153,694**	**—**	**378,765,722**	**228,735,189**	**17,889,773**	**5,142,544,378**
Contracts under fair value approach	(52,916,461)	—	—	—	—	(52,916,461)
Other contracts	(1,819,369,306)	—	—	—	—	(1,819,369,306)
Insurance revenue	**(1,872,285,767)**	**—**	**—**	**—**	**—**	**(1,872,285,767)**
Incurred claims and other expenses	—	(83,950)	368,532,987	882,984,472	8,384,599	1,259,818,109
Amortisation of insurance acquisition cash flows	184,702,648	(218,392)	—	—	—	184,484,256
Losses and reversal of losses on onerous contracts	—	3,428,962	—	—	—	3,428,962
Adjustments to liabilities for incurred claims	—	(1,176,978)	(61,293,340)	5,279,511	(1,699,560)	(58,890,368)
Insurance service expenses	**184,702,648**	**1,949,642**	**307,239,647**	**888,263,982**	**6,685,039**	**1,388,840,958**
Insurance finance (income) expenses	126,767,032	1,117,730	(17,173,833)	28,163,144	(1,971,035)	136,903,038
Total changes in comprehensive income	(1,560,816,087)	3,067,372	290,065,814	916,427,136	4,714,004	(346,541,771)
Investment components	(199,590,024)	—	199,590,024	—	—	—
Cash flow						
Premiums received	2,090,423,752	—	—	—	—	2,090,423,752
Claims and other insurance service expense paid including investment components	—	—	(519,655,791)	(958,586,486)	—	(1,478,242,277)
Insurance acquisition cash flows	(229,260,461)	—	—	—	—	(229,260,461)
Total cash flows	1,861,163,292	—	(580,478,594)	(958,586,486)	—	382,921,014
Insurance contract liabilities at end of year	**4,617,910,872**	**3,067,372**	**348,765,768**	**186,575,828**	**22,603,778**	**5,178,923,621**

Notes on the Accounts

15. INSURANCE CONTRACTS ISSUED AND REINSURANCE CONTRACTS HELD — cont'd

Insurance Contract Roll-Forward by Type

The tables below present a roll-forward of the net asset or liability for all insurance contracts issued showing liabilities for the remaining coverage and laibility for incurred claims. These tables include insurance contracts measured using the PAA.

For year ended 31 December 2022	Liability for remaining coverage		Liability for incurred claims			Total
				Contracts measures under PAA		
	Excluding loss component	Loss component	Contracts measured under GMM	Estimate of PV of future cash flow	Risk adjustment	
	G$	G$	G$	G$	G$	G$
Insurance contract liabilities at beginning of year	**7,550,728,569**	**—**	**399,606,287**	**174,690,283**	**10,515,481**	**8,135,540,621**
Contracts under fair value approach	(358,601,609)	—	—	—	—	(358,601,609)
Contracts under retrospective approach	(286,918,015)	—	—	—	—	(286,918,015)
Other contracts	(1,276,162,092)	—	—	—	—	(1,276,162,092)
Insurance revenue	**(1,921,681,716)**	**—**	**—**	**—**	**—**	**(1,921,681,716)**
Incurred claims and other expenses	—	—	358,458,871	938,492,017	16,607,659	1,313,558,547
Amortisation of insurance acquisition cash flows	93,440,813	—	—	—	—	93,440,813
Adjustments to liabilities for incurred claims	—	—	54,005,154	(59,694,776)	(12,076,746)	(17,766,368)
Insurance service expenses	**93,440,813**	**—**	**412,464,024**	**878,797,242**	**4,530,913**	**1,389,232,992**
Insurance finance (income) expenses	(3,380,854,977)	—	20,962,399	19,089,573	2,843,379	(3,337,959,623)
Total changes in comprehensive income	**(5,209,095,879)**	**—**	**433,426,424**	**897,886,815**	**7,374,292**	**(3,870,408,348)**
Investment components	(217,739,585)	—	217,739,585	—	—	—
Cash flow						
Premiums received	2,614,887,638	—	—	—	—	2,614,887,638
Claims and other insurance service expense paid including investment components	—	—	(672,006,574)	(843,841,909)	—	(1,515,848,483)
Insurance acquisition cash flows	(221,627,050)	—	—	—	—	(221,627,050)
Total cash flows	2,393,260,588	—	(672,006,574)	(843,841,909)	—	877,412,105
Insurance contract liabilities at end of year	**4,517,153,694**	**—**	**378,765,722**	**228,735,189**	**17,889,773**	**5,142,544,378**

Notes on the Accounts

15. INSURANCE CONTRACTS ISSUED AND REINSURANCE CONTRACTS HELD—cont'd

Insurance Contract Roll-Forward by Type

The tables below present a roll-forward of the net asset or liability for all reinsurance contracts held showing (assets) liabilities for remaining coverage and amounts recoverable on incurred claims. These tables include insurance contracts measured using the PAA.

For year ended 31 December 2023	Asset for remaining coverage		Asset for incurred claims			Total
				Contracts measures under PAA		
	Excluding loss-recovery component	Loss-recovery component	Contracts measured under GMM	Estimate of PV of future cash flow	Risk adjustment	
	G$	**G$**	**G$**	**G$**	**G$**	**G$**
Reinsurance contracts assets at beginning of year	**662,733,678**	**—**	**148,153,096**	**109,036,971**	**2,022,540**	**921,946,285**
Reinsurance expenses						
Contracts under fair value approach	(75,567,714)	—	—	—	—	(75,567,714)
Other contracts	(144,891,077)	—	—	—	—	(144,891,077)
	(220,458,791)	—	—	—	—	(220,458,791)
Amounts recoverable from reinsurers						
Amounts recoverable for claims and other expenses incurred	—	—	104,745,442	18,470,927	2,757,208	125,973,577
Change in amounts recoverable from changes in liability for incurred claims	—	—	138,548,982	(13,661,694)	(1,085,301)	123,801,987
Changes in fulfilment cash flows which relate to onerous						
Net income (expense) from reinsurance contracts held	**(220,458,791)**	**—**	**243,294,424**	**4,809,233**	**1,671,907**	**29,316,773**
Reinsurance finance income (expenses)	61,952,427	—	4,517,473	8,683,064	1,262,668	76,415,632
Total changes in comprehensive income	**(158,506,365)**	**—**	**247,811,897**	**13,492,297**	**2,934,575**	**105,732,405**
Other movements						
Cash flow						
Premiums paid	250,797,176	—	—	—	—	250,797,176
Amount recovered	—	—	(241,829,093)	(40,912,540)	—	(282,741,633)
Total cash flows	250,797,176	—	(241,829,093)	(40,912,540)	—	(31,944,457)
Reinsurance contract held assets at end of year	**755,024,489**	**—**	**154,135,900**	**81,616,729**	**4,957,116**	**995,734,234**

Notes on the Accounts

15. INSURANCE CONTRACTS ISSUED AND REINSURANCE CONTRACTS HELD—cont'd

Insurance Contract Roll-Forward by Type

The tables below present a roll-forward of the net asset or liability for all reinsurance contracts held showing (assets) liabilities for remaining coverage and amounts recoverable on incurred claims. These tables include insurance contracts measured using the PAA.

For year ended 31 December 2022	Asset for remaining coverage		Asset for incurred claims			Total
			Contracts measured under GMM	Contracts measures under PAA		
	Excluding loss-recovery component	Loss-recovery component		Estimate of PV of future cash flow	Risk adjustment	
	G$	**G$**	**G$**	**G$**	**G$**	**G$**
Reinsurance contracts assets at beginning of year	**690,268,399**	**—**	**192,804,847**	**83,306,033**	**16,762,380**	**983,141,660**
Reinsurance expenses						
Contracts under fair value approach	(20,721,253)	—	—	—	—	(20,721,253)
Contracts under retrospective approach	(60,173,402)	—	—	—	—	(60,173,402)
Other contracts	(106,877,273)	—	—	—	—	(106,877,273)
	(187,771,928)	—	—	—	—	(187,771,928)
Amounts recoverable from reinsurers						
Amounts recoverable for claims and other expenses incurred	—	—	155,590,847	158,580,258	5,090,150	319,261,255
Change in amounts recoverable from changes in liability for incurred claims	—	—	(159,632,090)	(17,733,204)	(21,003,472)	(162,902,358)
Changes in the risk of non-performance of reinsurers	—	—	(101,399)	—	—	(101,399)
Net income (expense) from reinsurance contracts held	**(187,771,928)**	**—**	**(4,142,642)**	**176,313,462**	**(15,913,322)**	**(31,514,430)**
Reinsurance finance income (expenses)	(141,986,098)	—	13,194,081	7,397,952	1,173,483	(120,220,582)
Total changes in comprehensive income	(329,758,026)	—	9,051,439	183,711,414	(14,739,840)	(151,735,013)
Other movements						
Cash flow						
Premiums paid	302,223,305	—	—	—	—	302,223,304
Amount recovered	—	—	(53,703,190)	(157,980,476)	—	(211,683,666)
Total cash flows	302,223,305	—	(53,703,190)	(157,980,476)	—	90539,638
Reinsurance contract held assets at end of year	**662,733,678**	**—**	**148,153,096**	**109,036,971**	**2,022,540**	**921,946,285**

Notes on the Accounts

15. INSURANCE CONTRACTS ISSUED AND REINSURANCE CONTRACTS HELD—cont'd

Insurance Contract Roll-Forward by Component

The tables below present a roll-forward of the net asset or liability for insurance contracts issued measured using the GMM showing estimates of the present value of future cash flows, risk adjustment and CSM.

For the year ended December 31, 2023

	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin		TOTAL
			Fair value approach	Other	
	G $	G $	G $	G $	G $
Insurance contracts liabilities at beginning of year	**2,661,396,103**	**578,471,604**	**1,361,224,415**	**22,447,828**	**4,623,539,950**
Changes that relates to current services					
CSM recognised for services provided	—	—	(52,916,462)	(33,593,764)	(86,510,226)
Change in risk adjustment for non-financial risk expired	—	(42,228,063)	—	—	(42,228,063)
Experience adjustments	41,602,677	—	—	—	41,602,677
Changes that relate to future services					
Contracts initially recognised in the period	(176,337,364)	9,380,686	23,216,290	143,740,388	—
Changes in estimates that do not adjust the CSM	(1,250,769)	—	—	—	(1,250,769)
Changes that relate to past services					
Adjustments to liabilities for incurred claims	(55,409,719)	(5,883,622)	—	—	(61,293,341)
Insurance service result before reinsurance	(188,893,635)	(38,730,999)	(29,700,172)	110,146,624	(147,178,182)
Insurance finance (income) expenses	(82,920,001)	(20,237,381)	15,908,054	4,821,226	(82,428,103)
Total changes in comprehensive income	(271,813,636)	(58,968,380)	(13,792,118)	114,967,849	(229,606,285)
Cash flows					
Premiums received	1,143,418,342	—	—	—	1,143,418,342
Claims and other insurance service expense paid, including investment components	(894,098,465)	—	—	—	(894,098,465)
Insurance acquisition cash flows	(91,903,438)	—	—	—	(91,903,438)
Total cash flows	157,416,439	—	—	—	157,416,439
Insurance contract liabilities at end of year	**2,546,998,907**	**519,503,224**	**1,347,432,297**	**137,415,677**	**4,551,350,105**

Notes on the Accounts

15. INSURANCE CONTRACTS ISSUED AND REINSURANCE CONTRACTS HELD — cont'd

Insurance Contract Roll-Forward by Component

The tables below present a roll-forward of the net asset or liability for insurance contracts issued measured using the GMM showing estimates of the present value of future cash flows, risk adjustment and CSM.

For the year ended December 31, 2022

	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin		TOTAL
			Fair value approach	Other	
	G $	G $	G $	G $	G $
Insurance contracts liabilities at beginning of year	**5,189,669,107**	**1,871,454,896**	**595,123,466**	**—**	**7,656,247,469**
Changes that relates to current services					
CSM recognised for services provided	—	—	(70,770,136)	(8,179,811)	(78,949,947)
Change in risk adjustment for non-financial risk expired	—	(23,702,688)	—	—	(23,702,688)
Experience adjustments	65,023,560	—	—	—	65,023,560
Changes that relate to future services					
Contracts initially recognised in the period	(133,255,714)	54,305,768	49,738,466	29,211,480	—
Changes in estimates that adjust the CSM	(260,201,967)	(510,804,413)	771,006,380	—	—
Changes that relate to past services					
Adjustments to liabilities for incurred claims	69,419,804	(15,414,651)	—	—	54,005,154
Insurance service result before reinsurance	(259,014,317)	(495,615,984)	749,974,710	21,031,669	16,376,079
Insurance finance (income) expenses	(2,580,067,664)	(797,367,308)	16,126,239	1,416,159	(3,359,892,575)
Total changes in comprehensive income	(2,839,081,980)	(1,292,983,292)	766,100,949	22,447,828	(3,343,516,496)
Cash flows					
Premiums received	1,068,739,442	—	—	—	1,068,739,442
Claims and other insurance service expense paid, including investment components	(672,006,574)	—	—	—	(672,006,574)
Insurance acquisition cash flows	(85,923,892)	—	—	—	(85,923,892)
Total cash flows	310,808,976	—	—	—	310,808,976
Insurance contract liabilities at end of year	**2,661,396,103**	**578,471,604**	**1,361,224,415**	**22,447,828**	**4,623,539,950**

Notes on the Accounts

15. INSURANCE CONTRACTS ISSUED AND REINSURANCE CONTRACTS HELD — cont'd

Insurance Contract Roll-Forward by Component

The tables below present a roll-forward of the net asset or liability for reinsurance contracts held measured using the GMM showing estimates of the present value of future cash flows, risk adjustment and CSM.

For the year ended December 31, 2023

	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin		TOTAL
			Fair value approach	Other	
	G $	G $	G $	G $	G $
Reinsurance contracts held assets at beginning of year	**396,758,728**	**103,034,311**	**255,592,127**	**2,212,639**	**757,597,805**
Changes that relates to current services					
CSM recognised for services received	—	—	(75,094,278)	(473,136)	(75,567,414)
Change in risk adjustment for non-financial risk expired	—	458,067	—	—	458,067
Experience adjustments	40,901,043	—	—	—	40,901,043
Changes that relate to future services					
Contracts initially recognised in the period	(20,234,937)	1,037,121	1,578,546	17,619,270	—
Other changes in estimates that adjust the CSM	(155,930,171)	—	113,339,009	10,732,741	(31,858,421)
Changes that relate to past services					
Changes in amounts recoverable arising from changes in liability for incurred claims	141,494,825	(2,945,843)	—	—	138,548,982
Expense from reinsurance contracts	6,230,758	(1,450,655)	39,823,277	27,878,875	72,482,256
Reinsurance finance (income) expenses	(22,286,864)	58,149,405	28,625,703	1,981,657	66,469,901
Total changes in comprehensive income	(16,056,106)	56,698,749	68,448,980	29,860,532	138,952,156
Cash flows					
Premiums paid	186,831,132	—	—	—	186,831,132
Amounts recovered	(223,902,584)	—	—	—	(223,902,584)
Total cash flows	(37,071,452)	—	—	—	(37,071,452)
Reinsurance contracts held assets at end of year	**343,631,170**	**159,733,061**	**324,041,107**	**32,073,171**	**859,478,508**

Notes on the Accounts

15. INSURANCE CONTRACTS ISSUED AND REINSURANCE CONTRACTS HELD — cont'd

Insurance Contract Roll-Forward by Component

The tables below present a roll-forward of the net asset or liability for reinsurance contracts held measured using the GMM showing estimates of the present value of future cash flows, risk adjustment and CSM.

For the year ended December 31, 2022

	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin Fair value approach	Contractual service margin Other	TOTAL
	G $	G $	G $	G $	G $
Reinsurance contracts held assets at beginning of year	**830,444,111**	**68,527,265**	**67,029,582**	**—**	**966,000,958**
Changes that relates to current services					
CSM recognised for services received	—	—	(20,721,254)	—	(20,721,254)
Change in risk adjustment for non-financial risk expired	—	(40,881,738)	—	—	(40,881,738)
Experience adjustments	177,833,088	—	—	—	177,833,088
Changes that relate to future services					
Contracts initially recognised in the period	(19,452,871)	1,037,121	16,203,111	2,212,639	—
Changes in estimates that adjust the CSM	(139,538,134)	(1,199,654)	139,445,612	—	(1,292,176)
Other changes in estimates that adjust the CSM	(42,862,979)	(280,737)	43,143,717	—	—
Changes that relate to past services					
Changes in amounts recoverable arising from changes in liability for incurred claims	(158,339,914)	—	—	—	(158,339,914)
Expense from reinsurance contracts	(182,360,810)	(41,325,008)	178,071,186	2,212,639	(43,401,993)
Reinsurance finance (income) expenses	(206,543,995)	75,832,054	10,491,359	—	(120,220,582)
Total changes in comprehensive income	(388,904,805)	34,507,046	188,562,544	2,212,639	(163,622,575)
Cash flows					
Premiums paid	152,543,642	—	—	—	152,543,642
Amounts recovered	(197,324,220)	—	—	—	(197,324,220)
Total cash flows	(44,780,578)	—	—	—	44,780,578
Reinsurance contracts held assets at end of year	**396,758,728**	**103,034,311**	**255,592,127**	**2,212,639**	**757,597,805**

Notes on the Accounts

15. INSURANCE CONTRACTS ISSUED AND REINSURANCE CONTRACTS HELD—cont'd

Effect of contracts initially recognised in the period

The following tables summerise the effect on the measurement components arising from the initial recognition of insurance contracts measured under the GMM.

Insurance contracts issued

For the year ended December 31, 2023
Insurance contracts initially recognised in the year

	Non-onerous contracts issued	Onerous Contracts issued	Total
	G$	**G$**	**G$**
Estimates of the present value of future cash flows	(176,337,364)	—	(176,337,364)
Risk adjustment for non-financial risk	9,380,686	—	9,380,686
Contractual Service Margin	166,956,678	—	166,956,678
Increase in insurance contract liabilities from contracts recognised in the year	—	—	—

For the year ended December 31, 2022
Insurance contracts initially recognised in the year

	Non-onerous contracts issued	Onerous Contracts issued	Total
	G$	**G$**	**G$**
Estimates of the present value of future cash flows	(133,255,714)	—	(133,255,714)
Risk adjustment for non-financial risk	54,305,768	—	54,305,768
Contractual Service Margin	78,949,947	—	78,949,946
Increase in insurance contract liabilities from contracts recognised in the year	—	—	—

Notes on the Accounts

15. INSURANCE CONTRACTS ISSUED AND REINSURANCE CONTRACTS HELD — cont'd

Effect of contracts initially recognised in the period

The following tables summerise the effect on the measurement components arising from the initial recognition of reinsurance contracts measured under the GMM.

Reinsurance contracts held

For the year ended December 31, 2023
Reinsurance contracts initially recognised in the year

	Without a loss recovery component	With a loss recovery component	Total
	G$	**G$**	**G$**
Estimates of the present value of future cash flows	20,234,937	—	20,234,937
Risk adjustment for non-financial risk	(1,037,121)	—	(1,037,121)
Contractual Service Margin	(19,197,816)	—	(19,197,816)
Income recognised on initial recognition	—	—	—

For the year ended December 31, 2022
Insurance contracts initially recognised in the year

	Without a loss recovery component	With a loss recovery component	Total
	G$	**G$**	**G$**
Estimates of the present value of future cash flows	18,048,276	1,404,595	19,452,871
Risk adjustment for non-financial risk	(924,702)	(112,419)	(1,037,121)
Contractual Service Margin	(17,123,574)	(1,292,176)	(18,415,750)
Income recognised on initial recognition	—	—	—

Notes on the Accounts

16. INSURANCE CONTRACTS ISSUED AND REINSURANCE CONTRACTS HELD

Expected CSM amortisation over various future periods

The following table illustrates the expected timing of CSM amortisation into insurance revenue for existing insurance contracts issued.

Insurance contracts issued

	2023 G $	2022 G $
Less than 1 year	92,187,866	**88,742,883**
1 - 3 years	70,854,693	**117,573,759**
3 - 5 years	64,176,899	**84,590,566**
5 - 10 years	129,466,412	**163,304,966**
Over 10 years	1,128,162,104	**929,460,068**
Total	1,484,847,974	**1,383,672,242**

The following table illustrates the expected timing of CSM amortisation
into net reinsurance income (expense) for existing reinsurance contracts held.

Reinsurance contracts held

	2023 G $	2022 G $
Less than 1 year	(25,973,613)	**(30,708,669)**
1 - 3 years	(27,392,918)	**(22,365,800)**
3 - 5 years	(8,312,429)	**(18,787,937)**
5 - 10 years	(2,218,727)	**(24,329,645)**
Over 10 years	(292,216,591)	**(161,612,716)**
Total	(356,114,278)	**(257,804,767)**

Notes on the Accounts

17. SEGREGATED FUNDS' ASSETS/LIABILITIES

	2023 G$	2022 G$
Equity investments	581,087,640	**679,190,090**
Cash on deposit	216,258,870	**267,597,349**
	797,346,510	**946,787,439**

These are assets managed by the Company on behalf of certain pension schemes. The schemes bear all rewards and risks for the performance of these investments. These assets are disclosed at fair value and a corresponding liability booked.

18. RELATED PARTY

	2023 G$	2022 G$
Due by The Guyana and Trinidad Mutual Fire Insurance Company Limited	70,698,935	**—**
Due to The Guyana and Trinidad Mutual Fire Insurance Company Limited	—	**(927,318)**

This amount represents the balance owed by/(to) The Guyana and trinidad Mutual Fire Insurance Company Limited for shared costs and inter company transactions.

19. ACCRUED AND UNPAID INTEREST

	2023 G$	2022 G$
Bonds	31,811,120	**23,573,521**
Deposits	9,197,757	**8,820,915**
Treasury bills	10,132,105	**9,802,932**
	51,140,982	**42,197,368**

20. RECEIVABLES AND PREPAYMENTS

	2023 G$	2022 G$
Other receivables	88,190,108	**88,943,202**
Prepayments	18,383,494	**21,930,919**
	106,573,602	**110,874,121**
Less: ECL allowance / provision for bad debts	(53,481,912)	**(2,744,668)**
	53,091,690	**108,129,453**

These comprise securities pending redemption, loans to insurance advisors and staff, and other sundry receivables.

21. TAXATION PAYABLE /(RECOVERABLE)

	2023 G$	2022 G$
Corporation tax — Payable	3,231,922	**3,355,516**
Corporation tax — Recoverable	(9,792,353)	**(8,899,159)**

Notes on the Accounts

22. PROPERTY AND EQUIPMENT

	Land	Buildings	Furniture & equipment	Motor vehicles	Total
	G$	G$	G$	G$	G$
Cost/valuation					
At 1 January 2022	755,958,151	768,341,701	131,256,178	4,862,000	**1,660,418,030**
Additions (15 (i))	182,000,000	80,751,438	3,579,999	—	**266,331,437**
Work in Progress	—	—	—	—	**—**
At 31 December 2022	937,958,151	849,093,139	134,836,177	4,862,000	**1,926,749,467**
Additions	—	600,193	1,790,524	—	**2,390,717**
Revaluation	—	—	—	—	**—**
Work in Progress	—	—	—	—	**—**
Disposal	—	—	—	—	**—**
At 31 December 2023	937,958,151	849,693,332	136,626,701	4,862,000	**1,929,140,184**
Comprising:					
Cost	708,787,741	735,006,256	134,836,177	4,862,000	**1,583,492,174**
Valuation	229,170,410	114,086,883	—	—	**343,257,293**
	937,958,151	849,093,139	134,836,177	4,862,000	**1,926,749,467**
Accumulated depreciation					
At 1 January 2022	—	64,371,954	55,894,704	2,835,060	**123,101,718**
Charge for the year	—	14,372,994	8,798,745	405,388	**23,577,127**
Written back on disposal	—	—	—	—	—
At 31 December 2022	—	78,744,948	64,693,449	3,240,448	**146,678,845**
Charge for the year	—	27,617,188	14,500,472	648,634	**42,766,294**
Disposal / reallocation	—	—	—	—	—
Reallocation	—	—	—	—	**—**
At 31 December 2023	—	106,362,136	79,193,921	3,889,082	**189,445,139**
Net book value					
At 31 December 2022	**937,958,151**	**770,348,191**	**70,142,728**	**1,621,552**	**1,780,070,622**
At 31 December 2023	937,958,151	743,331,196	57,432,780	972,918	**1,739,695,045**

(i) Additions include properties purchased from The Guyana and Trinidad Mutual Fire Insurance Company Limited in October, 2022, valued as follows; Land $182,000,000 and Buildings $68,000,000.

Notes on the Accounts

	2023 G$	2022 Restated G$
23. GUARANTEE CAPITAL	100,000	**100,000**

This is a deposit made by The Guyana and Trinidad Mutual Fire Insurance Company Limited upon the formation of this Company. This amount is not available for the payment of any expenses or claims incurred by the Company until all other funds are exhausted.

24. INVESTMENT RESERVE

	2023 G$	2022 Restated G$
Balance at beginning	10,297,895,656	**7,462,111,188**
Transfer in exchange for properties	—	**(250,000,000)**
Movements due to fair value revaluations	(1,076,166,812)	**3,085,784,468**
Balance at end	9,221,728,844	**10,297,895,656**

This represents accumulated fair value adjustments on the revaluation of equity investments.
During the year, stock prices for certain investments held which are traded on the local stock exchange fell drastically at a net average rate of 10.5% compare to 2022 when these investments valuation grew rapidly. As such these investments are subject to market volatility and are valued using the closing quoted stock exchange price at December 31, 2023.

25. DEPOSIT ADMINISTRATION FUND

	2023 G$	2022 Restated G$
Balance at beginning	1,348,709,022	**1,243,023,301**
Contributions received plus interest	210,451,401	**192,584,163**
Refund of contributions, charges, claims and benefits	(188,231,776)	**(86,898,442)**
Balance at end	1,370,928,647	**1,348,709,022**

This fund is administered by the Company on behalf of several group pension schemes and is represented by assets included in investments, cash at bank and cash on deposit.

26. SUNDRY RESERVE

	2023 G$	2022 Restated G$
Balance at beginning	1,494,640	**2,744,320**
Movements for the year	16,220,320	**(1,249,680)**
Balance at end	17,714,960	**1,494,640**

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

27. PAYABLES AND ACCRUALS

	2023 G$	2022 Restated G$
Sundry payables	32,628,471	**39,912,330**
Accruals	33,858,443	**53,367,994**
	66,486,914	**93,280,324**

Notes on the Accounts

28. INVESTMENTS AND FAIR VALUE MEASUREMENTS

Carrying values and fair values investments

	2023			2022		
	Carrying Value	Fair value level	Fair value	Carrying value	Fair value level	Fair value
	G$		G$	G$		G$
(a) Equity instruments designated at FVOCI						
Equity investments in Guyana	9,167,221,426	1	9,167,221,426	10,493,388,238	1	10,493,388,238
Equity investments in Grenada	11,950,303	2	11,950,303	11,950,303	2	11,950,303
	9,179,171,729		**9,179,171,729**	**10,505,338,541**		**10,505,338,541**

(b) Financial assets measured at amortised cost for which fair values are disclosed

	Year of maturity	Rate of interest	2023 Carrying value	2023 Fair Value level	2023 Fair value	2022 Carrying value	2022 Fair Value level	2022 Fair value
Debit securities								
Guyana	2023	4.75%	G$		G$	G$		G$
Eastern Caribbean								
Dominica	2034	3.50%	799,942	2	799,942	1,493,707	2	1,493,707
Grenada	2023	3.00%	7,150,000	2	7,150,000	14,300,000	2	14,300,000
St. Lucia	2025	4.50%	77,220,000	2	77,220,000	77,220,000	2	77,220,000
St. Lucia	2032	7.00%	71,500,000	2	71,500,000	71,500,000	2	71,500,000
St. Lucia	2027	6.25%	121,255,695	2	121,255,695	122,050,500	2	122,050,500
St. Lucia	2024	4.50%	129,446,259	2	129,446,259	129,446,259	2	129,446,259
St. Lucia	2025	7.50%	152,993,184	2	152,993,184	152,993,184	2	152,993,184
St. Lucia	2025	6.50%	100,100,000	2	100,100,000	100,100,000	2	100,100,000
St. Lucia	2025	6.00%	107,250,000	2	107,250,000	111,484,637	2	111,484,637
St. Lucia	2025	6.00%	75,734,637	2	75,734,637	71,500,000	2	71,500,000
St. Lucia	2026	6.40%	50,193,000	2	50,193,000	50,193,000	2	50,193,000
St. Lucia	2027	6.25%	28,957,500	2	28,957,500	28,162,695	2	28,162,695
St. Lucia	2028	7.00%	7,940,425	2	7,940,425	7,940,425	2	7,940,425
St. Lucia	2028	6.75%	39,189,150	2	39,189,150	39,189,150	2	39,189,150
St. Lucia	2026	6.50%	71,500,000	2	71,500,000	71,500,000	2	71,500,000
St. Vincent	2026	7.50%	17,664,790	2	17,664,790	17,664,790	2	17,664,790
St. Vincent	2024	4.50%	11,618,750	2	11,618,750	23,237,500	2	23,237,500
St. Vincent	2026	7.00%	35,750,000	2	35,750,000	35,750,000	2	35,750,000
St. Vincent	2026	6.75%	46,475,000	2	46,475,000	51,582,141	2	51,582,141
Total Eastern Caribbean			**1,152,738,331**		**1,152,738,331**	**1,177,307,988**		**1,177,307,988**
Mortgage			379,402,507	2	379,402,507	384,733,235	2	384,732,236
Cash and cash on deposit			6,665,889,472	2	6,665,889,472	5,957,789,549	2	5,957,789,549
Accrued interest			51,140,982	2	51,140,982	42,197,368	2	42,197,368
Total at amortised cost			**8,249,171,292**		**8,249,171,292**	**7,562,027,140**		**7,562,027,140**
Total invested assets			**17,428,343,021**		**17,428,343,021**	**18,067,365,681**		**18,067,365,681**

Fair value of other receivables, payables and other financial liabilities approximate to their carrying amounts.

Notes on the Accounts

28. INVESTMENTS AND FAIR VALUE MEASUREMENTS — cont'd

(c) Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of assets and liabilities are determined as follows:

Equity instruments
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, they are measured using comparable company valuation multiples (such as price-to-book ratios).

Debit securities
Broker quotes are generally used when external public vendor prices are not available.

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 similar yield, credit quality, and muturity characteristics. Mortgages are secured against the borrowers' properties.

The carrying amounts of certain financial instruments are assumed to approximate their fair values due to their short-term nature. These include cash resources, treasury bills, other receivables, payables and accruals.

d) Assets carries at fair value

	2023	2022
	G$	G$
Property and equipment	1,739,695,045	**1,537,316,312**

Net book value

On March 31, 2021, 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. The revaluation surplus of G$26,000,000 is being held in revaluation reserve.

On January 15, 2016, the Company's property in Grenada was professionally revalued by the firm John Joseph & Associates Ltd. The revaluation surplus of G$37,318,064 is being held in revaluation reserve.

On November 4, 2015, the Company's property in St. Vincent was professionally revalued by the firm Evans Properties. The revaluation surplus of G$19,690,671 is being held in revaluation reserve.

On November 2, 2015, the Company's property in Le Choc St. Lucia was professionally revalued by the firm Charles Heywood and Co Ltd. The revaluation surplus of G$137,666,029 is held in revaluation reserve.

On October 27, 2015, the Company's property in Castries, St. Lucia was professionally revalued by the firm Charles Heywood and Co Ltd. An impairment of G$73,520,376 was recognised in the Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2015 . No valuations has since been carried out on the property.

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 was done, the net book value of land and buildings would have been approximately G$1,338,032,054 (2022 — G$1,365,049,049).

Notes on the Accounts

29. RELATED PARTY TRANSACTIONS

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 Fire Insurance Company Limited. In Guyana, the 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.

	2023 G$	2022 G$
Transactions with related company		
Cost incurred and shared with The Guyana and Trinidad Mutual Fire Insurance Company Limited for the year.	144,771,836	**159,736,673**
Cost incurred and shared by The Guyana and Trinidad Mutual Fire Insurance Company Limited for the year.	80,573,405	**73,749,411**
Net Balance due by / (to) The Guyana and Trinidad Mutual Fire Insurance Company Limited for shared costs.	70,698,935	**(927,318)**
The Company's fixed assets are insured by The Guyana and Trinidad Mutual Fire Insurance Company Limited.		
Insurance coverage	954,383,595	**927,748,242**
Premiums for the year	4,613,088	**4,581,127**
Key management personnel		
The Company's key management personnel comprises its Managing Director and Senior Managers. The remuneration paid during the year to Executive Managers is included among the costs shared by The Guyana and Trinidad Mutual Fire Insurance Company Limited.		
Short term benefits	16,768,229	**15,235,089**
Directors' emoluments — 8 Directors	14,616,513	**12,298,400**
Related party (mortgages)	41,007,483	**46,433,958**
Interest received for the year	2,599,559	**2,056,247**

i) The above balance represents two (2) mortgages and will be fully amortised in the year 2028 and 2034 respectively.The rate of interest is 6% per annum. Mortgages are secured against the borrowers' properties.

ii) The comparative balance represents one (1) mortgage and will be fully amortised in the year 2028.

Notes on the Accounts

30. 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 (foreign 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 price risk, 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 value of financial instruments will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to individual security, of its issuer, or factors affecting all securities traded in the market. The Company's primary exposure to price risk is from its equity investments supporting insurance contract liabilities. Management continually assesses this risk and diversifies the investment portfolio in order to minimise the risk.

The following table sets out the estimated immediate impact on, or sentivity of, OCI to certain instantaneous changes in equity market prices as at December 31, 2023 and December 31, 2022. The Company uses a 10% increase or decrease in equity markets as a reasonably possible change.

Price risk sensitivities	**2023** **G$**	**2022** **G$**
10% increase: potential impact on other comprehensive income (after tax)	917,917,173	**1,050,533,854**
10% decrease: potential impact on other comprehensive income (after tax)	(917,917,173)	**(1,050,533,854)**

A positive number indicates an increase in OCI where equity prices appreciates by 100 basis points. For a decrease of 100 basis points in the equity prices, there would by an equal and opposite impact on OCI.

) Assumes that actual equity exposures consistently and precisely track the broader equity markets. Since in actual practice equity-related exposures differ from broad market indices (due to the impact of active management, basis risk, and other factors), realised sensitivities may differ significantly from those illustrated above.

Notes on the Accounts

30. FINANCIAL RISK MANAGEMENT — cont'd

(a) Market risk — Cont'd

(ii) Interest rate risk

The Company's exposure to interest rate risk and spread risk arises from insurance and investment contracts that contain guarantees in the form of minimum crediting rates, settlement options and guaranteed annuitisation options. The Company also has direct exposure to interest rate risk from the fixed income investments supporting insurance contract liabilities, other liabilities, and the employee benefit plan. Declines in interest rates or narrowing spreads can result in compression of the net spread between interest earned on investments and interest credited to policyholders. 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

Exposure to interest rate risk is continuously monitored and managed through the use of certain product surrender mitigation features, tools and asset-liability strategies to limit any adverse effects to acceptable levels.

Interest Rate Sensitivities

The sensitivity analysis for interest rate indicates how changes in the fair value or future cash flows of a financial instrument arising from changes in market interest at the reporting date result in a change in profit after tax. The following table sets out the estimated immediate impact on, or sensitivity of, net income to certain instantaneous changes in interest rates.

		2023	2022
	Change in interest rate	Imact on profit after tax and equity	Impact on profit after tax and equity
		G$M	G$M
Financial assets	+/-0.5%	29.5	29.0
Insurance contract and reinsurance contract balances	+ 1%	592.9	550.4
Insurance contract and reinsurance contract balances	- 1%	(811.5)	(753.2)

Interest rate sensitivities assume a parallel shift in assumed interest rates across the entire yield curve as at December 31, 2023 and december 31, 2022 with no change to the ultimate risk-free rate. Variations in realised yields based on factors such as different terms to muturity and geographies may result in realised sensitivities being significantly different from those illustrated above.

Notes on the Accounts

30. FINANCIAL RISK MANAGEMENT — cont'd

(a) **Market risk — cont'd**

(iii) **Foreign currency risk**

The Company's exposure to the effects of fluctuations in foreign currency exchange rates arises mainly from investments and foreign bank balances. The currencies which the Company is mainly exposed to are Pounds Sterling, United States, Trinidad and Tobago, Eastern Caribbean and Barbados Dollars.

The aggregate amounts of assets and liabilities denominated in currencies other than Guyana Dollars are as shown below:

2023

	£	US $	TT$	EC $	B'dos $	Total equivalent G $
Assets	1,012,049	4,706,435	—	61,763,414	476,743	5,728,207,507
Liabilities	—	—	20,614	20,293,059	40,407	1,659,702,656

2022 — restated

	£	US $	TT$	EC $	B'dos $	Total equivalent G $
Assets	1,475,065	3,365,036	—	55,255,552	476,786	5,289,170,619
Liabilities	—	—	20,614	16,807,865	40,407	1,391,501,319

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 shows the impact of all assets and liabilities that are held in foreign currencies per the preceding table. 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 reserve and the balances would be negative.

	£ Sterling impact G $M	US Dollars impact G $M	TT Dollars impact G $M	EC Dollars impact G $M	B'dos Dollars impact G $M	Total equivalent G$M
2023 Profit/(loss)	7.9	30.1	(0.02)	89.0	1.2	128.2
2022 Profit/(loss)	11.2	29.7	(0.02)	85.3	1.2	127.4

Notes on the Accounts

30. FINANCIAL RISK MANAGEMENT—cont'd

(b) **Liquidity risk**

Liquidity risk defined as failure to maintain adequate levels of financial resources to meet obligations as they fall due. The Company's exposure to liquidity risk is as a result of normal business activities, specifically the risk arising from an inability to meet short-term cash flow requirements and to meet obligations to policy liabilities.

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

The following table details of the expected maturity profile of the Company's undiscounted obligations with respect to its financila liabilities and estimated cash flows of insurance contract liabilities. Insurance contract liabilities cash flows include estimates related to the timing and payment of death and disability claims, policy maturities and annuity payments offset by contractual future premiums and fees on in-force business. Recoverables from reinsurance agreements are also reflected. These estimated cash flows are based on the probability weighted current estimate assumptions, with a risk adjustment for non-financial risk, used in the determination of insurance contract liabilities. Due to the use of assumptions, actual cash flows will differ from these estimates.

The following table also presents remaining term to maturity for invested assets, where applicable.

	Less than 1 year	1 to 5 year	5 to 10 year	Over 10 year	With no specific maturity	Total
	G$	G$	G$	G$	G$	G$
At 31 December 2023						
Assets						
Cash on hand and in transit	31,992,299	—	—	—	—	31,992,299
Cash at bank	2,472,700,255	—	—	—	—	2472,700,255
Cash on deposit	3,936,570,200	—	—	—	—	3,936,570,200
Investments: Debit securities	—	2,349,979,484	—	—	—	2,349,979,484
Investments: Equity instruments	—	—	—	—	9,179,171,729	9,179,171,729
Statutory deposits	224,274,141	—	—	—	—	224,274,141
Reinsurance contract assets	101,100,450	138,980,534	195,114,133	560,539,116	—	995,734,234
Segregated funds' assets	797,346,510	—	—	—	—	797,346,510
Related party receivable	70,698,935	—	—	—	—	70,698,935
Accrued and unpaid interest	51,140,982	—	—	—	—	51,140,982
Receivables and prepayments	53,091,690	—	—	—	—	53,091,690
	7,738,915,462	2,488,960,018	195,114,133	560,539,116	9,179,171,729	20,162,700,458
Liabilities						
Insurance contract liabilities	686,635,588	1,005,745,115	964,294,430	2,522,248,488	—	5,178,923,621
Deposit administration fund	1,370,928,647	—	—	—	—	1,370,928,647
Sundry reserve	—	—	—	—	17,714,960	17,714,960
Segregated funds' liabilities	797,346,510	—	—	—	—	797,346,510
Investment contract liabilities	3,045,430	—	—	—	—	3,045,430
Payables and accruals	69,718,836	—	—	—	—	69,718,836
Related party payable	—	—	—	—	—	—
	2,927,675,010	1,005,745,115	964,294,430	2,522,248,488	17,714,960	7,437,678,004
Net assets/(liabilities)	4,811,240,451	1,483,214,903	(769,180,297)	(1,961,709,372)	9,161,456,769	12,725,022,454

Notes on the Accounts

30. FINANCIAL RISK MANAGEMENT — cont'd

(b) **Liquidity risk — cont'd**

	Less than 1 year	1 to 5 year	5 to 10 year	Over 10 year	With no specific maturity	Total
	G$	G$	G$	G$	G$	G$
At 31 December 2022-`restated						
Assets						
Cash on hand and in transit	6,297,355	—	—	—	—	6,297,355
Cash at bank	1,947,486,166	—	—	—	—	1,947,486,166
Cash on deposit	3,779,965,688	—	—	—	—	3,779,965,688
Investments: Debit securities	—	2,309,554,120	—	—	—	2,309,554,120
Investments: Equity instruments	—	—	—	—	10,505,338,541	10,505,338,541
Statutory deposits	224,040,341	—	—	—	—	224,040,341
Reinsurance contract assets	128,629,765	172,381,145	101,909,871	256,816,204	—	659,736,985
Segregated funds' assets	946,787,439	—	—	—	—	946,787,439
Related party receivable	—	—	—	—	—	—
Accrued and unpaid interest	—	—	—	—	8,899,158	8,899,158
Receivables and prepayments	—	—	—	—	1,780,070,622	1,780,070,622
	7,033,206,754	2,481,935,265	101,909,871	256,816,204	12,294,308,321	22,168,176,416
Liabilities						
Insurance contract liabilities	768,098,737	1,749,798,482	1,413,458,000	1,211,189,159	—	5,142,544,378
Deposit administration fund	—	1,348,709,022	—	—	—	1,348,709,022
Sundry reserve	—	—	—	—	1,494,640	1,494,640
Segregated funds' liabilities	946,787,439	—	—	—	—	946,787,439
Investment contract liabilities	3,026,819	—	—	—	—	3,026,819
Payables and accruals	96,635,840	—	—	—	—	96,635,840
Related party payable	927,318	—	—	—	—	927,318
	1,815,476,153	3,098,507,504	1,413,458,000	1,211,189,159	1,494,640	7,540,125,456
Net assets/(liabilities)	5,217,730,601	(616,572,239)	(1,311,548,129)	(954,372,955)	12,292,813,681	14,628,050,960

Notes on the Accounts

30. FINANCIAL RISK MANAGEMENT—cont'd

(c) Credit risk

Credit risk is the risk of financial loss as a result of the default or failure of third parties to meet their payment obligations to the Company, or variations in market values as a result of changes in expectations related to these risks. The Company faces credit risk in respect of its receivables, credit standing of issuers of securities held in the investment portfolio, mortgage lending and other loans, reinsurance counterparties, cash and cash equivalents. This risk is controlled by close monitoring of financial assets to individual counterparties and by appropriate credit risk diversification.

Concentration of Credit Risk

Concentrations of credit risk arise from exposures to a single obligator, a group of related obligators or groups of obligators that have similar credit risk characteristics and operate in the same geographic region or in similar industries. The characteristics are similar in that changes in economic or political environments may impact their ability to meet obligations as they come due. The Company does not have a significant concentration of credit risk arising from its financial instruments for the year ended December 31, 2023.

From 1 January 2023 the Company's current credit risk rating framework comprises the following categories:

Category	Description	Basis for recognition ECL
Performing	The counterparty has a low risk of default and does not have any past-due amount.	12 month ECL
Doubtful impaired	There has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit
In default	There is evidence indicating the asset is credit impared.	Lifetime ECL - credit impaired
Write-off	There is evidence indicating that the counterparty is in severe financial difficulty and the Company has no realistic prospect of recovery.	Amount is written off

The following table represents the gross carryying amount of financial instruments subject to credit risk by internal ratings:

As at 31 December 2023	Performing / Investment Grade	Non-performing	Credit impaired	Non-rated	Total
	G$	G$	G$	G$	G$
Loans and mortgages (i)	—	—	—	379,402,507	379,402,507
Fixed income securities (ii)	1,152,738,331	—	—	—	1,152,738,331
Treasury bills and bonds (ii)	869,027,923	—	51,189,276	—	920,217,199
Accrued interest (ii)	51,140,982	—	—	—	51,140,982
Statutory deposit (iii)	224,596,678	—	—	—	224,596,678
Cash and cash equivalents (iii)	6,441,292,794	—	—	—	6,441,292,794
Reinsurance contract assets (iv)	(37,071,452)	—	—	—	(37,071,452)
Other receivables (v)	57,698,604	287,799	—	—	57,986,403
	8,759,423,860	287,799	51,189,276	379,402,507	9,190,303,442
Allowance for lifetime expected credit losses - other receivables	(2,004,837)	(287,799)	(51,189,276)	—	(53,481,912)
	8,757,419,023	**—**	**—**	**379,402,506**	**9,136,821,530**

The Company considers reasonable and supportable information that is relevant and available without undue cost or effort to assess whether there has been a significant increase in risk since initial recognition. This includes quantitative and qualitative information and forward-looking analysis.

Notes on the Accounts

30. FINANCIAL RISK MANAGEMENT — cont'd

(c) Credit risk — cont'd

The following table presents past due but not impaired and impaired financial assets as at 31 December 2022, under IAS 39.

2022	Current	Past due but not impaired	impaired	Total
	G$	G$	G$	G$
Loans and mortgages (i)	377,777,636	6,955,599	—	384,733,235
Fixed income securities (ii)	1,214,807,988	—	—	1,214,807,988
Treasury bills and bonds (ii)	710,013,896	—	—	710,013,896
Accrued interest (ii)	42,197,368	—	—	42,197,368
Statutory deposit (iii)	224,040,341	—	—	224,040,341
Cash and cash equivalents (iii)	5,733,749,208	—	—	5,733,749,208
Reinsurance contract assets (iv)	757,597,805	—	—	757,597,805
Other receivables (v)	87,001,291	—	2,744,668	89,745,959
Gross carrying amount	9,147,185,533	6,955,599	2,744,668	9,156,885,800
Impairment provision	—	—	(2,744,668)	(2,744,668)
Net Carrying amount	9,147,185,533	6,955,599	—	9,154,141,132

(i) Included in loans and receivables are mortgages totalling $379,405,507 (2022 G$384,732,236) which and fully secured by charges on properties.

Policy loans and certain insurance and reinsurance related receivables, totalling $246,340,555 and $200,265,789 (2022 $285,530,679 and $129,165,998), respectively, have been reclassified from loans and receivables and other receivables to the related insurance contract liabilities and reinsurance contract assets in accordance with IFRS 17.

(ii) Investments in government debt securities are assets for which the likelihood of default are considered extremely low by the Company. Accrued interest on government bonds would either be received in the next financial year, or would materialise on the maturity of the investment(s) in accordance with their terms and conditions. For impairment assessment purposes, under IFRS 9, the Company applies the low credit risk simplication to these investments and related accrued interest amounts.

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. For impairment assessment purposes, under IFRS 9, the Company applies the low credit risk simplication.

(iii) Statutory deposits represent deposits with Insurance Regulators and Commercial Banks held to the order of the Insurance Regulators. The likelihood of default is considered very low by the Company.

Cash and cash equivalents include balances held with commercial banks. These banks have been assessed by the Company as being credit worthy, with very strong capacity to meet their obligations as they fall due. The Company considers the associated credit risk is low based on the external credit ratings of these institutions and, there being no history of default, the impact to the net carrying amount is therefore considered not to be material.

(iv) The Company is exposed to credit risk as a result of insurance risk transfer contracts with reinsurers. The Company's policy is to place reinsurance only with highly rated counterparties (minimum rating requirement of A-). The Company restricts concentration with individual external reinsurers by specifying limits on ceding and minimum conditions for acceptance and retention of reinsurers. Credit risk arising on reinsurance assets are included within the Company's estimate of non-performance risk, when applicable.

(v) Other receivables comprise a number of advances and loans to staff and insurance advisors on which interest is earned. They also include amounts for securities pending redemption and amounts owing to the Company by other organisations. As of 1 January 2023 the Company measures the ECL allowance at an amount equal to lifetime expected credit losses for other receivables, in accordance with IFRS 9's simplified approach.

Notes on the Accounts

31. INSURANCE RISK

Insurance risk is the risk that actual experience related to claims, benefit payments, directly attributable costs and cost of guarantees associated with products, does not emerge as expected.

This risk arises through the Company's exposure to mortality risk, morbidity risk, longevity, policyholder behaviour and exposure to worse than anticipated operating experience on factors such as persistency levels, exercising of policyholder options, and directly attributable costs.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. The Company has developed its insurance underwriting strategy to diversify the types of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

Insurance risks are managed by monitoring risk exposure against pre-defined appetite limits. If a risk is moving out of appetite, the Company can choose to mitigate it via reinsurance in the case of longevity, mortality and morbidity risks, or by taking other risk reducing actions. This is supported by additional methods to assess and monitor insurance risk exposures for both individual types of risks insured and overall risks. These methods include internal risk measurement models, experience analyses, external data comparisons, sensitivity analyses, scenario analyses and stress testing. Assumptions that are deemed to be financially significant are reviewed at least annually for pricing and reporting purposes.

Significant judgements and estimates in determining the value of fulfilment cash flows

Fulfilment cash flows

Fulfilment cash flows comprises (i) estimates of future cash flows and adjustments to reflect the time value of money and financial risk, and (ii) a risk adjustment for non-financial risk. Estimates for these components incorporates all reasonable and supportable information that is available without undue cost or effort at the reporting date. The estimates of future cash flows reflect current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices. In estimating the future cash flows, all cash flows within the boundary of an insurance or reinsurance contract that relate directly to the fulfilment of the contract, are considered.

The determination of fulfilment cash flows involves the use of estimates and assumptions. A comprehensive review of valuation assumptions and methods is performed annually. The review reduces the Company's exposure to uncertainty by ensuring assumptions for liability risks remain appropriate.

Method used to measure insurance & reinsurance contract fulfilment cash flows

The Company primarily uses deterministic projections using best estimate assumptions to determine the present value of future cash flows.

Discount rates

Under IFRS 17, the discount rate used must reflect the characteristics of the liabilities both in terms of timing and liquidity. The rate can be determined using either a bottom-up or a top-down approach. The Company applies the bottom-up approach to derive discount rates which is based on risk-free rates and then an addition is made 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 (an illiquidity premium).

The Company uses judgement to assess liquidity characteristics of the liability cash flows. Where the asset cash flows do not perfectly match the liability cash flows a reinvestment assumption is assumed for the rate at which surplus asset cash flows within the asset model are reinvested.

Notes on the Accounts

31. INSURANCE RISK — cont'd

Significant judgements and estimates in determining the value of fulfilment cash flows — cont'd

Discount rates — cont'd

The following table provides a weighted average summary of the discount rates used to present value cash flows that do not vary based on the returns on underlying items by business group by major currency (USD):

Policy duration	2023	2022
3 years	7.1%	7.0%
5 years	7.0%	7.0%
7 years	7.3%	7.3%
10 years	7.4%	7.4%
20 years	7.6%	7.7%
30 years	7.5%	7.5%

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk represents the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts and covers mortality, morbidity, longevity, policyholder behaviour and expense risks. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the best estimate amount.

Confidence level techniques are used to derive the overall risk adjustment for non-financial risk and this is allocated down to each group of contracts in accordance with their risk profiles. The Company's gross confidence level percentile target is 78 as at 31 December 2023 and 31 December 2022.

Other assumptions

Policyholder behaviour

Policy lapse and surrender assumptions (collectively policyholder behaviour) are based on a combination of the Company's internal termination studies and recent industry experience. Policy termination assumptions are derived separately for each product group.

Mortality assumptions

Mortality assumptions for life business are based on Company experience and published tables, adjusted appropriately to take account of changes in the underlying population mortality since the table was published, company experience and forecast changes in future mortality. Best estimate mortality assumptions are determined separately for each insurance contract group (with consistent assumptions used when valuing reinsurance contracts).

Expenses

The insurance contract liabilities best estimate liabilities include projected overhead expenses payable under applicable long-term business expressed as an amount per policy. Within these expense estimates are allowances for future expense inflation and risk adjustment.

Frequency and severity of claims

For contracts where death is the insured risk, the most significant factors that could increase the overall frequency of claims are epidemics or wide spread changes in lifestyle resulting in earlier or more claims than expected.

Notes on the Accounts

31. INSURANCE RISK — cont'd

Significant judgements and estimates in determining the value of fulfilment cash flows — cont'd

Other assumptions — cont'd

Frequency and severity of claims — cont'd

At present, these risks do not vary significantly in relation to the location of the risk insured by the Company. However, under-concentration by amounts could have an impact on the severity of benefit payments on a portfolio basis. For contracts with fixed and guaranteed benefits and fixed future premiums, there are no mitigating terms and conditions that reduce the insurance risk accepted.

The Company manages these risks through its underwriting strategy and reinsurance arrangements.

The underwriting strategy is intended to ensure that the risks underwritten are well diversified in terms of type of risk and the level of insured benefits. For example, the Company to some extent balances death risk and survival risk across its portfolio. The Company has a retention limit of G$3,000,000 on the vast proportion of lives insured. The Company reinsures the excess of the insured benefit over G$3,000,000 for standard risks (as measured by the sum insured) under a yearly renewable term reinsurance arrangement. The Company does not have in place any reinsurance for contracts that insure survival risk.

Sensitivity analysis

The tables below provide sensitivities to changes in insurance variables. Product design and pricing, underwriting and claims, and reinsurance risks have not changed materially since December 31, 2023.

The following table sets out the estimated immediate impact on, or sensitivity of, net income and net equity, to certain instantaneous changes in the insurance and other non-financial assumptions used in the calculation of insurance contract liabilities, based on inforce groups of contracts at the reporting date.

		Increase (Decrease) in net equity	
31 December 2023	Change in risk variable	Insurance contract issued	Net of reinsurance contracts held
		G$M	**G$M**
Mortality	+10%	(373.70)	(272.90)
Mortality	-10%	386.40	286.00
Expenses	+5%	(26.60)	0.20
Expenses	-5%	26.60	0.20
Lapses	+10%	(166.60)	(2.40)
Lapses	-10%	159.40	1.80
31 December 2022			
Mortality	+10%	(343.20)	(243.60)
Mortality	-10%	355.90	256.30
Expenses	+5%	(25.40)	0.20
Expenses	-5%	25.30	0.20
Lapses	+10%	(152.10)	(2.20)
Lapses	-10%	146.00	1.60

The above analyses are based on a change in an assumption while holding all other assumptions constant. The purpose is to provide a measure of sensitivity of the actuarial liabilities to each individual assumption. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

Notes on the Accounts

32. REPORTING BY CLASS OF INSURANCE

The Company's reporting is organised into three main business segments per the classes of insurance namely Life, Health and Annuities. The Company's primary reporting format is by class of insurance, and the secondary format would be by geographical segments.

The following is an analysis of the respective segments:

i) **By class of business**

	2023			
	Life	**Health**	**Annuities**	**Total**
	G$	**G$**	**G$**	**G$**
Insurance revenue	739,203,025	1,119,037,500	14,045,242	1,872,285,767
Insurance service expenses	(548,332,661)	(830,089,691)	(10,418,606)	(1,388,840,958)
Net expenses from reinsurance contracts held	11,574,648	17,522,201	219,924	29,316,773
Insurance service result	**202,445,012**	**306,470,010**	**3,846,560**	**512,761,582**
Net investments income	123,326,574	186,697,099	2,343,269	312,366,942
Net insurance finance (expense) income	8,602,281	13,022,506	163,448	21,788,235
Net financial result	**131,928,855**	**199,719,605**	**2,506,717**	**334,155,177**
Fee and commission income	—	—	—	29,679,559
Other income	—	—	—	12,934,344
Other operating expenses	—	—	—	(275,002,267)
Increase in investment contract liabilities	—	—	—	18,611
Profit before taxation	**334,373,867**	**506,189,615**	**6,353,277**	**614,547,005**
Taxation				(22,181,780)
Net profit after taxation				**592,365,225**
Assets	8,651,219,722	13,096,590,462	164,377,672	21,912,187,857
Liabilities	2,936,493,017	4,445,390,093	55,794,894	7,437,678,004

ii) **By class of business**

	2022 - restated			
	Life	**Health**	**Annuities**	**Total**
	G$	**G$**	**G$**	**G$**
Insurance revenue	758,705,196	1,148,560,728	14,415,793	1,921,681,717
Insurance service expenses	(548,487,441)	(830,324,004)	(10,421,547)	(1,389,232,992)
Net expenses from reinsurance contracts held	(12,442,311)	(18,835,709)	(236,410)	(31,514,430)
Insurance service result	**197,775,444**	**299,401,015**	**3,757,834**	**500,934,295**
Net investments income	85,891,271	130,025,920	1,631,979	217,549,170
Net insurance finance (expense) income	50,404,150	76,303,982	957,705	127,665,838
Net financial result	**136,295,421**	**206,329,902**	**2,589,684**	**345,215,007**
Fee and commission income	1,585,856	2,400,738	30,132	4,016,726
Other income	5,576,969	8,442,657	105,965	14,125,591
Other operating expenses	(94,902,514)	(143,667,528)	(1,803,197)	(240,373,239)
Increase in investment contract liabilities	—	—	—	—
Profit before taxation	**246,331,176**	**372,906,784**	**4,680,420**	**623,918,380**
Taxation				(5,377,782)
Net profit after taxation				**618,540,598**
Assets	8,915,162,051	13,496,157,772	169,392,714	22,580,712,537
Liabilities	2,976,940,617	4,506,621,419	56,563,419	7,540,125,456

Notes on the Accounts

33. ASSETS UNDER MANAGEMENT

Investment which are managed on behalf of a number of pension schemes are listed below:

	2023 G$	2022 G$
Equity investments	514,500,000	**837,655,000**
Mutual funds	339,809,762	**222,245,194**
Bonds and treasury bills	1,637,041,595	**1,610,727,293**
	2,491,351,357	**2,670,627,487**

34. PENDING LITIGATION

At the date of the statement of financial position, there was no pending litigation against the Company that required a provision in the financial statements.

35. 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 stipulates the statutory fund composition, limits and other requirements including investments. The areas of non-compliance are as listed.

Disposal of assets
As stated in Part 4 Number 29 of the Regulations; (1)"An insurer which immediately before the commemcement of these Regulations has -

(a) permissable assets in excess of the limits specified in these regulations; or
(b) non-permissable assets, shall reduce such assets so that it is in compliance with these regulations within a period of five years from the date of commencement of these Regulations."

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, 92% of the statutory fund represents investment in shares of Corporation in Guyana. Management is currently in the process of resolving this issue.

Part XVI of the Act relates to pension plans, their registration, management and all other stipulations. The Company has not fully complied with this section for some of the plan that it manages. The Company continues to work along with clients to satisfy their requirements as stipulated by the Act.

36. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the Directors on July 24, 2024.