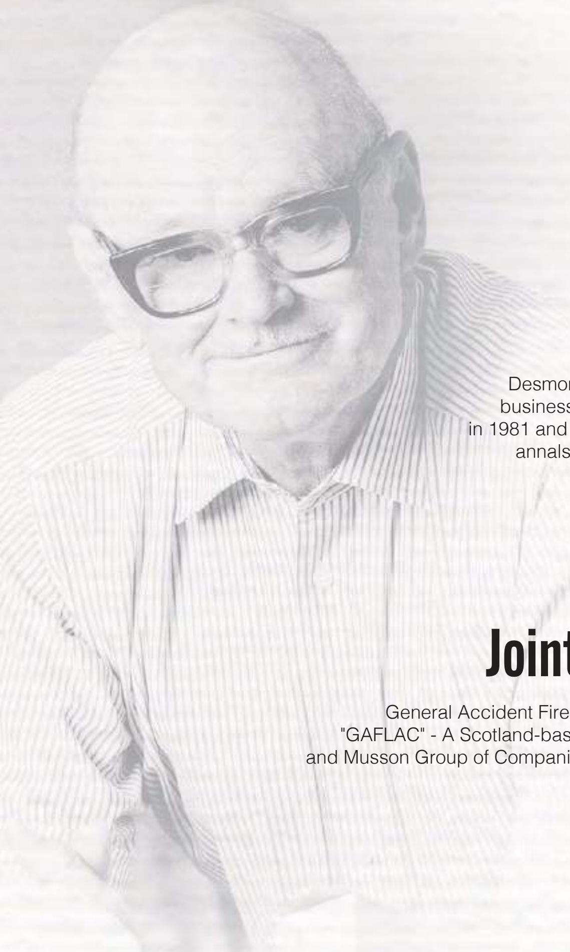
ANNUAL REPORT '23



1920
Operating in Jamaica

General Accident started operations in Jamaica in the 1920's as agents for the worldwide insurance company of General Accident Fire & Life Assurance Corporation, GAFLAC, located in Perth Scotland, an 1885 entity with significant presence in 45 countries.

1981
Founder

Desmond Blades, the Barbados-born businessman made Jamaica his home in 1981 and began to etch his name in the annals of local private sector history.

1981
Joint Partnership

General Accident Fire & Life Assurance Corporation "GAFLAC" - A Scotland-based global insurance company and Musson Group of Companies formed a Joint Partnership.

1998
Wholly-Owned

Musson (Jamaica) Limited became the sole parent of General Accident.

1998
Brand Retained

General Accident retained its brand, underwriting and management philosophies it was known for in the insurance and reinsurance industries, which have served the Company and its policyholders well for 30 years.

2011

Listed on Stock Exchange

In 2011, General Accident listed 20% of its ordinary shares on the Junior Market of the Jamaica Stock Exchange and became the only publicly-traded general insurance company in Jamaica.

2016

AutoSMART Launched

AutoSmart Insurance, a cutting-edge product developed by General Accident, addresses the unmet requirements of a neglected segment within the general insurance sector. With its innovative interface, AutoSmart revolutionises the Jamaican insurance landscape by providing a wide array of protection options.

2019

Trinidad Acquisition

General Accident acquired a majority stake in Motor One Insurance Company Limited ("Motor One"), a Trinidadian motor insurance company headquartered in Port of Spain with a large branch network throughout Trinidad.

2020

Barbados Acquisition

In May 2020, General Accident acquired a licence in Barbados and operations began.

2023

Stock Exchange Main Market

General Accident graduated to the main Market of the Jamaica Stock Exchange..

TABLE OF CONTENTS

GENERAL ACCIDENT **AT A GLANCE**

OUR **PURPOSE**

General Accident Insurance Company (GenAc) offers a wide range of innovative, affordable general insurance products to deliver financial protection and peace of mind to individuals, families and businesses, while building a trained and well-compensated staff complement and delivering a fair return on investment to our shareholders.

OUR **VISION**

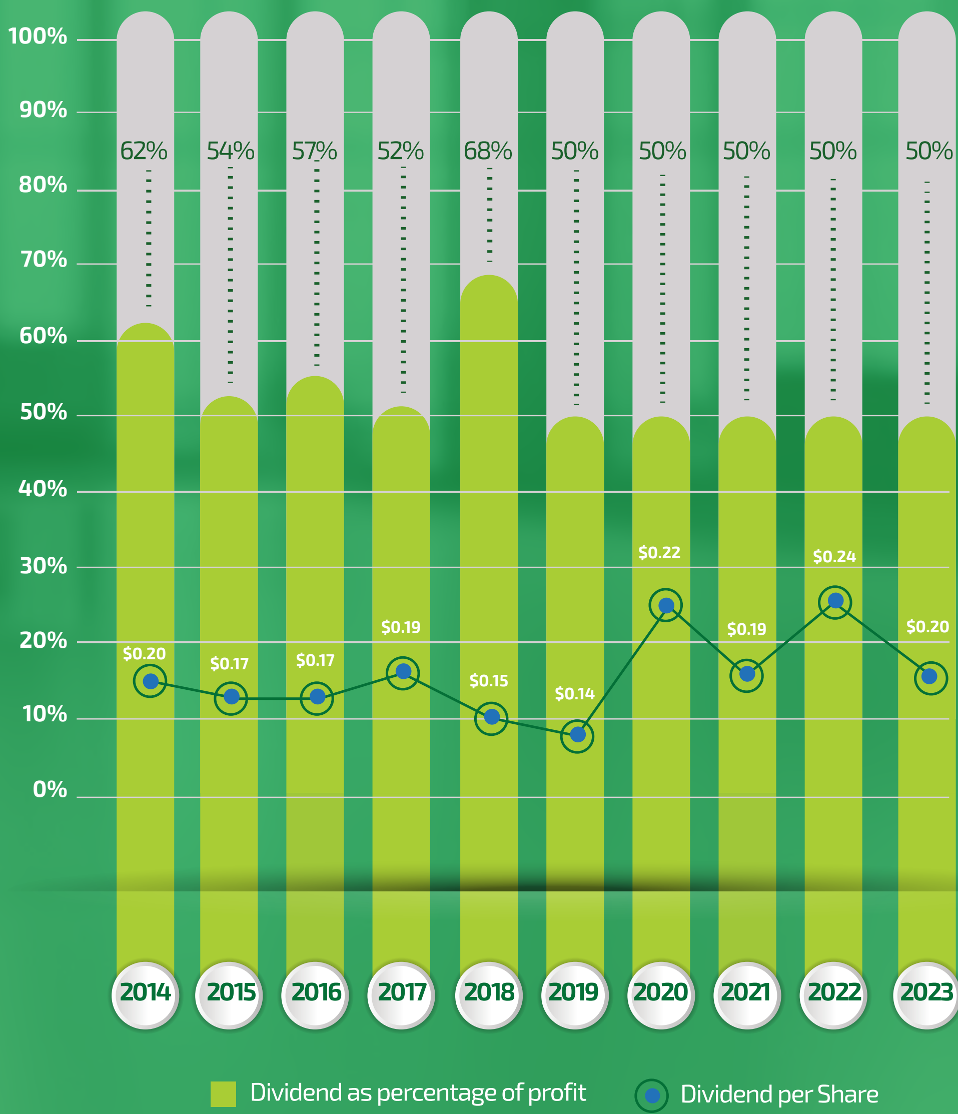
General Accident Insurance Company (GenAc) is a regional market leader in the general insurance sector contributing to Caribbean development through sound risk transfer mechanisms and excellent customer service. We build robust and long-term financial health through profitable, sustainable growth, supported by state of the art digital technology and innovative corporate social responsibility programmes.

CORPORATE **STRUCTURE**

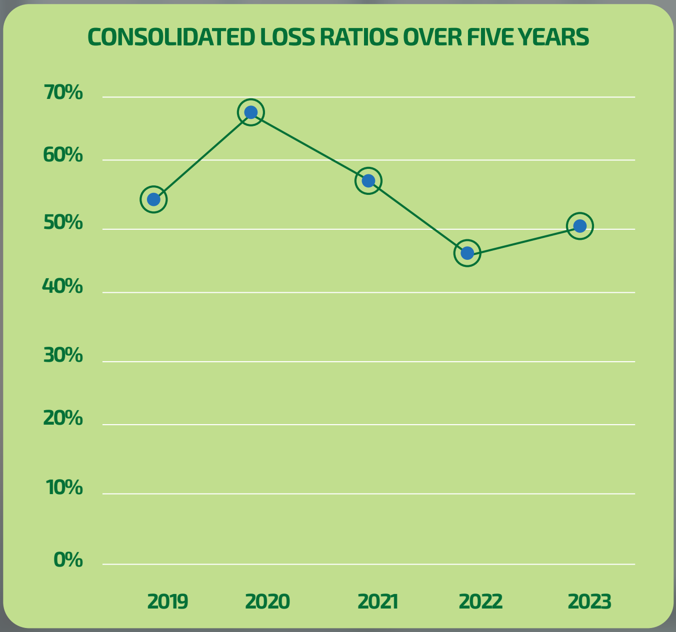
	JAMAICA	BARBADOS	TRINIDAD
	$ '000	$ '000	$ '000
Revenue	J$6,752,418	J$518,178	J$1,305,112
Employees	201	8	65
Net Assets	J$3,569,414	J$77,379	J$881,118

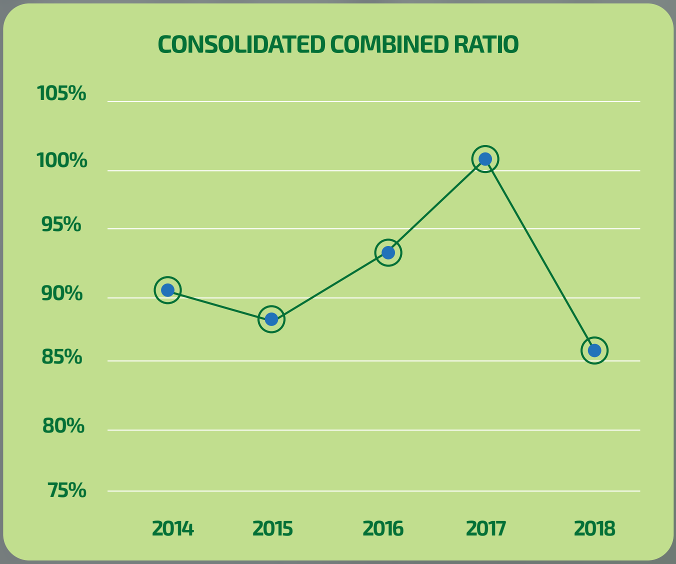
KEY PERFORMANCE **HIGHLIGHTS**

CONSISTENT SHAREHOLDERS DIVIDEND



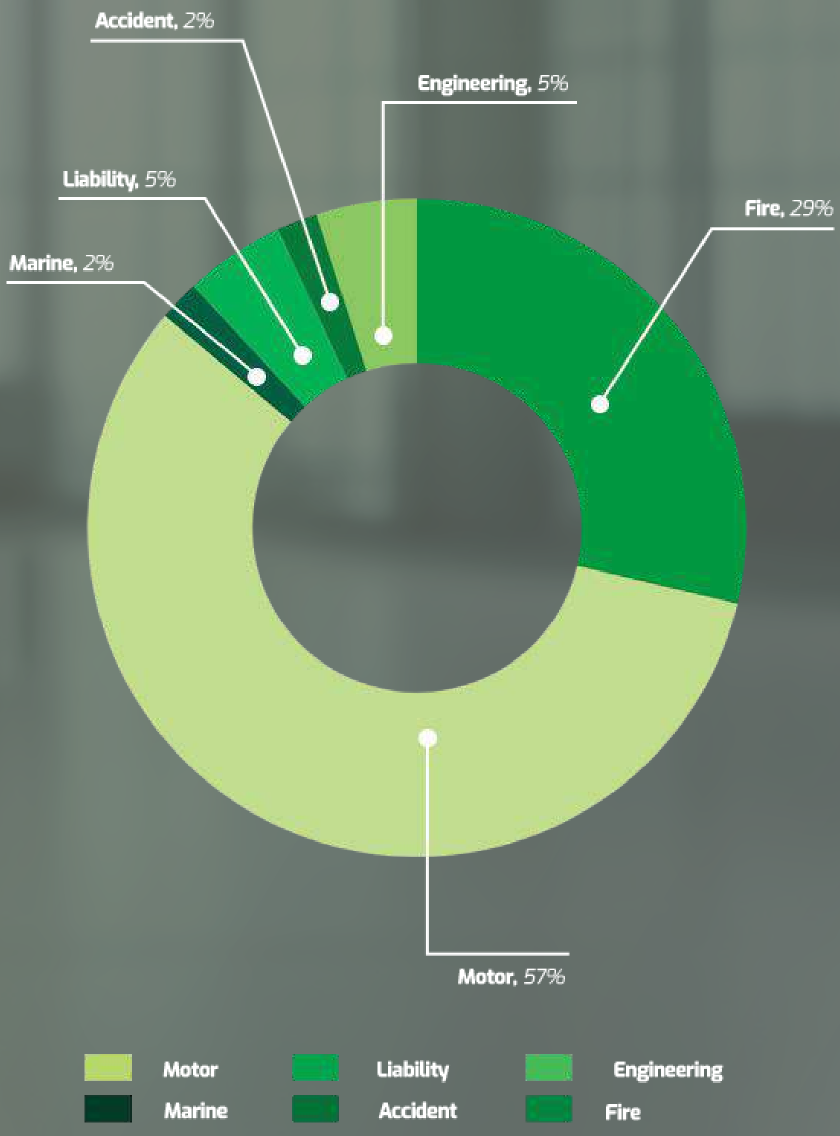
KEY PERFORMANCE HIGHLIGHTS





KEYPERFORMANCE **HIGHLIGHTS**

CONSOLIDATED PORTFOLIO COMPOSITION



10 - YEAR STATISTICAL REVIEW

	2023 (J$'000)	RESTATED 2022 (J$'000)	2022 (J$'000)	2021 (J$'000)	2020 (J$'000)
EMPLOYEES	274	259	259	229	205
GROSS WRITTEN PREMIUMS (IFRS 4)	18,967,162	15,114,209	15,114,209	13,959,807	12,044,990
INSURANCE REVENUE (IFRS 17)	8,575,708	6,666,555	-	-	-
CLAIMS INCURRED (IFRS 4)	2,123,319	1,508,337	1,508,337	1,751,360	1,816,926
INSURANCE SERVICE EXPENSES (IFRS 17)	5,637,217	4,151,051	-	-	-
UNDERWRITING PROFIT/(LOSS)	300,204	386,614	386,614	80,317	1,445
INSURANCE SERVICE RESULTS (IFRS 17)	696,106	619,226	-	-	-
PROFIT BEFORE TAX	740,495	891,331	708,167	259,695	259,536
PROFIT AFTER TAX	548,268	780,394	597,230	149,236	193,812
CASH DIVIDENDS	202,526	250,573	250,573	196,701	222,668
LOSS RATIO	47%	45%	45%	58%	66%
RETURN ON EQUITY	14%	23%	20%	5%	6%
DIVIDEND PAYOUT RATIO	50%	50%	50%	50%	50%

10 - YEAR STATISTICAL REVIEW

	2019	2018	2017	2016	2015	2014
	(J$'000)	(J$'000)	(J$'000)	(J$'000)	(J$'000)	(J$'000)
EMPLOYEES	132	131	111	91	90	78
GROSS WRITTEN PREMIUMS (IFRS 4)	10,727,828	8,735,797	7,106,254	5,649,097	6,112,355	5,072,375
INSURANCE REVENUE (IFRS 17)	-	-	-	-	-	-
CLAIMS INCURRED (IFRS 4)	1,205,328	1,023,022	1,087,590	746,073	696,480	678,558
INSURANCE SERVICE EXPENSES (IFRS 17)	-	-	-	-	-	-
UNDERWRITING PROFIT/(LOSS)	442,136	174,768	(35,532)	45,609	114,656	101,941
INSURANCE SERVICE RESULTS (IFRS 17)	-	-	-	-	-	-
PROFIT BEFORE TAX	770,154	352,569	236,077	404,243	303,448	319,965
PROFIT AFTER TAX	651,558	285,370	221,236	386,879	304,418	320,078
CASH DIVIDENDS	142,684	150,047	200,001	175,003	172,219	203,878
LOSS RATIO	54%	63%	82%	66%	62%	63%
RETURN ON EQUITY	32%	15%	11%	22%	19%	22%
DIVIDEND PAYOUT RATIO	50%	68%	52%	57%	54%	62%

OUR STRATEGIC PRIORITIES

VALUE CREATION AND LONG-TERM SUSTAINABILITY

General Accident uses over 40 years of experience to create value for our shareholders, policyholders and employees while meeting all regulatory and due diligence requirements. We provide a suite of modern risk transfer mechanisms to facilitate commerce and protect the assets of companies and people by reducing risk and uncertainty. We safeguard national economic health with our knowledge of risk assessment and management, and solid insurance underwriting techniques. Using sound investment decisions and a strategy of managed growth, we have built a solid balance sheet to ensure long term financial stability.

SOUND INVESTMENT DECISIONS

Our investment policy is geared towards building a strong, growing balance sheet, by stringent asset/liability management and ensuring capital adequacy. Our investment decisions are influenced by cash flow imperatives, potential currency volatility and the inflation sensitivity of our underwriting liabilities. We target the optimal mix of investments to provide adequate returns for shareholders, while meeting all regulatory requirements.

DISTRIBUTION CHANNELS

Our head office is located in Kingston, Jamaica and we write business through an islandwide network of insurance professionals. We have embarked on a regional expansion programme, and now offer insurance products in Trinidad and Tobago and Barbados. Our distribution partners are essential to our business model and we regard our producers as strategic drivers of our success. We continue to look for other expansion opportunities within the Caribbean.

FAST, FAIR CLAIMS SETTLEMENT

We believe the true test of an insurance policy is when a claim is made. We endeavour to meet our customers' expectations for fair, flexible, and accessible claims service through simple processes and fast turnaround times. We see claims handling as an opportunity to reinforce the trust of our clients and build customer loyalty.

ROBUST RISK MANAGEMENT

Insurance coverage reduces risk and uncertainty. We rely on a comprehensive risk management framework to ensure risk tolerance limits are adhered to, particularly regarding critical reinsurance support. Regulatory capital adequacy is central to our continuity, and our risk strategies are designed to ensure that legal requirements are met or exceeded.

DEVELOPING THE GENAC TEAM

Our staff complement is one of our most important resources. We are committed to recruiting, training, and keeping the right people, providing them with a culture of excellence and opportunity. We create value for our employees by investing in their capabilities and potential through training and development programmes.

UTLISING INFORMATION TECHNOLOGY

A digital transformation is well underway at GenAc. We now deliver a range of online services to our customers, with improvements being added all the time. We seek to ensure our customers receive superior service, whether they contact us by telephone, e-mail, or via our website. Our growing expertise in data analytics allows us to respond quickly and appropriately to changing market conditions.

MAXIMISING EARNINGS

Our growth initiatives remain:

- Growth in value-priced and profitable product lines
- Payment of dividends to shareholders
- Steady strengthening of our balance sheet, liquidity base and capital to provide the essential foundation for growth
- Consistent improvements in operational efficiencies, as we aim to deliver service that exceeds our clients' and our business partners' expectations

MAINTAIN CORPORATE SOCIAL RESPONSIBILITY

We regard our good reputation as a critical long-term asset, and we are committed to the principles of corporate social responsibility. We ensure our operations benefit the economy, the society and the environment. With the consistent guidance and expertise of our Board of Directors, we seek to:

- Provide a productive, well-compensated and incentive-driven work environment for our employees
- Involve our staff members in outreach efforts to support education, under-served children and the natural environment
- Ensure all we do is grounded in high standards of integrity and ethical conduct

OUR BRAND PROMISE

SOLID FOUNDATION

We maintain financial strength to ensure consistent profitable growth.

INNOVATION

We are creative, willing to make bold decisions and challenge the status quo.

BRAND PROMISE

Our values are at the heart of how we do business. They guide us in everything we do - from performing our regular daily responsibilities to making important decisions.

PERFORMANCE

We strive for service that exceeds customer expectations.

INTEGRITY

We are honest and fair in all our actions.

RESPONSIBILITY

We have a strong sense of responsibility towards our customers, society, the environment and each other.

NOTICE OF ANNUAL GENERAL MEETING


General Accident

NOTICE OF
ANNUAL GENERAL MEETING

GENERAL ACCIDENT INSURANCE COMPANY (JAMAICA) LIMITED

NOTICE IS HEREBY GIVEN THAT the annual general meeting of General Accident Insurance Company Jamaica Limited (the "Company") will be held at 9:00 am on September 13, 2024, at 58 Half Way Tree Road for shareholders to consider and, if thought fit, to pass the following resolutions:

Ordinary Resolutions

1. To receive the report of the Board of Directors and the Audited Accounts of the Company for the financial year ended December 31, 2023.

2. To authorise the Board of Directors to reappoint PricewaterhouseCoopers as the auditors of the Company and to fix their remuneration.

3. To re-appoint the following Directors of the Board who have resigned by rotation in accordance with the Article of Incorporation of the Company and, being eligible, have consented to act on reappointment:
   (a) To re-appoint Gregory Foster as a Director of the Board of the Company.
   (b) To re-appoint Matthew Lyn as a Director of the Board of the Company.
   (c) To re-appoint Duncan Stewart as a Director of the Board of the Company.

4. To authorize the Board of Directors to fix the remuneration of the Directors.

5. To approve the aggregate amount of interim dividends declared by the Board during the financial year ended 31st December 2023, being $202,527,188 or 19.639 cents per ordinary share, as the final dividend for that year.

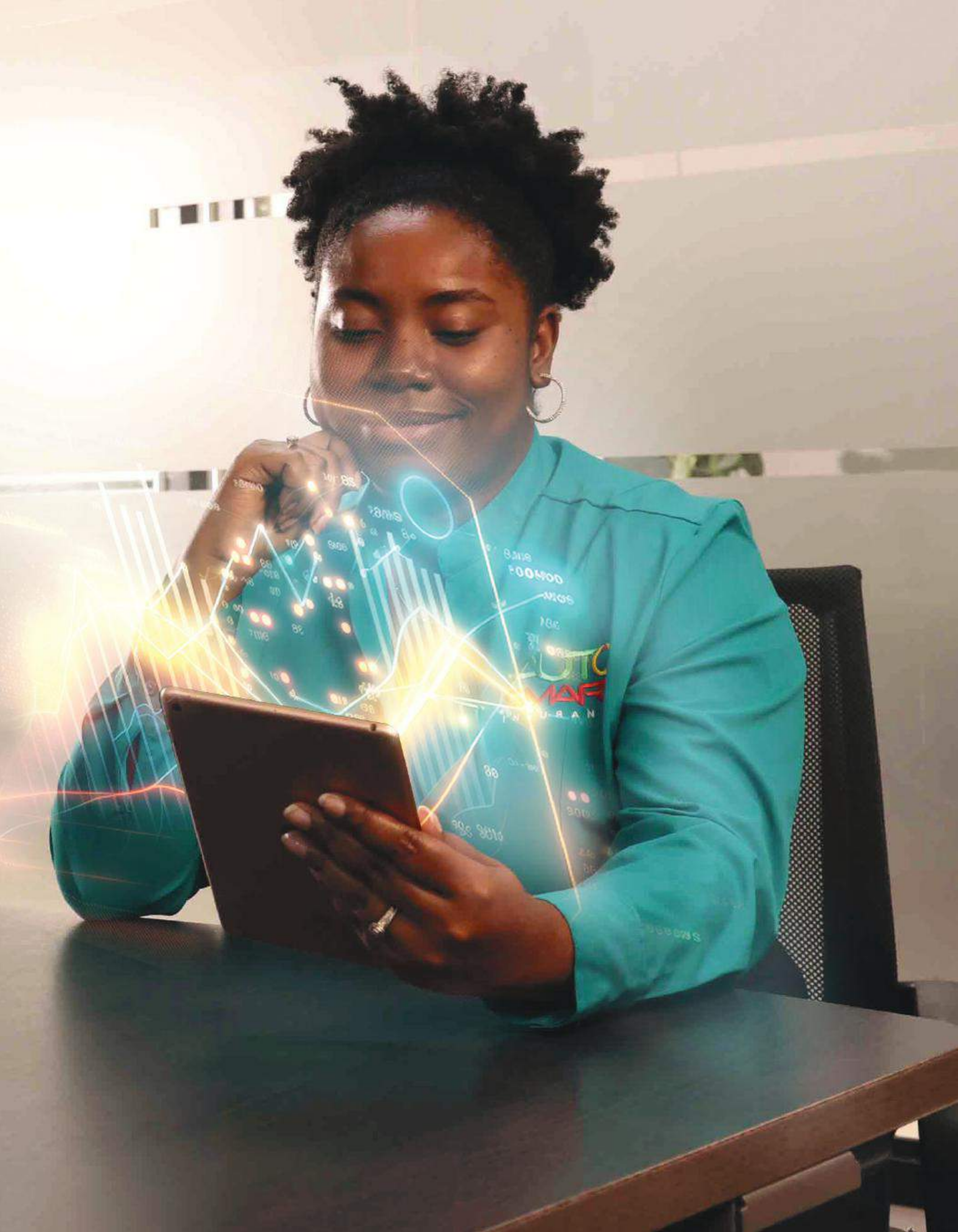
Signed this 2nd day of May, 2024 by Order of the Board

Lesley Miller

Lesley Miller
CORPORATE SECRETARY


SAFEGUARD
YOUR HOME
AGAINST LIFE'S UNCERTAINTIES.
Your home is more than just a place,
it's a reflection of your dreams and aspirations.
Don't leave its protection to chance.
SCAN FOR MORE
Get a quote online today at
genac.com
General
Accident

CORPORATE GOVERNANCE



PAUL B. SCOTT
Chairman

CHAIRMAN'S **REPORT**

In 2023, General Accident continued to execute our strategy of building a leading regional general insurance company. Our brand, people, relationships and technology allowed General Accident to deliver a record financial performance while steadfastly adhering to our long-term strategy. This consistent focus on our strategic goals inspires confidence and optimism in our stakeholders.

For the financial year ended December 2023, General Accident recorded the highest insurance revenue in our history. We achieved insurance revenue of $8.6 billion, an increase of $1.9 billion or 29% over 2022, and profit before tax of $740.5 million. Further, General Accident produced a 14% return on equity and distributed $202.5 million of dividends to our shareholders.

General Accident continues to make noteworthy progress towards our goal of building a leading regional general insurance company. In Jamaica, we cemented our position as the largest underwriter of general insurance risks, with gross written premiums of $17.0 billion, an increase of $3.1 billion or 22% over 2022.

In Trinidad, we grew gross written premiums by 57% over 2022, while in Barbados, we grew gross written premiums by 52% over 2022. This significant growth is a direct result of our team's unwavering dedication and commitment, our investments in technology, our strong relationships with supportive business partners, and our robust corporate governance framework. Additionally, our property and motor business segments in Jamaica enjoyed another year of strong premium growth and profitability. Despite expansion in all three markets, our continued top-line growth has not come at a sacrifice to our commitment to strict underwriting discipline.

General Accident's consolidated profits in 2023 reflect our continued investment in our growing subsidiaries in Trinidad and Barbados. While these investments have had a short-term impact on our financial results, they will create considerable value for General Accident over the long run. In 2022, we were pleased to achieve profitability in Trinidad within our first 3 years of operations. In 2023, our Barbados operation was close to break even, and we expect to achieve profitability this year. The fact that we will achieve profitability within the first few years of operation despite a challenging operating environment in these new markets is a testament to our team and our strategy.

Our growing presence in all three of the Caribbean's largest insurance markets diversifies our underwriting risk and creates economies of scale. This scale allows General Accident to invest, develop and deploy digital insurance solutions efficiently.

The year ahead will likely continue to be categorized by tightening conditions in insurance markets globally. The Caribbean markets in which we operate will be no exception. General Accident has developed deep relationships with our reinsurers over decades and has consistently delivered on our promises to these key partners. This commitment differentiates General Accident in tough market conditions. We are pleased to report that General Accident not only continued to receive support from its reinsurers but has been one of the few regional insurers to increase its capacity. This is a validation of our strategy and is very positive for our shareholders, clients, and the countries in which we operate. In many instances, General Accident will be critical to ensuring that adequate insurance coverage is available in Jamaica, Trinidad and Barbados, providing a sense of security to all stakeholders.

I would like to take this opportunity to thank all of the directors, employees and, of course, customers for supporting General Accident in 2023.

Sincerely,

DIRECTORS' REPORT

AS AT DECEMBER 31, 2023

The Directors are pleased to present their report for General Accident Insurance Company Jamaica Limited for the financial year ended December 31, 2023.

FINANCIAL RESULTS

The Statement of Comprehensive Income for the Group shows pre-tax profits for the year of $740.5 million, taxation of $192.2 million and a net profit after tax of $548.3 million. Details of these results, along with a comparison with the previous year's performance and the state of affairs of the Group, are set out in the Management Discussion and Analysis and the Financial Statements, which are included as part of this Annual Report.

DIRECTORS

The Directors of the Company as at December 31, 2023, are: P.B. Scott, Melanie Subratie, Sharon Donaldson, Gregory Foster, Lesley Miller, Christopher Nakash, Jennifer Scott, Nicholas Scott, Duncan Stewart, Matthew Lyn and Brian Jardim.

The Directors to retire by rotation in accordance with the Articles of Incorporation are: Gregory Foster, Matthew Lyn and Duncan Stewart but being eligible, will offer themselves for re-election.

AUDITORS

The auditors of the company, PricewaterhouseCoopers of Scotiabank Centre, Duke Street, Kingston, Jamaica, have expressed their willingness to continue in office. The Directors recommend their re-appointment.

DIVIDEND

A dividend of 19.639 cents per share paid on December 18, 2023, is proposed to be the final dividend in respect of the financial year ended December 31, 2023.


DON'T WORRY.
YOU'VE GOT BACKUP.
Get a Backup Plan today!

DIRECTORS' PROFILE

AS AT DECEMBER 31, 2023

PAUL B. SCOTT
CHAIRMAN

PB Scott is the Chairman, CEO and principal shareholder of the Musson Group.

He joined the group in 1994, became CEO in 2004, and in 2009 was appointed Chairman of the Board. He is responsible for the strategic direction, performance and overall operations of the Musson Group and all of its subsidiaries, including the Facey Group, PBS Group, Seprod, T. Geddes Grant Distributors Ltd. and General Accident Insurance Company Ltd. among others.

In addition to his responsibilities at Musson he serves on many public boards and commissions. He is a trustee of the American International School of Jamaica and currently is Chairman of the Development Bank of Jamaica. He is a past President of the Private Sector Organization of Jamaica.

SHARON DONALDSON
MANAGING DIRECTOR

Sharon Donaldson has been the Managing Director of the Company since 2008. She holds a Bachelor of Laws (LL.B.) from the University of London and an MBA from the University of Wales. She is a Chartered Accountant; a fellow member of the Institute of Chartered Accountants of Jamaica and an Attorney-at-Law.

Ms. Donaldson represents the local general insurance industry in discussions with the Financial Services Commission, is treasurer for the Council of the Institute of Chartered Accountants of Jamaica and heads the committee of Professional Accountants in Business.

Ms. Donaldson is also a Director of Musson (Jamaica) Limited, the parent company to General Accident and Eppley Limited. She serves as a Director and mentor of 138 Student Living Limited and Paramount Trading Jamaica Limited. She is also a member of the Jamaica Anti-Doping Commission.

GREGORY ST. HUGH FOSTER
EXECUTIVE DIRECTOR

Gregory Foster is an executive Director of the Company and a member of the Audit Committee of the Board. He serves as the Group's Chief Operating Officer.

He obtained his Association of Chartered Certified Accountant (Glasgow, UK) professional qualification in 2006, and is also a member of Institute of Chartered Accountants of Jamaica.

DIRECTORS' PROFILE

AS AT DECEMBER 31, 2023

MELANIE SUBRATIE
DEPUTY CHAIRMAN

Melanie Subratie is a non-executive Director of the Company and holds a B.Sc. (Hons) from the London School of Economics. She is Chairperson of the Investment Committee of the Board.

Mrs. Subratie is Chairperson and CEO of Stanley Motta Ltd. and Vice Chairman of Musson (Ja.) Ltd. She is also the Vice Chair of Eppley Ltd. and sits on the Executive Board of the Seprod Group of Companies and all its subsidiary boards. She chairs the Audit Committee for both Productive Business Solutions Ltd and Seprod Ltd.

She is Chairperson of Seprod Foundation, Musson Foundation, Jamaica Girls Coding and RISE Life Management. Mrs. Subratie is an Angel investor and sits on the Boards of LoanCirrus, Bookfusion, and First Angels. She is fourth Vice President of the Jamaica Chamber of Commerce.

BRIAN JARDIM
INDEPENDENT NON EXECUTIVE DIRECTOR

Brian Jardim is an independent non-executive Director of the Company. He is the founder and CEO of Rainforest Seafoods Ltd., the leading seafood harvester, processor and distributor in the Caribbean.

Mr. Jardim currently serves as a director on the Board of the Jamaica Observer, We Care for Cornwall Regional Hospital, and Industrial Chemical Company among others.

He is a Certified Public Accountant (CPA), a graduate of the University of Florida where he obtained a MSc. in Financial Accounting and a BSc. in Business Administration. He also holds a Diploma in Business Administration from Ryerson University.

NICHOLAS A. SCOTT
NON EXECUTIVE DIRECTOR

Nicholas Scott is a non-executive Director of the Company and the Chief Investment Officer for the Musson Group. He also serves as the Managing Director of Eppley Ltd. and as a Director of many of the Musson subsidiaries and affiliates including Seprod.

He returned to Jamaica in 2009 after working as a private equity investor and investment banker at the Blackstone Group in New York and Brazil.

Mr. Scott holds a BSc. in Economics (Magna Cum Laude) from the Wharton School at the University of Pennsylvania, an MBA (Beta Gamma Sigma) from Columbia Business School and a MPA from the Harvard Kennedy School of Government.

DIRECTORS' PROFILE

AS AT DECEMBER 31, 2023

LESLEY MILLER
EXECUTIVE DIRECTOR & COMPANY SECRETARY

Lesley Miller is the Company Secretary and an Executive Director of the Company.

Mrs. Miller is the Group Chief Information Officer of General Accident Insurance. Prior to that Mrs. Miller was the Head of Business Operations at Digicel Jamaica where she spent several years in various senior roles.

Mrs. Miller holds a B.Sc. in Computing & Information Technology (Hons.) from the University of Technology Jamaica and an M.B.A in Banking & Finance (with distinction) from the University of the West Indies. Lesley is certified by the Project Management Institute as a Project Management Professional (PMP®).

CHRISTOPHER NAKASH
INDEPENDENT NON EXECUTIVE DIRECTOR

Christopher Nakash is an independent non-executive Director of the Company. Mr. Nakash brings to the Board his management experience, gained as Chief Executive Officer of Nakash Construction & Equipment Limited.

In the past, Mr. Nakash also served as General Manager of Netstream Global (2003 to 2008), and he was also a founding member and Director of the Riverton Improvement Association and Intelligent Multimedia Limited. Mr. Nakash holds a BBA from University of New Brunswick, Canada.

DUNCAN STEWART
NON EXECUTIVE DIRECTOR

Duncan Stewart is an independent, non-executive Director of the Company. He is one of the family leaders of Stewart's Auto Sales Ltd. and its affiliated companies, Stewart's Auto Paints Ltd., Tropic Island Trading Co. Ltd. and Silver Star Motors Ltd.

He joined his family's business as a 3rd generation member in 1985 after graduating with a B. Eng. (Mech) degree from McGill University. He learned the business by working his way through the ranks, learning and following the family's culture of service.

DIRECTORS' PROFILE

AS AT DECEMBER 31, 2023

JENNIFER SCOTT
NON EXECUTIVE DIRECTOR

Jennifer Scott is a non-executive Director of the Company. Mrs. Scott holds a B.Sc.(Hons) in Psychology from Newcastle University, United Kingdom, a Graduate Diploma in Legal Studies from Keele University, UK, and Certificate of Legal Practice from the College of Law, London. She was admitted as a Solicitor of Supreme Court of England and Wales.

She attended Norman Manley Law School, and was admitted as an Attorney-at-Law of the Supreme Court of Jamaica in 2014. She is a consultant at Clinton Hart & Co., Attorneys-at-Law, specialising in financial securities and corporate law.

MATTHEW LYN
NON EXECUTIVE DIRECTOR

Matthew Lyn is an independent non-executive Director of the Company. Mr. Lyn is the Chief Operating Officer of the CB Group and its related companies, including CB Foods Ltd., Newport Mills Ltd. and Imagination Farms Ltd. He holds a B.B.A from the Goizuetta Business School at Emory University.

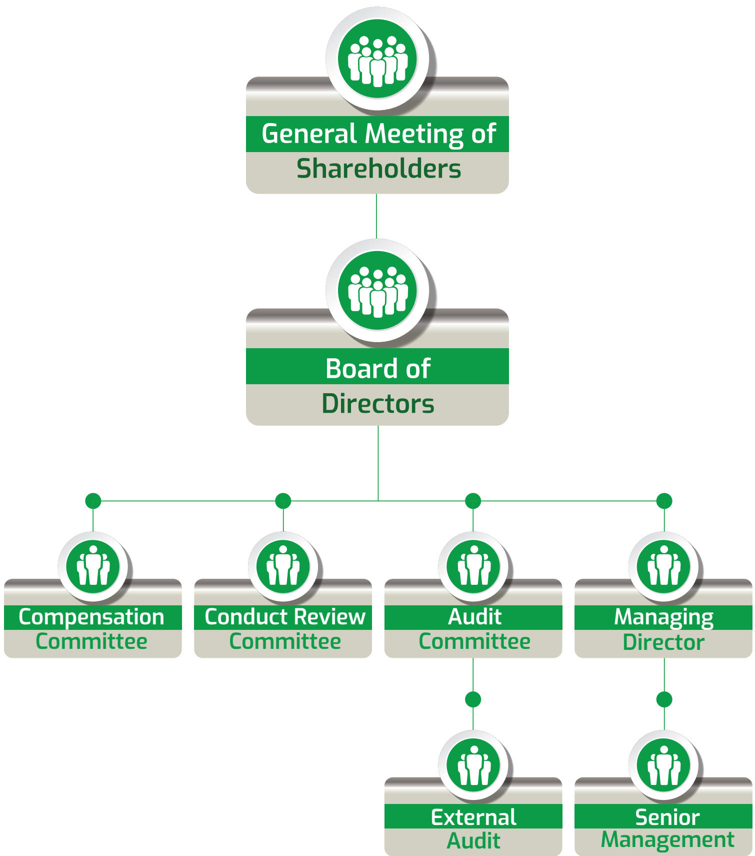
CORPORATE
GOVERNANCE REPORT

CORPORATE GOVERNANCE

Our Corporate Governance framework is designed to support the transparency and accountability of the people and processes in the Group as it expands its reach in the Caribbean region. The framework is documented in our Corporate Governance Policy, wherein prescribed practices conform with global best practices, the Private Sector Organisation of Jamaica's Code on Corporate Governance and the Jamaica Stock Exchange's Corporate Governance Guidelines.

The Group's corporate governance standards reflect the key tenets of responsibility, integrity, prudence, transparency and fair and equitable decision-making. It is the collective responsibility of the Board to supervise and direct the company's affairs in the interest of the growth and profitability of the business while providing an equitable return to the shareholders.

CORPORATE GOVERNANCE FRAMEWORK



Our Directors and Committees are aligned with our strategic and corporate objectives and are tasked with monitoring and ensuring that the efforts of all stakeholders support those objectives.

BOARD OF DIRECTORS

The members of the Board and those entrusted with administering our Corporate Governance embody diversity, experience, and proven excellence in their fields. The Board is composed to promote balanced decision making and independence. The Board is comprised of eleven (11) members, a non-executive Chairman, seven (7) non-executive directors and three (3) executive directors.

THE COMPENSATION COMMITTEE

The Compensation Committee is responsible for oversight of executive remuneration packages. These packages are designed to reward performance and incentivize growth and are driven by the core organisation objectives and in alignment with necessary risk considerations.

CONDUCT REVIEW COMMITTEE

The committee has responsibility for oversight of the policies and procedures to ensure that the company conducts its affairs responsibly and in keeping with our values and the broad requirements of the Regulators. The committee is tasked with the prevention, identification and management of conflicts of interest and the disclosures around any such conflicts. The Conduct Review Committee comprises of six (6) directors. The committee meets at least three (3) times a year.

AUDIT COMMITTEE

The committee is responsible for providing oversight and advice to the Board on all matters relating to financial reporting, internal controls, and approval of financial reports to be circulated to all regulatory bodies.

The Audit Committee Comprises of four (4) non-executive directors and one (1) executive director.

The Audit Committee meets at least five (5) times for the year

INVESTMENT AND LOAN COMMITTEE

The Committee is responsible for driving the Group's investment strategy and ensuring that the strategy meets all compliance requirements, inter alia, liquidity, quality, and term of investments. The committee also ensures that any material financial arrangement meets regulatory standards and fits the credit risk appetite of the Company.

The Investment and Loan Committee comprises of five (5) non-executive directors and one (1) executive director. The committee meets at least four (4) times for the year.

The Corporate Governance Guidelines (CGG) for General Accident Insurance Company Jamaica Limited are available on our website at https://www.genac.com

LEADERSHIP & OPERATIONS


General
Accident

SENIOR LEADERSHIP TEAM

SHARON DONALDSON
CEO & MANAGING DIRECTOR

Sharon Donaldson has been with the company for over 30 years, first joining as the Financial Controller in 1989 before becoming the Managing Director and CEO in 2008.

Sharon's primary responsibilities include making major corporate decisions, managing the overall operations and resources of the Group and acting as the main point.

GREGORY FOSTER
CHIEF OPERATING OFFICER

Gregory Foster is GenAc's Chief Operating Officer with responsibility for the underwriting, claims and AutoSmart divisions. Mr. Foster joined GenAc in 2014 with a strong background as an Audit Manager and has held his current position since January 2019.

He has accumulated over seven years of experience in providing audit services to a wide spectrum of clients, including government/public sector, financial services, and manufacturing and distribution.

SENIOR LEADERSHIP TEAM

NATASHA PETTIER
CEO (GATT)

Natasha Pettier is the Chief Executive Officer of General Accident Insurance Company Trinidad and Tobago Limited. She joined the Company in October 2019 as head of underwriting and insurance operations.

She holds a Bachelor of Laws (LL.B.), an MBA from the Heriot-Watt University, UK, is a Fellow of the Chartered Insurance Institute of London, a qualified Member of the Institute of Risk Management and a Health Insurance Associate. She has over 20 years' experience in the insurance industry and is involved with various committees of both the Association of the Trinidad and Tobago Insurance Companies and the Trinidad and Tobago Insurance Institute.

WANDA MAYERS
GENERAL MANAGER (GAB)

Wanda Mayers is the General Manager of General Accident Insurance Company (Barbados) Limited. Her experience in general insurance includes customer service, marketing, reinsurance underwriting and claims. After becoming an Associate of the Chartered Insurance Institute (ACII) in the United Kingdom, she rose in the ranks at the Insurance Corporation of Barbados Limited, from Supervisor of the Reinsurance Department in 1993 to Assistant Vice President of Direct Underwriting and Customer Experience in 2015.

Her managerial experience was strengthened at Sagicor General Insurance Inc., as Vice-President for Underwriting in Barbados, ending in 2018. Mayers has tutored various subjects at the Insurance Institute of Barbados and has served as Director of several companies in the public and private sector.

SENIOR LEADERSHIP TEAM

LESLEY MILLER
CHIEF INFORMATION OFFICER

Lesley Miller joined GenAc as Chief Information Officer in January 2018 with responsibility for technology, business intelligence and digital marketing, bringing over 15 years' experience in the insurance and telecommunications industries to the Company.

Mrs. Miller holds a Bachelor of Science degree in Computing & Information Technology from the University of Technology (Jamaica) and an MBA in Banking and Finance from the University of the West Indies. She is a certified Project Management Professional and is a member of the Doctor Bird Chapter of the Project Management Institute.

STUART ANDRADE
CHIEF FINANCIAL OFFICER

Stuart is a Chartered Accountant and a member of the Institute of Chartered Accountants of Jamaica. He has over two decades of experience in Finance and Accounting. On October 2, 2023, Stuart was appointed as the Chief Financial Officer (CFO).

Stuart has worked in various capacities within the GraceKennedy Financial Group, PricewaterhouseCoopers, and Chamber Henry and Partners. His experience has exposed him to several industries, including manufacturing, banking, finance, and insurance. Apart from his work experience, Stuart is also a Commissioner/ Director of the Fair Trading Commission and Consumer Affairs Commission.

SENIOR LEADERSHIP TEAM

ARNOLD GERALD
CHIEF FINANCIAL OFFICER (GATT)

Arnold Gerald is a seasoned financial leader and a vital part of the General Accident team as the Chief Financial Officer (CFO). With an extensive background in financial accounting, modeling, and project management, Arnold is instrumental in driving the company's financial strategies and success. Arnold joined the General Accident family in June 2023, bringing over 25 years of distinguished experience to his role.

His decade-long immersion in the insurance industry uniquely positions him to navigate the financial intricacies of the sector. He holds a MSc in Professional Accountancy and is a Fellow of the Association of Chartered Certified Accountants. Arnold's proficiency in a wide range of financial disciplines contributes significantly to General Accident's financial stability and growth.

His strategic vision, coupled with his meticulous approach to financial planning and management, ensures the company's financial health and sustainability.

MICHELLE ROBINSON
CHIEF INSURANCE OFFICER

Michelle Robinson joined General Accident in October 1990. From 1990 to 2011, Michelle served in various roles, including Management Trainee, Claims Manager and Marketing Manager. Michelle's varied experience developed her expertise in underwriting and claims for all lines of business. Michelle left General Accident in 2011, returning in 2021, after gaining invaluable experience in branch network management and regional oversight.

In her current role, Michelle oversees the operations of the Underwriting and Claims Departments and provides technical advice to our regional operations.

Michelle holds the ACII designation as a Chartered Insurer with the Chartered Insurance Institute, London.

SENIOR LEADERSHIP TEAM

JANILLE JARRETT
GENERAL MANAGER - AUTOSMART

Janille Jarrett joined General Accident in May 2005, and has worked in the Customer Service, Underwriting and Broker Services departments. She advanced through the ranks and held the position of Management Trainee up to August 2015, when she migrated.

She re-joined us in July 2016 and was appointed Underwriting Manager - AutoSMART, which is a specialized insurance business unit within General Accident. Janille went on to spend four (4) years as the Motor Underwriting Manager for General Accident, and, under her management we saw a significant growth in our motor portfolio.

In January 2021, Janille was promoted to General Manager with responsibility for the Autosmart Business Unit. Janille holds Chartered Insurance Professional (CIP) Designation with the Insurance Institute of Canada.

JAMALDA STANFORD-BROWN
BUSINESS DEVELOPMENT OFFICER

Jamalda Stanford-Brown joined GenAc as Business Development Officer in January 2018. She has a wealth of experience in auditing, risk assessment and reinsurance.

Mrs. Stanford-Brown holds a Bachelor of Science degree in Economics and Accounting from the University of the West Indies. She is a Certified Public Accountant, a Chartered Property and Casualty Underwriter and holds an Associate Degree in Reinsurance.

MANAGEMENT TEAM

CAREEN NOLAN
SENIOR BROKER SERVICES MANAGER, JAMAICA

PETAGAYE MCCOOK
LEGAL SERVICES MANAGER, JAMAICA

DOUGLAS HAYDEN
INFORMATION TECHNOLOGY MANAGER, JAMAICA

ANGELLA REYNOLDS
SENIOR RISK & REINSURANCE MANAGER, JAMAICA

TANYA OAKLEY
BUSINESS INTELLIGENCE MANAGER, JAMAICA

JANETTE COLE-SMITH
FINANCE & COMPLIANCE MANAGER, JAMAICA

CAROL BARNETT
CLAIMS MANAGER, JAMAICA

MANAGEMENT **TEAM**

NATASHA PETTIER
CEO, TRINIDAD & TOBAGO

ARNOLD GERALD
CHIEF FINANCIAL OFFICER, TRINIDAD & TOBAGO

AARON STEWART
CLAIMS MANAGER, TRINIDAD & TOBAGO

DIYYA ISHMAEL
MANAGER, UNDERWRITING AND BUSINESS DEVELOPMENT TRINIDAD & TOBAGO

SHIVANNE RAMADHAR
ACCOUNTANT, TRINIDAD & TOBAGO

WANDA MAYERS
GENERAL MANAGER, BARBADOS

GAIL GRIFFITH
UNDERWRITER, BARBADOS

MANAGEMENT DISCUSSIONS & ANALYSIS

MANAGEMENT DISCUSSION & ANALYSIS

STRATEGY STATEMENT

The dedicated team at General Accident Group continued to execute our strategy of building a leading Caribbean general insurance company in 2023, delivering growth, innovation, and profitability. Our brand is strong, our commitment to digital transformation is bearing fruit, and our relationships with reinsurers, customers, and producers provide the Group with a solid, loyal base.

PROFITABILITY

General Accident Group produced a healthy financial performance in 2023. We achieved insurance revenue of $8.6 billion, an increase of $1.9 billion or 29% over 2022, and profit before tax of $740.5 million. The Group produced a 14% return on equity and distributed $202.5 million in dividends to our shareholders.

General Accident Jamaica maintained its position as the largest underwriter of general insurance risks in the island, with gross written premiums of $17.0 billion, an increase of $3.1 billion or 22% over 2022.

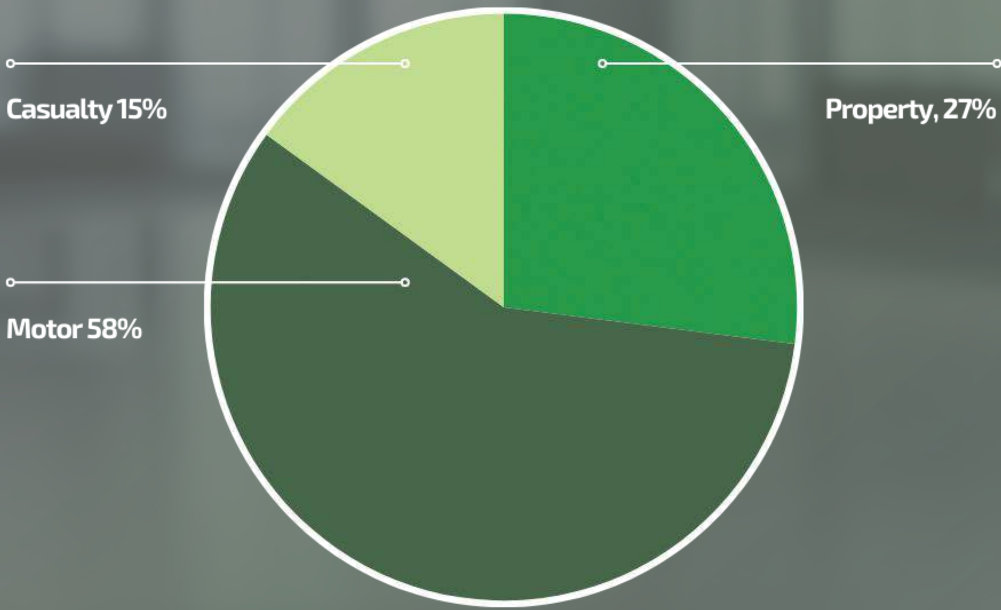
General Accident Trinidad achieved remarkable growth and profitability in 2023. With a robust premium increase of 57% over the prior year, GenAc T&T has demonstrated its ability to attract and retain customers in a highly competitive market. This progress is a direct result of our exceptional team, improved technology, supportive business partners, and diligent corporate governance. GenAc T&T is poised for further expansion, having produced a profit before tax of $56.6 million and an after-tax profit of $42.1 million.

General Accident Barbados continued to gain traction in the Barbados insurance market in 2023, expanding by 52% over 2022, with gross written premiums of $608.2 million, compared with $210.4 million in the prior year. Growth was driven by the expansion of our property portfolio, with premiums increasing 82% over 2022. New business was the mainstay of this increase due to increased broker penetration and the expansion of our agent network. The motor portfolio grew by 33%, along with greater brand recognition. GenAc Barbados performed better than projected, largely as a result of careful cost management, and the 2023 net loss was $12.2 million, an improvement over the 2022 net loss of $18.7 million. As with the rest of the Group, GenAc Barbados prioritises improving efficiency by digitising its processes to ensure future profitability.

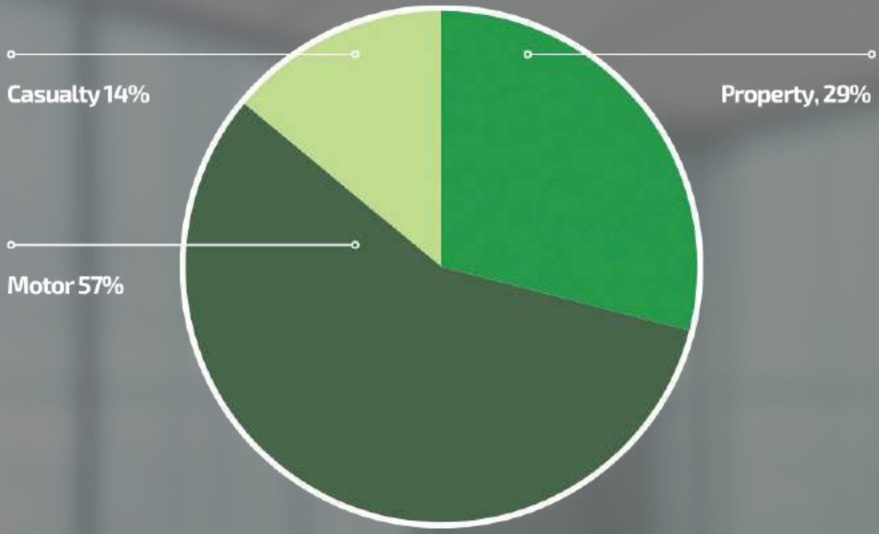
CHANGE IN FINANCIAL REPORTING STANDARD FOR THE INSURANCE INDUSTRY

The year was not without its challenges. However, there was a change in financial reporting standards for the insurance industry in 2023, as IFRS 17 replaced the provisions of IFRS 4 related to insurance contracts. The adoption of IFRS 17 resulted in significant changes to the statement of Profit and Loss in 2023, the most significant being the removal of Gross Written Premiums from the face of the Profit and Loss statement. Net Insurance Revenue (Premiums) is now what is shown in the Profit and Loss statement. All financials referenced in this report are in accordance with the new standards, and we expect reporting in future years to go much more smoothly.

INSURANCE REVENUE COMPOSITION 2022



INSURANCE REVENUE COMPOSITION 2023

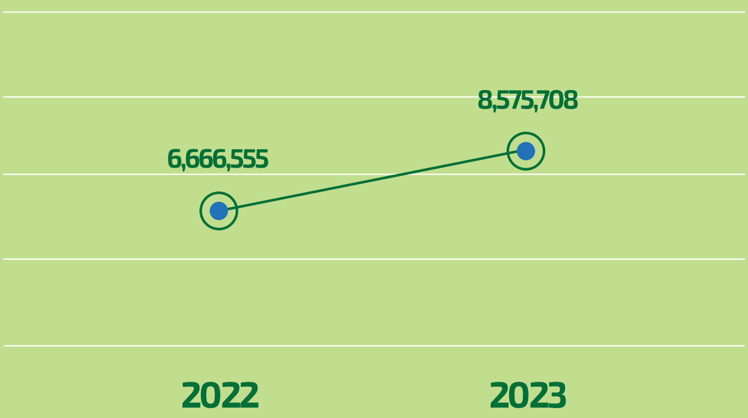


FINANCIAL HIGHLIGHTS

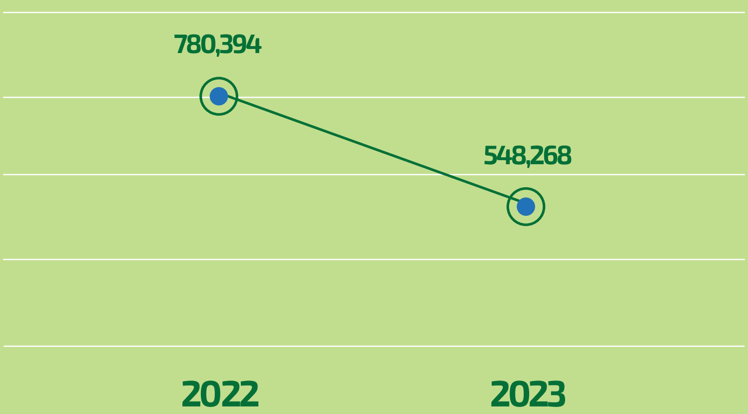
GENERAL ACCIDENT GROUP	GENERAL ACCIDENT JAMAICA
Consistent premium growth	22 years of premium growth
Insurance revenue of $8.6 billion	Insurance revenue of $6.8 billion
Profit for the year of $548.3 million	Profit for the year of $524.4 million
Book value of $4.0 billion	Book value of $3.6 billion
Total assets of $9.8 billion	Total assets of $7.9 billion
Earnings per share of $0.52	

Profit attributable to shareholders was $548.3 million in 2023. We paid dividends amounting to $202.5 million in the year under review.

INSURANCE REVENUE $'000



NET PROFIT $'000



INVESTMENT INCOME

Investment income decreased by 22% to $340.8 million, down from $436.4 million in 2022. This decrease was due to negative unrealized fair value gains on our equities, as the general investment appetite in the market moved away from equities and real estate to repurchase agreements and certificates of deposit with higher yields.

FINANCIAL STRENGTH

General Accident Group is well capitalized with an equity book value of $4.0 billion. Total assets increased by 9% to $9.8 billion, up from $9.0 billion in 2022. This provides the required stability to weather any potential economic challenges in 2024 and beyond.

CAPITAL MANAGEMENT

The Group allocates its capital to maximize long-term shareholder value while maintaining financial strength. Our policy is to allocate capital to investment opportunities earning the highest risk-adjusted returns, as we seek to maintain a balance between higher returns and the security of a prudent capital position. We consistently meet required regulatory and solvency ratios and are pleased to report that we met all entities' regulatory capital and liquidity requirements in 2023.

DESCRIPTION	BENCHMARK	ACTUAL
Jamaica MCT	150.00%	161.29%
Trinidad Regulatory Capital Required	150.00%	219.17%
Barbados Solvency Margin	500,000 BBD	1,079,731 BBD

LOOKING AHEAD

General Accident's presence in all three of the Caribbean's largest insurance markets creates economies of scale that enable us to invest in, develop and deploy digital insurance solutions. Notably, as a growing player in Trinidad and Tobago and Barbados, we derive a competitive advantage from the streamlined business processes we have been working on for the past several years. We look forward to increased operating efficiency in 2024 across all territories.

The Group remains focused on consolidating our market leadership in Jamaica, growing our business in Trinidad and Tobago and Barbados, and advancing our digital transformation process. We remain committed to achieving our strategic objectives with confidence and excitement. We will continue to leverage our market reach, digital capabilities, and financial strength to capitalize on opportunities to provide a full suite of insurance products to the Caribbean's largest insurance markets. We believe we have the right approach, culture, and products to compete in a modern digitised, customer-focused marketplace.

I want to sincerely thank the Board of Directors for providing insight, guidance and support to General Accident's management and staff. To the hardworking staff members in Jamaica, Trinidad and Tobago, and Barbados, I offer my heartfelt gratitude and appreciation to you for your continued commitment to the success of the Group. To our brokers, agents and clients, thank you for your confidence in us. We take our brand promise of excellence seriously and will continue to deliver value to our customers, employees, business partners and shareholders.

SHARON DONALDSON
CEO & Managing Director

RISK **MANAGEMENT**

The Group's business practices inherently expose General Accident to the risks associated with insurance contracts. Beyond that exposure, the Group faces regulatory, market and operational risks.

The Group is guided by its Risk Management Policy. Within this framework the Board has established committees to monitor the mitigation and management of these risks. The Board has overall responsibility for the oversight of the Group's risk management framework.
For each class of risk, the Risk Management Framework identifies the Group's risk appetite and the potential outcomes that pose a threat to the achievement of the Group's strategic objectives. Risk governance is supported by an internal Risk Committee.

The risk categories subject to Board oversight are set out below:

TYPE OF RISK	RISK DETAIL	APPROACH
· UNDERWRITING RISK	Adverse claims development. Inadequate premiums.	· The Company adopts prudent reserve practices as we maintain reserves equal to our estimated ultimate liability losses and loss adjustment expenses. · We ensure risks are priced appropriately by regular review of underwriting results. · We practice effective diversification of risks.
· LIQUIDITY RISK	The risk of insufficient cash flows to meet settlement obligations as they fall due.	· We use cash flow forecasting. · We maintain sufficient liquid assets at required levels to meet our obligations at all times.
· OPERATIONAL RISK	The risk of failure of internal processes and systems and loss of or inadequate human resources.	· We carry out frequent review of internal processes to identify vulnerabilities. · We have in place a structured programme for building our staff members capacity.
· REGULATORY CAPITAL	The risk of not meeting regulatory benchmarks.	· We carry out frequent modelling of the company's capital components to ensure transaction decisions are made in such a way to avoid a drag on capital ratio.
· MARKET RISK	The risk of economic losses on our investment portfolio resulting from price changes in capital markets.	· A diversified portfolio lies at the heart of our strategy. Investment duration and currency are managed to avoid any mismatch of assets and liabilities, whilst earning the maximum return at an acceptable level of risk. · We use appropriate limits and early warning ratios in our asset liability management to manage market risk.
· CREDIT RISK	The risk arising from the likely default as a result of changes in the financial position of a counterparty.	· We manage credit risk by reviewing the balance sheet of counter parties in addition to using available market data to determine default probabilities.

RISK **COMMITTEE**

The Risk Committee is responsible for examining major risks faced by the Company for both assets and liabilities, reviewing tools for monitoring and controlling such risks by using outside risk experts when necessary. The Committee examines the main technical and financial underwriting commitments, claims reserving, risk concentration, counterparty limits, liquidity and operational risks, as well as relevant changes in the regulatory environment.

The Risk Committee is comprised of seven members and is chaired by a member of the senior management team. It meets at least four times a year.

CORPORATE SOCIAL RESPONSIBILITY


General
Accident

CORPORATE SOCIAL **RESPONSIBILITY**

General Accident understands that fostering strong relationships with the community advances nation-building. We are committed to investing in the development of our youth and upliftment of vulnerable communities to support an environment in which Jamaicans can thrive and flourish.

Here are the highlights of our 2023 activities:

READ ACROSS JAMAICA DAY

Celebrating the fun of reading, GenAc staff dedicated the morning of May 9 to visiting with not one but three corporate area schools in honour of Read Across Jamaica Day; Maisie Green Learning Centre, Dunrobin Primary School and St Joseph's Infant School.

Now familiar with some members of Genac staff by name, students at Dunrobin Primary School were excited to share in the joy of reading with members of the team. The younger students and teachers at St Joseph's Infant School and the Maisie Green Learning Centre were equally happy to experience the captivating storytelling.

Read Across Jamaica Day is a national day started by the Jamaica Teachers' Association in 2005 to promote reading and literacy locally. Under the 2023 theme "Reigniting a passion for reading: Read more, read better" 17 GenAc staff members read stories from local and international authors to students in over 20 classes.

BLOOD DRIVE

On June 16, 2023, GenAc staff members and customers converged at the Company's headquarters in Kingston to donate life-saving blood. The blood drive is hosted annually in honour of World Blood Donor Day on June 14, 2023.

For the first time in the history of GenAc's annual blood drive, children awaiting heart surgery at the Bustamante Hospital for Children will see their chances improve as GenAc welcomed a third partner and Drive beneficiary, Chain of Hope.

The National Blood Transfusion Service, GenAc's blood drive partner, collected 55 units of blood from 76 registered donors exceeding the year's target of 50.

MAISIE GREEN LEARNING CENTRE

The Maisie Green Learning Centre received continued support from the GenAc team in 2023. In addition to the time spent with the students for Read Across Jamaica Day, the early childhood development centre benefitted from a donation from the GenAc Sports Club and the Operations and Facilities Department towards their annual holiday event.

CUSTOMER APPRECIATION DAY

Every year the policyholders of GenAc and AutoSmart are feted to an exciting day of discounts, activities and giveaways to mark their annual customer appreciation day. These were hosted in Montego Bay and Kingston on December 6, 2023 and December 8, 2023, respectively. Host Jenny Jenny engaged customers with fun activities and prizes at the 58 Half Way Tree head office location, making the event a lively occasion.

HOUR OF CODE

For the second year in a row, GenAc staff members met with Drews Avenue Primary students fourth and fifth graders to share in an Hour of Code on Wednesday, December 6.

It supports the new curriculum and the Primary Exit Profile (PEP) that was recently introduced in Jamaican primary schools.

This global initiative, supported by the Musson Group and its subsidiaries reinforces problem-solving and critical thinking skills while emphasising teamwork.

The 2023 theme was Creativity with AI and the Drews Avenue Primary School students showed great interest in and aptitude for basic computer science.

JAMAICA ENVIRONMENT TRUST (JET)

GenAc and Jamaica Environment Trust (JET) marked its 32nd year of partnership in 2023. GenAc honoured its annual commitment to the non-profit organisation with a donation of $330,000 towards the operations of this local environmental leader.

In an act of solidarity with JET's mandate to protect Jamaica's natural resources using education, advocacy and the law to influence individual and organisational behaviour and public policy and practice.

JAMAICA CANCER SOCIETY

In recognition of Breast Cancer Awareness Month (October), the GenAc team took to Hope Gardens to run or walk for the annual Pink Run. Later, on Thursday, November 30, 2022, GenAc made its annual donation to the Jamaica Cancer Society to aid in the treatment of cancer-fighting patients. This year's donation was valued at $136,000 and was accepted by Jamaica Cancer Society Acting Executive Director Michael Leslie.

CONCLUSION

2023 represented a year of meaningful initiatives, embodying our values of community, education, and sustainability. As GenAc looks forward, these efforts lay the foundation for our ongoing mission to provide positive contributions to society as we play our role in building our nation.

"The cancer fight isn't just in October," was the lasting remark of Jamaica Cancer Society Acting Executive Director Michael Leslie as he accepted the donation of longstanding partner, General Accident Insurance Company in support of national cancer-fighting efforts on Thursday, November 30, 2022 at the Jamaica Cancer Society Offices in Kingston. Making the presentation to Jamaica Cancer Society's Acting Executive Director Michael Leslie (right) is General Accident Business Development Officer, Jamalda Stanford-Brown (left) with a cheque valued at $136,000.

First-time donor and Business Intelligence Manager at GenAc, Tanya Oakley was all too excited to finally be able to donate at the third annual General Accident Blood Drive held on June 16 at 58 Half Way Tree Road.

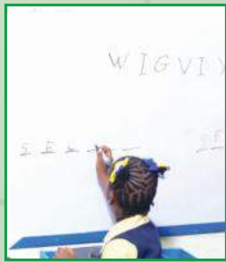
General Accident Chief Information Officer, Lesley Miller (centre) checked in on Jamaica Chamber of Commerce President, Michael McMorris (left) as he was prepared for the donation process by Technical Assistant, Huntley Walker during the third annual General Accident Blood Drive held on June 16 at 58 Half Way Tree Road.

Blood drive partners. National Blood Transfusion Service Blood Donor Organizer, Keishawna Pinnock (left) and General Accident Chief Information Officer, Lesley Miller have a check-in during the General Accident Blood Drive held on June 16 at 58 Half Way Tree Road.

Embassy of Cuba in Jamaica Diplomat and proud blood donor Anabel Landron Ochoa (center) is flanked by Musson Foundation Chairperson, Melanie Subratie (left) and GenAc Executive Director, Gregory S. Foster (right) at the General Accident Blood Drive held on June 16 at 58 Half Way Tree Road.

After the reading, there was time for a dance. This little officer showed off his moves to GenAc's Senior Broker Services Associate, Suzanne Hall during GenAc's National Read Across Jamaica Day session at St Joseph's Infant School on May 9.

These second graders of Dunrobin Primary School had first-time Read Across Jamaica volunteer, GenAc Registry Clerk, Kyle Lawrence's full attention as he read "The Duck Pond" to the class during National Read Across Jamaica Day 2023 on May 9.



Students volunteer to decode an introductory encryption exercise during the Hour of Code session held by General Accident at Drew's Avenue Primary on December 6, 2023.

Students of grades four and five at Drew's Avenue Primary are excited about a session well spent as they learned about encryption during the Hour of Code session held on the school's campus on December 6, 2023.

Congratulations to the winners! GenAc Chief Operating Officer Gregory Foster captures the moment with selfie challenge winners Julienne Mullings (left) and Tanya Cox (right) during the General Accident Customer Appreciation Day event held at the 58 Half Way Tree Road on December 8, 2023.

Office attendant, Kevin Morris and GenAc customer, Terri Salmon dance the afternoon away during the General Accident Customer Appreciation Day event held at the 58 Half Way Tree Road on December 8, 2023.

EMPLOYEE **ENGAGEMENT**

Nurturing a culture of employee engagement is a cornerstone of GenAc's success. We focus on fostering a cohesive and motivated team by ensuring that every staff member feels valued.

GENAC CHOIR CLUB

To provide a creative outlet for musical enthusiasts at GenAc outside of the standard work hours, the Evelyn & The Evelettes AKA the GenAc Choir was formed in 2022. The fifteen-member group made their first appearance at the Christmas concert at the Maisie Green Basic School shortly after its formation.

The choir performed at the 2023 Caribbean Insurance Conference, held in Montego Bay in June 2023, which was attended by reinsurers from Europe, the United States and other Asian countries, as well as representatives from the Caribbean insurance industry.

The choir continued to practice, providing entertainment at staff activities. In August, the choir performed for the staff at the inaugural "Summer Crocs-up" Emancipendence celebration, also supported by the company dance group.

The GenAc choir closed the year with a performance at the staff Christmas dinner, led by the choirmaster on the keyboard along with his support team.

HEALTH FAIR

In honour of World Health Day under the theme "Health for All" celebrated on April 7, GenAc held two activities for the day. The first was a "Know Your Numbers" session with free checks performed by health care professionals, including Body Mass Index (BMI), blood pressure and cholesterol. The second activity was a "Stepz Competition" which encouraged healthy habits in the workspace, such as standing and moving around frequently. The individual with the most steps at the end of the workday was declared the winner.

INTERNATIONAL WOMEN'S DAY

The women at GenAc were in for a special treat on International Women's Day celebrated on March 8. Deaf Can! Coffee staff was invited into the GenAc kitchen to prepare smoothies and whipped beverages for female team members.

GENAC FOOTBALL TEAM

This year we also saw the resurrection of the GenAc football team. They entered the Insurance League with high hopes. Despite being a newly formed team, their performance exceeded expectations, showcasing commendable skill and teamwork on the field. This fostered a sense of pride and enthusiasm among supporters. Although their journey in the competition was cut short with a nail-biting finish that saw them exiting at the group stage, the feat achieved by the team laid a promising foundation for future success.

ARRIVAL DAY IN TRINIDAD

Our staff across all branches participated in Arrival Day Celebrations in Trinidad. We introduced some friendly competition and offered a prize for the best dressed male and best dressed female in traditional Indian attire. The branches also showcased the rich heritage and culture of the Indian community by depicting their portrayal of Indian Arrival Day.

GENAC CHOIR CLUB

INTERNATIONAL WOMEN'S DAY

HEALTH FAIR

GENAC FOOTBALL TEAM

ARRIVAL DAY IN TRINIDAD

DISCLOSURE OF SHAREHOLDINGS

DISCLOSURE OF SHAREHOLDINGS

General Accident Insurance Company Jamaica Limited

TOP 10 SHAREHOLDERS AS AT DECEMBER 31, 2023

SHAREHOLDER	NUMBER OF UNITS	PERCENTAGE
MUSSON JAMAICA LTD.	824,999,989	80.00
MAYBERRY JAMAICAN EQUITIES LTD.	23,212,265	2.25
QWI INVESTMENTS LTD.	15,032,119	1.46
JCSD TRUSTEE SERVICES - BARITA UNIT TRUST	14,355,087	1.39
PAM - POOLED EQUITY FUND	9,361,515	0.91
LANCEDALE FARQUHARSON	7,800,000	0.76
MAYBERRY MANAGED CLIENTS ACCOUNT	6,262,894	0.61
CHRISTOPHER BERRY	6,000,000	0.58
SAGICOR SELECT FUNDS LTD	5,066,798	0.49
SHARON DONALDSON ET AL	4,424,011	0.43

DISCLOSURE OF **SHAREHOLDINGS**

General Accident Insurance Company Jamaica Limited

SHAREHOLDINGS OF DIRECTORS & THEIR CONNECTED PARTIES AS AT DECEMBER 31, 2023

DIRECTORS	COMBINED HOLDING	PERCENTAGE
MUSSON JAMAICA LTD. Paul B. Scott Melanie Subratie	824,999,989	80.000
SHARON DONALDSON Junior Levine	4,424,011	0.429
GREGORY FOSTER	350,000	0.0340
DUNCAN STEWART Deborah Stewart Diana Stewart	2,475,190	0.2400
CHRISTOPHER NAKASH	1,698,020	0.1647
NICHOLAS SCOTT	2,030,198	0.1969
MATTHEW LYN Jodi Lyn	96,500	0.0094
LESLEY MILLER Martin Miller et al	355,795	0.0347

DISCLOSURE OF SHAREHOLDINGS

General Accident Insurance Company Jamaica Limited

SHAREHOLDINGS OF MANAGEMENT TEAM AS AT DECEMBER 31, 2023

MANAGER	COMBINED HOLDING	PERCENTAGE
MICHELLE ROBINSON	780,000	0.0756
JAMALDA STANFORD	92,857	0.0090
JANILLE JARRETT	25,000	0.0024


Get Covered
with AutoSmart
Report your claim online!
REPORT
autosmartja.com/report-a-claim/
(876) 632-8260
info@autosmartja.com
AUTO SMART
INSURANCE
Underwritten by General Accident

CORPORATE DATA

COMPANY PROFILE

DIRECTORS:

- **PB. Scott,** Chairman
- **Melanie Subratie,** Deputy Chairman
- **Sharon Donaldson,** Managing Director
- Lesley Miller
- Jennifer Scott
- Nicholas Scott
- Duncan Stewart
- Christopher Nakash
- Matthew Lyn
- Brian Jardim
- Gregory Foster

CORPORATE SECRETARY:

- Lesley Miller

APPOINTED ACTUARY:

- Josh Worsham, FRAS, MAAA

AUDITORS:

- PricewaterhouseCoopers

BANKERS:

- CIBC First Caribbean International Bank
- First Global Bank
- Bank of Nova Scotia Jamaica Ltd.
- National Commercial Bank
- Sagicor Bank

ATTORNEYS:

- Nunes Scholefield & DeLeon & Co:
  6A Holborn Road Kingston

- DunnCox
  48 Duke Street, Kingston

REGISTERED OFFICE:

- 58 Half Way Tree Road, Kingston 10
  Telephone No: (876) 929-8451
  Fax No: (876) 929-1074
  Email: info@genac.com
  Website: www.genac.com

CONTACT **INFORMATION**

JAMAICA

General Accident Insurance Company Jamaica Limited
Kingston & St. Andrew
58 Half Way Tree Road, Kingston 10
Telephone: (876) 929-8451
Email: info@genac.com

Montego Bay
Unit 8, Summit Business Center
Fairview, Montego Bay,
St. James

TRINIDAD

General Accident Insurance Company Trinidad and Tobago Limited
36A Ariapita Avenue
Port of Spain, 170210
Trinidad, W.I.
Telephone: (868) 224-3622
Email: infott@genac.com

BARBADOS

General Accident Insurance Company Barbados Limited
Suite 8, Dome Mall,
Warrens,
St. Michael BB22026
Telephone: (246) 257-3392
Email: infobb@genac.com

LOCATIONS
JAMAICA

11c Manchester Road, Mandeville
Caddine Williamson

Unit 4, 9 Fernleigh Avenue, May Pen
Monica Blake-Elliott

Shop 12, Soares Shopping Centre, Junction, St. Elizabeth
Rickardo Mahon

Shop 89, Portmore Pines Plaza
Debra Reid-Gibbs

Shop 4, Ken R Issacs Building 74 Main Street Ocho Rios, St. Ann
Cherrice Johnson-Brown

Unit 8, Summit Business Center, Fairview, Montego Bay
General Accident Branch
Marlene Whittingham

Unit 11, The Victory Building, 3-5 Fort Street Montego Bay
Oral Myles

Main Street, Hopewell, Hanover
Earle Heslop

Unit 4, George's Mall, 97 Great George Street, Savannah-La-Mar
Rochelle Clarke

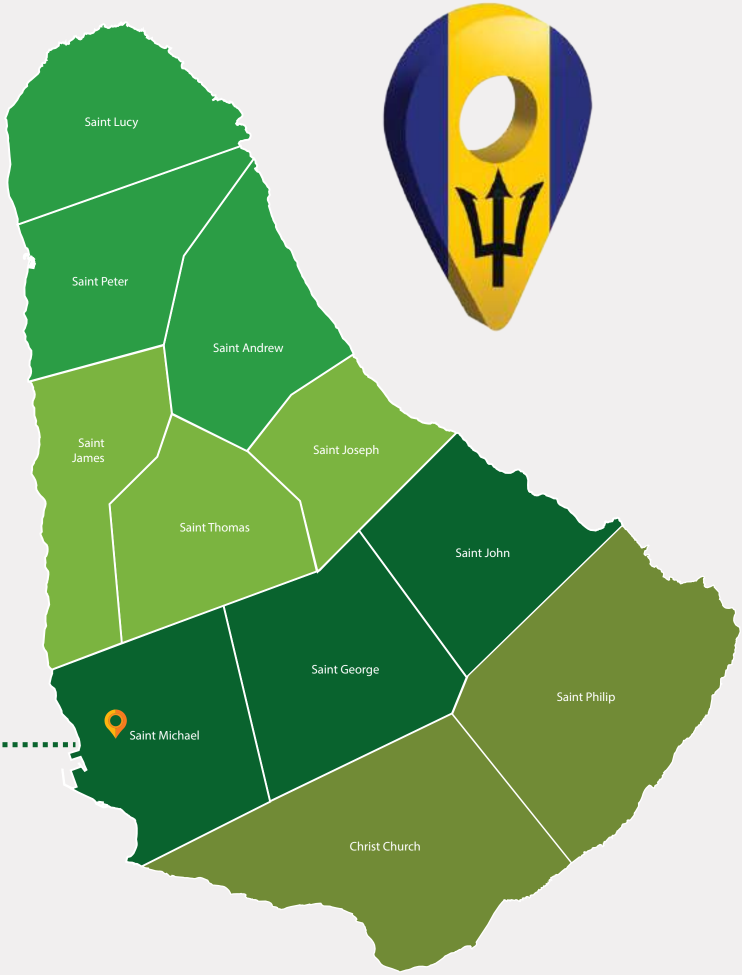
58 Half Way Tree Rd, Kgn 10
Head Office
Marlene Duffus
Dennis Brown

70 1/2 Molynes Road, Kingston 10
Barbara Samuels

Up of the Town, Unit 1 5 Murray Ave, Morant Bay, St. Thomas
Jonelle Jenkins

17 Harbour Street, Port Antonio
Cornell Skervin

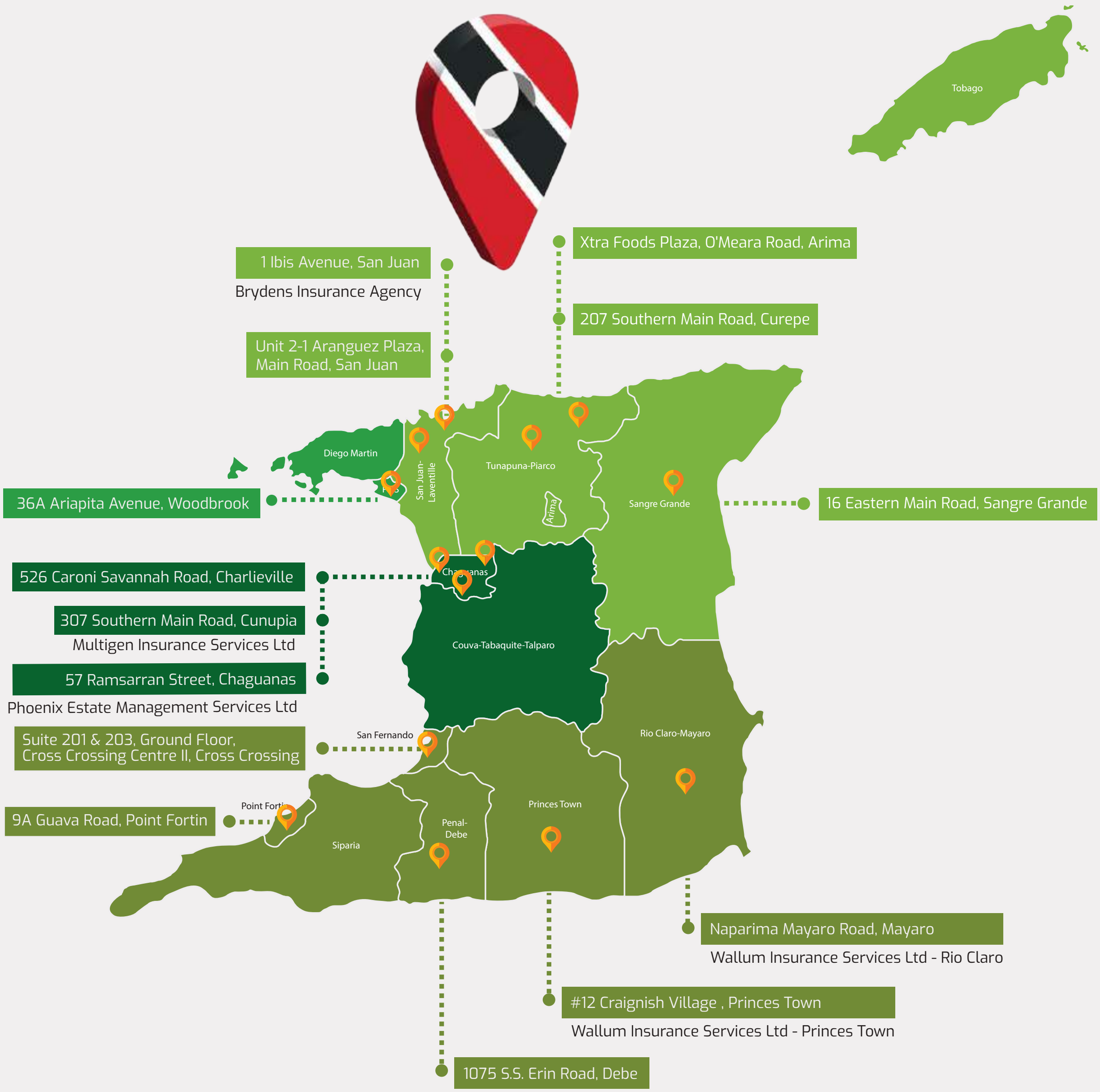
LOCATIONS
BARBADOS



Suite 8, Dome Mall, Warrens
St. Michael BB22026

General Accident Insurance Company
(Barbados) Limited

LOCATIONS
TRINIDAD & TOBAGO




GEAR
UP FOR
ADVENTURE
With our comprehensive motorcycle insurance coverage. **Don't let uncertainties put the brakes on your adventures**. Get a quote today and gear up for the ride of your life.
AUTO SMART
INSURANCE
Underwritten by General Accident

FINANCIAL STATEMENTS

GENERAL ACCIDENT INSURANCE COMPANY JAMAICA LIMITED AS AT DECEMBER 31, 2023

MID ATLANTIC
ACTUARIAL

2. Expression of Opinion

I have examined the financial condition and valued the policy and claims liabilities of GAICJL for its balance sheet as at December 31, 2023 and the corresponding change in the policy and claims liabilities in the statement of operations for the year then ended. I meet the appropriate qualification standards and am familiar with the valuation and solvency requirements applicable to general insurance companies in Jamaica. I have relied upon PWC for the substantial accuracy of the records and information concerning other liabilities, as certified in the attached statement.

The results of my valuation together with amounts carried in the Annual Return are the following:

Claims Liabilities (J$000)	Carried in Annual Return	Actuary's Estimate
Direct unpaid claims and adjustment expenses:	2,560,149	2,560,170
Assumed unpaid claims and adjustment expenses:	0	0
Gross unpaid claims and adjustment expenses:	2,560,149	2,560,170
Ceded unpaid claims and adjustment expenses:	753,244	755,094
Other amounts to recover:	0	0
Other net liabilities:	0	0
Net unpaid claims and adjustment expenses:	1,806,905	1,805,076

I certify that:
I am a member in good standing with my governing actuarial body, American Academy of Actuaries and comply with its Code of Professional Conduct.

I meet the qualification standards of the Financial Services Commission to value the actuarial reserves and other policy liabilities of GAICJL; and

The valuation of actuarial reserves and other policy liabilities of GAICJL was conducted in accordance with the Insurance Act, 2001 and its regulations, International Financial Reporting Standards, generally accepted actuarial practice in Jamaica and guidelines issued by the Financial Services Commission.

In my opinion the amount of the actuarial reserves and other policy liabilities of GAICJL reported in its annual financial statements prepared in accordance with International Financial Reporting Standards for the year ended December 31, 2023 is appropriate for this purpose and the annual financial statements presents fairly the results of the valuation.

Josh Worsham

Josh Worsham, FCAS, MAAA		May 2, 2024
Name of Appointed Actuary	Signature of Appointed Actuary	Date

Independent auditor's report

To the Members of General Accident Insurance Company Jamaica Limited

Report on the audit of the consolidated and stand-alone financial statements

Our opinion

In our opinion, the consolidated financial statements and the stand-alone financial statements give a true and fair view of the consolidated financial position of General Accident Insurance Company Jamaica Limited (the Company) and its subsidiaries (together 'the Group') and the stand-alone financial position of the Company as at 31 December 2023, and of their consolidated and stand-alone financial performance and their consolidated and stand-alone cash flows for the year then ended in accordance with IFRS Accounting Standards and with the requirements of the Jamaican Companies Act.

What we have audited

The Group's consolidated and stand-alone financial statements comprise:

- the consolidated statement of financial position as at 31 December 2023;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the company statement of financial position as at 31 December 2023;
- the company statement of comprehensive income for the year then ended;
- the company statement of changes in equity for the year then ended;
- the company statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

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 consolidated and stand-alone financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PricewaterhouseCoopers, Scotiabank Centre, Duke Street, Box 372, Kingston, Jamaica
T: (876) 922 6230, F: 876) 922 7581, www.pwc.com/jm

pwc

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our audit approach

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and stand-alone financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group comprises three components being the Company, and two subsidiaries located in Trinidad and Tobago and Barbados. Full scope audit procedures were performed on the Company and the subsidiary located in Trinidad and Tobago, which were considered individually financially significant. An audit of select financial statements line items was completed for the subsidiary located in Barbados. Total audit procedures covered 96% of total assets and 96% of total revenue of the Group.

In establishing the overall group audit strategy and plan, we determined the type of work needed to be performed at the component level by the Group engagement team and by the PwC component auditors. We further determined the level of involvement we needed to have in the audit work of the component auditors to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and stand-alone financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and stand-alone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Adoption of IFRS 17, Insurance Contracts (Group and Company) *Refer to notes 2(y), 32 and 39 to the financial statements for disclosures of related accounting policies and balances.* On 1 January 2023 the Group adopted IFRS 17 with a transition date of 1 January 2022 and restated comparative information for 2022. The adoption of the standard significantly impacted how the Group recognizes, measures, presents and discloses insurance contracts. The adoption of IFRS 17 resulted in an increase in equity of $299 million for the Group and $82 million for the Company. Changes in accounting policies resulting from the adoption of IFRS 17 were applied using a full retrospective approach to the insurance contracts in force at the transition date. The Company chose the simplified premium allocation approach which is permitted for the liability for remaining coverage for short duration contracts. In adopting the new standard, management used significant judgement in developing and implementing accounting policies, including policies specific to transition. With the application of the premium allocation approach there are many elements embedded in the determination of the carrying value of insurance contracts that required management to use significant judgement in making estimates and assumptions. We considered this a key audit matter as auditing the Company's transition to IFRS 17 was complex as it related to the measurement of the Company's insurance contract liabilities with regards to management's assumptions being: • discount rates, and • the non-financial risk adjustment.	Our approach to addressing the matter, with the assistance of our actuarial specialist, involved the following procedures, amongst others: • Evaluated the accounting policies and the elections involved in transition. • Assessed the appropriateness and consistency of key assumptions, including discount rate and risk adjustment, used in the measurement of insurance contract liabilities, by comparing to published industry studies, market data, entity specific facts and circumstances, our knowledge of the products and the requirements of IFRS 17. • Tested, on a sample basis, underlying support and documentation such as historical executed insurance contracts. • Tested the inputs and source information underlying the determination of the discount rates and non-financial risk adjustment. • Developed a range of independent estimates and compared those to the discount rates and non-financial risk adjustment selected by management. • Assessed the IFRS 17 disclosures within the financial statements against the requirements of IFRS 17. Based on the results of our audit procedures, management's application of accounting policies as required by IFRS 17, in our view, was not unreasonable.

Key audit matter	How our audit addressed the key audit matter
Valuation of insurance contract liabilities for general insurance contracts (Group and Company) *Refer to notes 2 (x), 2(y), 4(a),7 and 32 to the consolidated and stand-alone financial statements for disclosures of related accounting policies, judgements and estimates* As at 31 December 2023, insurance contract liabilities amounted to $5.1 billion for the Group and $3.6 billion for the Company. This represented 88% and 85% of total liabilities for the Group and Company, respectively. IFRS 17 requires the use of complex valuation models and assumptions to measure groups of insurance contracts as the total of fulfilment cash flows plus a risk adjustment for non-financial risk and a discount factor. A range of actuarial methods were used to determine these provisions. Management uses qualified external actuaries to assist in determining the valuation of insurance liabilities. We focused on this area due to the significant management judgement over the liability for insurance contracts, being: • discount rates; • claims settlement pattern; • risk adjustment for non-financial risk; and • the appropriateness of methodologies used within actuarially determined balances.	Our approach to addressing the matter, with the assistance of our actuarial expert, involved the following procedures, amongst others: • Tested the operating effectiveness of certain relevant controls over the claims business process. • Tested the completeness, accuracy and reliability of the underlying data utilized by management, and its external actuarial experts, to support the actuarial valuation by agreeing, on a sample basis, to source documentation, which included signed insurance contracts and claims submissions. • Assessed the independence, experience and objectivity of management's actuarial expert. • Performed a methodology and assumptions assessment of management's determination of discount rates and risk adjustment in the actuarial valuation considering market data, component specific facts and circumstances. • Evaluated the suitability of the methodologies and assumptions used in establishing insurance contract liabilities against established actuarial practices, those commonly used in the insurance industry and underlying claims information. • Understood updates made to the actuarial assumptions impacting the forecast future claims cash flows, and evaluated any changes for reasonableness. This includes assumptions on discount rates and payment patterns. • Evaluated and tested the reasonableness of management claim settlement pattern by inspecting historical information and sensitised the outputs to evaluate for reasonableness and management bias.

Key audit matter	How our audit addressed the key audit matter
	Based on the results of our procedures, the methodologies and assumptions used by management in establishing the valuation of insurance contract liabilities for general insurance contracts were consistently applied and appropriate in the circumstances.

Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated and stand-alone financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and stand-alone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and stand-alone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and stand-alone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated and stand-alone financial statements

Management is responsible for the preparation of the consolidated and stand-alone financial statements that give a true and fair view in accordance with IFRS Accounting Standards and with the requirements of the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of consolidated and stand-alone financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and stand-alone financial statements, management is responsible for assessing the Group and 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 Group or the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the consolidated and stand-alone financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and stand-alone 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 consolidated and stand-alone financial statements.

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 consolidated and stand-alone 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 Group and 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 Group or 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 consolidated and stand-alone 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 Group or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and stand-alone financial statements, including the disclosures, and whether the consolidated and stand-alone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and stand-alone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

As required by the Jamaican Companies Act, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the accompanying consolidated and stand-alone financial statements are in agreement therewith and give the information required by the Jamaican Companies Act, in the manner so required.

The engagement partner on the audit resulting in this independent auditor’s report is Kevin Powell.

PricewaterhouseCoopers

Chartered Accountants
Kingston, Jamaica
2 May 2024

	Note	2023 $'000	Restated 2022 $'000
Insurance revenue		8,575,708	6,666,555
Insurance service expense	10	(5,637,217)	(4,151,051)
Net expenses from reinsurance contracts held		(2,242,385)	(1,896,278)
Insurance service results		696,106	619,226
Net Investment Income	11	340,797	436,410
Finance (expense)/income from insurance contracts issued		(118,275)	26,822
Finance income from reinsurance contracts held		20,804	14
Net insurance and investment results		939,432	1,082,472
Other operating expenses		(486,504)	(383,962)
Other operating income	12	287,567	192,821
Profit before taxation		740,495	891,331
Taxation	15	(192,227)	(110,937)
Profit after taxation		548,268	780,394
Other Comprehensive Income, net of tax:			
Items that may not be subsequently reclassified to profit or loss			
Unrealised losses on FVOCI investments		(25,107)	(32,067)
Foreign currency translation adjustments		23,222	(6,307)
Total Other Comprehensive Income		(1,885)	(38,374)
TOTAL COMPREHENSIVE INCOME		546,383	742,020
Net Profit Attributable to:			
Owners of General Accident Insurance Company Jamaica Limited		540,176	730,742
Non-controlling interests		8,092	49,652
		548,268	780,394
Total Comprehensive Income Attributable to:			
Owners of General Accident Insurance Company Jamaica Limited		532,386	693,288
Non-controlling interests	36	13,997	48,732
		546,383	742,020
Earnings per share	16	$0.52	$0.71

	Note	31 December 2023 $'000	31 December 2022 Restated $'000	1 January 2022 Restated $'000
ASSETS				
Cash and cash equivalents	18	1,079,591	786,304	1,444,183
Taxation recoverable		2,900	2,826	2,859
Insurance contract assets	32	25,133	31,610	979
Reinsurance contract assets	19	2,040,658	1,986,306	2,062,097
Other receivables	20	1,357,699	1,022,019	859,723
Due from related parties	9	8,334	8,049	5,383
Loans receivables	21	126,477	136,226	244,188
Lease receivables	22	44,725	66,312	67,320
Right of use assets	30	236,801	49,760	82,164
Investment securities	23	3,167,287	3,329,726	3,101,667
Investment property	25	433,578	407,507	328,149
Real estate investment	26	228,750	189,912	189,912
Property, plant and equipment	27	896,171	840,240	740,908
Intangible assets	28	171,835	166,430	180,014
Total assets		9,819,939	9,023,227	9,309,546
LIABILITIES				
Taxation payable		104,895	42,890	1,038
Due to related parties	9	-	16,577	-
Other liabilities	29	231,130	277,592	493,404
Lease liabilities	30	235,713	53,921	103,207
Deferred tax liabilities	31	93,598	73,925	50,652
Insurance contract liabilities	32	5,136,524	4,842,804	5,412,856
Reinsurance contract liabilities	19	10,012	51,308	27,014
Total liabilities		5,811,872	5,359,017	6,088,171
SHAREHOLDERS' EQUITY				
Share capital	33	470,358	470,358	470,358
Capital reserves	34	161,354	161,354	146,384
Property revaluation reserve		-	-	49,017
Fair value reserve	35	(9,249)	15,858	48,171
Translation reserve		54,030	36,713	41,854
Retained earnings		2,967,789	2,630,139	2,100,953
		3,644,282	3,314,422	2,856,737
Non-Controlling Interest	36	363,785	349,788	364,638
Total shareholders' equity		4,008,067	3,664,210	3,221,375
Total liabilities and shareholders' equity		9,819,939	9,023,227	9,309,546

Approved by the Board of Directors on 19 April 2024 and signed on its behalf by:

Paul B. Scott — Chairman

Sharon Donaldson-Levine — Director

	Note	Share Capital $'000	Capital Reserves $'000	Property Revaluation Reserve $'000
As at 31 December 2021		470,358	146,384	49,017
Effects of changes due to IFRS 17		-	-	-
As at 1 January 2022		470,358	146,384	49,017
Comprehensive income:				
Net profit for the year		-	-	-
Other comprehensive income		-	-	-
Total comprehensive income		-	-	-
Transactions with owners				
Transfer to retained earnings		-	-	(49,017)
Transaction with non-controlling interest		-	14,970	-
Dividends	17	-	-	-
Balance at 31 December 2022, as restated		470,358	161,354	-
Comprehensive income:				
Net profit for the year		-	-	-
Other comprehensive income		-	-	-
Total comprehensive income		-	-	-
Transactions with owners				
Dividends		-	-	-
Balance at 31 December 2023		470,358	161,354	-

Fair Value Reserve $'000	Translation Reserve $'000	Retained Earnings $'000	Non-Controlling Interest $'000	Total $'000
48,171	45,926	1,869,627	292,481	2,921,964
-	(4,072)	231,326	72,157	299,411
48,171	41,854	2,100,953	364,638	3,221,375
-	-	730,742	49,652	780,394
(32,313)	(5,141)	-	(920)	(38,374)
(32,313)	(5,141)	730,742	48,732	742,020
-	-	49,017	-	-
-	-	-	(63,582)	(48,612)
-	-	(250,573)	-	(250,573)
15,858	36,713	2,630,139	349,788	3,664,210
-	-	540,176	8,092	548,268
(25,107)	17,317	-	5,905	(1,885)
(25,107)	17,317	540,176	13,997	546,383
-	-	(202,526)	-	(202,526)
(9,249)	54,030	2,967,789	363,785	4,008,067

	Note	2023 $'000	Restated 2022 $'000
Cash Flows from Operating Activities			
Net profit		548,268	780,394
Adjustments for items not affecting cash:			
Depreciation	27,30	172,985	137,577
Amortisation of intangible assets	28	14,100	14,158
Amortisation of investment premium		(1,958)	(1,557)
Gains on revaluation of investment property	11	(38,838)	(77,973)
Gains on revaluation of real estate investment		(24,000)	-
Fair value losses/(gains) on shares classified as FVTPL	11	2,869	(131,099)
ECL on debt investments		(533)	(2,196)
Gain on disposal of property, plant and equipment	12	(1,165)	(407)
Finance charge		14,326	4,161
Interest income	11	(231,914)	(188,462)
Dividend income	11	(27,267)	(16,143)
Current taxation	15	172,554	87,664
Deferred taxation	15	19,673	23,273
Foreign exchange (gains)/losses		(17,234)	13,644
		601,866	643,034
Changes in operating assets and liabilities:			
Insurance contract assets		6,477	(30,631)
Reinsurance contract assets		(54,352)	75,791
Insurance contract liabilities		293,719	(570,050)
Reinsurance contract liabilities		(41,296)	24,294
Other receivables		(335,680)	(165,310)
Other liabilities		(111,967)	(173,938)
Due from related parties		(285)	13,910
Cash generated from/(used in) operations		358,482	(182,900)
Tax paid		(87,628)	(69,053)
Net cash provided by/(used in) operating activities		270,854	(251,953)
Cash Flows from Investing Activities			
Investments, net		179,319	(178,572)
Loans receivable		9,749	107,962
Lease receivables		21,587	1,008
Net cash outflow from acquisition of subsidiary		-	(48,612)
Acquisition of investment property		-	(2,976)
Acquisition of property, plant and equipment	27	(120,599)	(174,540)
Acquisition of intangible asset	28	(19,173)	(720)
Proceeds from disposal of property, plant and equipment		1,165	321
Dividend received		27,267	16,143
Interest received		250,404	193,099
Net cash provided by/(used in) investing activities		349,719	(86,887)
Sub-total c/f		620,573	(338,840)

	Note	2023 $'000	Restated 2022
Sub-total b/f		620,573	(338,840)
Cash Flows from Financing Activities			
Lease payments		(110,547)	(94,190)
Dividends paid	17	(202,526)	(250,573)
Net cash used in by financing activities		(313,073)	(344,763)
Increase/(decrease) in cash and cash equivalents		307,500	(683,603)
Effect of exchange rate changes on cash and cash equivalents		(14,213)	25,724
Cash and cash equivalents at beginning of year		786,304	1,444,183
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	18	1,079,591	786,304

	Note	2023 $'000	Restated 2022 $'000
Insurance revenue		6,752,418	5,518,241
Insurance service expense	10	(4,295,720)	(3,453,080)
Net expenses from reinsurance contracts held		(1,871,114)	(1,631,470)
Insurance service results		585,584	433,691
Net investment income	11	304,129	413,786
Finance expense from insurance contracts issued		(92,205)	(35,048)
Finance income from reinsurance contracts held		18,504	4,253
Net insurance and investment results		816,012	816,682
Other operating expenses		(363,796)	(297,190)
Other operating income	12	252,965	165,215
Profit before taxation		705,181	684,707
Taxation	15	(180,744)	(80,458)
Profit after taxation		524,437	604,249
Other comprehensive income, net of tax:			
Items that may not be subsequently reclassified to profit or loss			
Unrealised losses on FVOCI investments		(25,107)	(33,049)
Total other comprehensive income		(25,107)	(33,049)
TOTAL COMPREHENSIVE INCOME		499,330	571,200

	Note	31 December 2023 $'000	31 December 2022 Restated $'000	1 January 2022 Restated $'000
ASSETS				
Cash and cash equivalents	18	661,040	357,700	684,622
Taxation recoverable		-	-	2,859
Insurance contract assets	32	-	23,982	-
Reinsurance contract assets	19	1,946,357	1,941,825	1,986,550
Other receivables	20	1,107,581	878,867	751,211
Due from related parties	9	273,475	104,905	86,532
Lease receivables	22	44,725	66,312	67,320
Right of use assets	30	221,785	25,035	66,256
Investment securities	23	2,024,300	2,406,130	2,343,371
Investment in subsidiary	24	607,517	607,517	558,905
Investment property	25	367,000	343,000	265,000
Real estate investment	26	228,750	189,912	189,912
Property, plant and equipment	27	383,237	345,311	235,800
Intangible assets	28	8,927	2,832	6,623
Total assets		7,874,694	7,293,328	7,244,961
LIABILITIES				
Taxation payable		104,851	42,846	-
Due to related parties		-	16,577	-
Other liabilities	29	293,159	346,135	416,735
Lease liabilities	30	217,959	28,198	85,286
Deferred tax liabilities	31	44,486	21,762	23,045
Insurance contract liabilities	32	3,644,825	3,537,779	3,767,912
Reinsurance contract liabilities	19	-	27,421	-
Total liabilities		4,305,280	4,020,718	4,292,978
SHAREHOLDERS' EQUITY				
Share capital	33	470,358	470,358	470,358
Capital reserves		152,030	152,030	152,030
Property revaluation reserve		-	-	46,363
Fair value reserve	35	(10,101)	15,006	48,055
Retained earnings		2,957,127	2,635,216	2,235,177
Total shareholders' equity		3,569,414	3,272,610	2,951,983
Total liabilities and shareholders' equity		7,874,694	7,293,328	7,244,961

Approved by the Board of Directors on 19 April 2024 and signed on its behalf by:

Paul B. Scott — Chairman

Sharon Donaldson-Levine — Director

	Note	Share Capital $'000	Capital Reserves $'000	Property Revaluation Reserve $'000	Fair Value Reserve $'000	Retained Earnings $'000	Total $'000
As at 31 December 2021		470,358	152,030	46,363	48,055	2,153,512	2,870,318
Effects of changes due to IFRS 17		-	-	-	-	81,665	81,665
As at 1 January 2022, as restated		470,358	152,030	46,363	48,055	2,235,177	2,951,983
Comprehensive income:							
Net profit for the year, as restated		-	-	-	-	604,249	604,249
Other comprehensive income		-	-	-	(33,049)	-	(33,049)
Total comprehensive income		-		-	(33,049)	604,249	571,200
Transactions with owners							
Transfer to retained earnings		-	-	(46,363)	-	46,363	-
Dividends	17	-	-	-	-	(250,573)	(250,573)
Balance at 31 December 2022, as restated		470,358	152,030	-	15,006	2,635,216	3,272,610
Comprehensive income:							
Net profit for the year		-	-	-	-	524,437	524,437
Other comprehensive income		-	-	-	(25,107)	-	(25,107)
Total comprehensive income		-	-	-	(25,107)	524,437	499,330
Transactions with owners							
Transfer to retained earnings		-	-	-	-	-	-
Dividends	17	-	-	-	-	(202,526)	(202,526)
Balance at 31 December 2023		470,358	152,030	-	(10,101)	2,957,127	3,569,414

	Note	2023 $'000	Restated 2022 $'000
Cash Flows from Operating Activities			
Net profit		524,437	604,249
Adjustments for items not affecting cash:			
Depreciation	27,30	122,652	96,592
Interest expense		12,206	4,817
Amortisation of intangible assets	28	3,267	3,791
Amortisation of investment premium		(1,958)	(1,659)
Gains on revaluation of investment property	11	(38,838)	(75,024)
Gains on revaluation of real estate investment		(24,000)	-
ECL on debt investments		(533)	-
Adjustment to property, plant and equipment	27	-	(108)
Gain on disposal of property, plant and equipment	12	-	(321)
Fair value losses/(gains) on shares classified as FVTPL	11	2,869	(131,097)
Interest income	11	(195,247)	(168,772)
Dividend income	11	(27,267)	(16,143)
Current taxation	15	158,020	81,741
Deferred taxation	15	22,724	(1,283)
Foreign exchange losses/(gains)		5,347	(38,824)
		563,679	357,959
Changes in operating assets and liabilities:			
Insurance contract assets		23,982	(23,982)
Reinsurance contract assets		(4,532)	44,724
Insurance contract liabilities		107,046	(230,135)
Reinsurance contract liabilities		(27,421)	27,421
Other receivables		(228,714)	(76,149)
Other liabilities		(52,976)	(122,104)
Due from/to related parties		(185,147)	(1,797)
Cash generated from/(used in) operations		195,917	(24,063)
Tax paid and deducted at source		(96,015)	(34,753)
Net cash provided by/(used in) operating activities		99,902	(58,816)
Cash Flows from Investing Activities			
Investments, net		400,387	88,028
Leases receivable		21,587	1,008
Acquisition of investment property		-	(2,976)
Acquisition of property, plant and equipment	27	(96,344)	(158,424)
Investment in subsidiary	24	-	(48,612)
Acquisition of intangibles		(9,362)	-
Proceeds from disposal of property, plant and equipment		-	407
Dividend received		27,267	16,143
Interest received		165,921	155,005
Net cash provided by investing activities		509,456	50,579
Sub-total c/f		609,358	(8,237)

	Note	2023 $'000	Restated 2022 $'000
Sub-total b/f		609,358	(8,237)
Cash Flows from Financing Activities			
Lease payments		(89,279)	(67,921)
Dividends paid	17	(202,526)	(250,573)
Net cash used in by financing activities		(291,805)	(318,494)
Increase/(decrease) in cash and cash equivalents		317,553	(326,731)
Effect of exchange rate changes on cash and cash equivalents		(14,213)	(191)
Cash and cash equivalents at beginning of year		357,700	684,622
CASH AND CASH EQUIVALENTS AT END OF THE YEAR (NOTE 18)		661,040	357,700

1. Identification and Activities

General Accident Insurance Company Jamaica Limited (the company) is incorporated and domiciled in Jamaica and listed on the Jamaica Stock Exchange. The company is an 80% subsidiary of Musson (Jamaica) Limited (Musson). The registered office of the company is located at 58 Half-Way-Tree Road, Kingston 10. The company's parent company, Musson, is incorporated and domiciled in Jamaica.

The company is licensed to operate as a general insurance company under the Insurance Act, 2001. Its principal activity is the underwriting of commercial and personal property and casualty insurance.

The company has two subsidiaries whose principal activities are also to provide property and casualty insurance (Note 2(b)). The company together with its subsidiaries are referred to as 'the Group'.

2. Summary of Material Accounting Policies

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

(a) Basis of preparation

These financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain financial instruments carried at fair value.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 7.

Accounting pronouncements effective in 2023 which are relevant to the Group's operations.

Certain new standards, amendments and interpretations to existing standards have been published that became effective during the current financial year and are relevant to the Group's operations. The adoption of these new pronouncements has impacted the Group as discussed below.

- Amendment to IAS 12 – deferred tax related to assets and liabilities arising from a single transaction (effective for annual periods beginning on or after 1 January 2023). These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences. There was no impact on the financial statement from adoption of this amendment.

- Amendments to IAS 1, Practice statement 2 and IAS 8 (effective for annual periods beginning on or after 1 January 2023). The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies. There was no impact on the financial statements from adoption of this amendment.

2. Summary of Material Accounting Policies (Continued)

(a) Basis of preparation (continued)

Accounting pronouncements effective in 2023 which are relevant to the Group's operations (continued)

- IFRS 17, 'Insurance contracts', (effective for annual periods beginning on or after 1 January 2023). This standard was issued as replacement for IFRS 4 'Insurance contracts' and requires a current measurement model where estimates are re-measured each reporting period. The Company chose the premium allocation approach which is permitted for the liability for remaining coverage for short duration contracts. The standard permits a wide variety of practices in accounting for insurance contracts and fundamentally changes the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features. Contracts are measured using the building blocks of discount probability – weighted cash flows and an explicit risk adjustment which is recognised as revenue over the coverage period. This standard provides a common global insurance accounting standard leading to consistency in recognition, measurement, presentation and disclosure. Further details of the Group's accounting policies are noted in 2(x) & (y) below.

Standards, interpretations and amendments to published standards that are not yet effective

At the date of authorisation of these financial statements, certain new standards, interpretations and amendments to existing standards have been issued which are mandatory for the group's accounting periods beginning on or after 1 January 2024 or later periods but were not effective at the statement of financial position date. The Group has assessed the relevance of all such new standards, interpretations and amendments and has determined that the following, as shown below, may be immediately relevant to its operations.

- Amendment to IFRS 16, 'Leases' - Leases on sale and leaseback (effective for annual periods beginning on or after 1 January 2024). These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. The Group does not expect any impact from the adoption of this amendment.

- Amendments to IAS 1, 'Presentation of financial statements' (effective for annual periods beginning on or after 1 January 2024). These amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The Group does not expect any impact from the adoption of this amendment.

- IFRS Sustainability Disclosure Standards - In June 2023, the International Sustainability Standards Board (ISSB) released its first two sustainability disclosure standards: (a) IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (General Requirements standard), and (b) IFRS S2 Climate-related Disclosures (Climate standard). 14. IFRS S1 and IFRS S2 are effective for annual reporting periods beginning on or after 1 January 2024, with early adoption permitted. This is subject to the adoption of the standards by local jurisdictions. The Group does not assess the impact that will arise from the adoption of these standards. It also awaits guidance from regulators within the jurisdictions it operates.

- Amendment to IAS 7 and IFRS 7 which will require entities to disclose additional information in the notes about supplier finance arrangement. The amendment is not expected to impact the Group.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group

2. Summary of Material Accounting Policies (Continued)

(b) Basis of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss. Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest over the fair value of the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Material Accounting Policies (Continued)

(b) Basis of consolidation (continued)

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

The company's subsidiaries are listed below, which together with the company are referred to as 'the Group'

Entity	Country of Incorporation and place of business	Nature of business	Proportion of ordinary shares held by the Group %	Proportion of ordinary shares held by non-controlling interests%
General Accident Insurance Company(Trinidad) Limited (i)	Trinidad and Tobago	General Insurance Services	75	25
General Accident Insurance Company (Barbados) Limited (ii)	Barbados	General Insurance Services	80	20

(i) In December 2023, the company increased its shareholding in General Accident Insurance Company (Trinidad) Limited (GENACTT) from 65% to 75%.
(ii) General Accident Insurance Company (Barbados) Limited (GENACBB) was incorporated in 2019 but was not capitalised until February 2020. The company commenced trading in March 2020.

(c) Revenue and income recognition

Revenue comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Group's activities. Revenue is shown net of General Consumption Tax and is recognised as follows:

Insurance services
Gross premiums written are recognised on a pro-rated basis over the life of the policies written.

Commissions payable on premium income and commissions receivable on reinsurance of risks are charged and credited to profit or loss, respectively, over the life of the policies.

Interest income
Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income.

Dividend
Dividend income for equities is recognised when the right to receive payment is established.

2. Summary of Material Accounting Policies (Continued)

(d) Revenue and income recognition (continued)

Rental income
Rental income is recognised on an accrual basis.

(e) Cash and cash equivalents
Cash and cash equivalents are stated at amortised cost. For purposes of the cash flow statement, cash and cash equivalents comprise balances with maturity dates of less than 90 days from the dates of acquisition including cash and bank balances and deposits held on call with banks.

(f) Foreign currency translation
(i) Functional and presentation currency
Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which it operates (the functional currency). The financial statements are presented in Jamaican dollars which is also the Group's functional currency.

(ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Changes in the fair value of monetary assets denominated in foreign currencies and classified at amortised cost are analysed between translation differences resulting from changes in the amortised cost of the asset and other changes. Translation differences resulting from the changes in amortised cost are recognised in the profit or loss, and other changes are recognised in other comprehensive income (OCI).

(g) Financial instruments
Financial instruments carried on the statement of financial position include investments, due to and from related parties, reinsurance assets, loans and other receivables, cash and short term investments, other liabilities and insurance contract liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. The fair values of the Group's financial instruments are discussed in Note 6.

(h) Financial assets
(i) Classification
The Group classifies its financial assets in the following measurement categories:
- At fair value (either through OCI or through profit or loss); and
- At amortised cost.

The classification is based on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are recorded in profit or loss or OCI.

The Group will reclassify debt investments when and only when its business model for managing those assets changes.

2. Summary Material Accounting Policies (Continued)

(i) Financial assets (continued)

(ii) Recognition and derecognition
Purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement
At initial recognition, the Group measures a financial asset at its fair value plus transaction cost directly attributable to the acquisition of the financial asset in the case of a financial asset not at fair value through profit or loss (FVPL). Transaction costs that are directly attributable to the acquisition of the financial asset carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments
Subsequent measurement of debt instruments is based on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost - Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets are included in investment income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in gains/(losses). Impairment losses are presented as separate line item in profit or loss.

- FVOCI – Financial assets that are held for collection of contractual cash flows and for selling, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in investment income using the effective interest rate method. Foreign exchange gains and losses are presented in gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

- FVPL - Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. Gains or losses on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

  Equity instruments
  The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payment is established.

2. Summary of Material Accounting Policies (Continued)

(j) Financial Assets (continued)

Changes in the fair value of financial assets at FVPL are recognised in gains/(losses) in profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment
The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost (include cash and cash equivalent, excluding bank balances) and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note 4 for further details.

(k) Receivables and payables related to insurance contracts
Receivables and payables related to insurance contracts are recognised when due. These include amounts due to and from agents, brokers and insurance contract holders.

(l) Leases
The Group's leases originate from the rental agreements for various office buildings.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leases asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities include the net present value of the following lease payments:
i) Fixed payments (including in-substance fixed payments), les any lease incentives receivables
ii) Variable lease payments that are based on an index or a rate
iii) Amounts expected to be payable by the lessee under residual value guarantees
iv) The exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
v) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. To determine the incremental borrowing rate, the Group uses existing borrowing rates from our existing banks, as no entity within the Group have existing borrowings.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or a rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2. Summary of Material Accounting Policies (Continued)

(m) Leases (continued)

Right-of-use assets are measures at cost comprising the following:

- The amount of initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs, and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease term is determined as the non-cancellable period of the lease and takes account of extension and termination options if it is reasonably certain to be exercised. Majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the Group.

(n) Property, plant and equipment

Land is stated at historical cost. All other property, plant and equipment are stated at historical annual cost less accumulated depreciation and impairment. Depreciation is computed on the straight-line method at rates estimated to write off the assets over their expected useful lives as follows:

Buildings	5% and 2.5%
Furniture, fixtures and equipment	10%
Motor vehicles	20%

Property, plant and equipment are reviewed periodically for impairment. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in operating profit.

Repairs and maintenance expenses are charged to profit or loss during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

2. Summary of Material Accounting Policies (Continued)

(o) Intangible assets

Computer software
Acquired software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on the basis of the expected useful life, which is between three to five years.

Renewal rights
Renewal rights are recorded at cost and represent the value of consideration paid to acquire policies in force with high renewal probability. These costs are amortised over the estimated useful life of the rights, which ranges from 4- 5 years.

Distribution relationships
Distribution relationships are recorded at cost and represent the value of consideration paid to acquire existing intermediary distribution channels. These costs are amortised over the estimated useful life these relationships which is approximately 8 years.

Licence
Licences are recorded at cost and represent the value of consideration paid to acquire regulatory licence to operate in a regulatory environment. Licences have an indefinite useful live and is assessed annually for impairment and are carried at cost less accumulated impairment losses.

(p) Impairment of long-lived assets
Long-lived assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

(q) Investment properties
Investment property comprise significant portions of freehold residential buildings that are held for long-term rental yield and/or for capital appreciation.

Investment properties are treated as a long-term investment, initially recognized at cost and subsequently carried at fair value, based on fair market valuation exercise conducted annually by independent qualified values. Changes in fair values are recorded in the income statement.

(r) Real estate investment
Real estate investment represents the Group's beneficial interest in properties which are leased to third parties and held in trust for a group of investors under a Trust Deed. The Group shares in the rental income from the lease of properties as well as fair value appreciation on the properties based on valuations carried out by independent valuators from time to time. The Group's share of lease income and appreciation is recorded in the statement of comprehensive income.

(s) Other liabilities
Other liabilities are recognised at fair value and subsequently measured at amortised cost.

2. Summary of Material Accounting Policies (Continued)

(t) Taxation

Taxation on the profit or loss for the year comprises current and deferred tax. Current and deferred taxes are recognised as income tax expense or benefit in net profit or loss in the statement of comprehensive income except where they relate to items recorded in other comprehensive income or equity, in which case they are also charged or credited to other comprehensive income or equity.

(i) Current taxation

Current tax is the expected taxation payable on the taxable income for the year, using tax rates enacted at date of the statement of financial position, and any adjustment to tax payable and tax losses in respect of the previous years.

(ii) Deferred income taxes

Deferred tax liabilities are recognised for temporary differences between the carrying amounts of assets and liabilities and their amounts as measured for tax purposes, which will result in taxable amounts in future periods. Deferred tax assets are recognised for temporary differences which will result in deductible amounts in future periods, but only to the extent it is probable that sufficient taxable profits will be available against which these differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset will be realised or the liability will be settled based on enacted rates.

(u) Employee benefits

(i) Pension obligations

The Group participates in the defined contribution pension plan of a related company, T. Geddes Grant (Distributors) Limited. A defined contribution pension plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions paid by the Group are recorded as an expense in profit or loss.

(ii) Accrued vacation

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the date of the statement of financial position.

(iii) Termination benefits

Termination benefits are payable whenever an employee’s employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

(iv) Profit-sharing and bonus plan

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Group’s shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2. Summary of Material Accounting Policies (Continued)

(v) Dividend distribution

Dividend distribution to the Group's shareholders is recognised as an appropriation in the Group's financial statements in the period in which the dividends are approved by the Board of Directors.

(w) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, which is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

(x) Insurance and reinsurance contracts classification

The Group issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, the Group determines whether it has significant insurance risk, by comparing benefits payable after an insured event with benefits if the insured event did not occur. Insurance contracts can also transfer financial risk. The Group issues non-life insurance to individuals and businesses. Non-life insurance products offered include property (engineering, fire and homeowners), personal accident, liability, marine and motor. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of policyholder's accident.

The Group also issues reinsurance contracts in the normal course of business to compensate other entities for claims arising from one or more insurance contracts issued by those entities.

(y) Insurance and reinsurance contracts accounting treatment

i. Separating components from insurance and reinsurance contracts

The Group assesses its non-life insurance and reinsurance products to determine whether they contain distinct components, the Group applied IFRS 17 to all remaining components of the (host) insurance contract. Currently, the Company's products do not include any distinct components that require separation.

ii. Level of aggregation

IFRS 17 requires a company to determine the level of aggregation for applying its requirements. The Group previously applied aggregation levels under IFRS 4, which were significantly higher than the level of aggregation required by IFRS 17. The level of aggregation for the Group is determined firstly by dividing the business written into portfolios. Portfolios comprise groups of contracts with similar risks which are managed together. Portfolios are further divided based on expected profitability at inception into three categories: onerous contracts, contracts with no significant risk of becoming onerous, and the remainder. This means that, for determining the level of aggregation, the Group identifies a contract as the smallest 'unit', i.e. the lowest common denominator.

2. Summary of Material Accounting Policies (Continued)

(y) Insurance and reinsurance contracts accounting treatment (continued)

ii. Level of aggregation (continued)

However, the Group makes an evaluation of whether a series of contracts need to be treated together as one unit based on reasonable and supportable information, or whether a single contract contains components that need to be separated and treated as if they were stand-alone contracts. As such, what is treated as a contract for accounting purposes may differ from what is considered as a contract for other purposes (i.e. legal or management).

The Group has elected to group together those contracts that would fall into different groups only because law or regulation specifically constrains its practical ability to set a different price or level of benefits for policyholders with different characteristics.

The Group applied a full retrospective approach for transition to IFRS 17. The portfolios are further divided by year of issue and profitability for recognition and measurement purposes. Hence, within each year of issue, portfolios of contracts are divided into three groups, as follows:

a. A group of contracts that are onerous at initial recognition
b. A group of contracts that, at initial recognition, have no significant possibility of becoming onerous subsequently
c. A group of the remaining contracts in the portfolio

The profitability of groups of contracts is assessed by actuarial valuation models that take into consideration existing and new business. The Group assumes that no contracts in the portfolio are onerous at initial recognition unless facts and circumstances indicate otherwise. For contracts that are not onerous, the Group assesses, at initial recognition, that there is no significant possibility of becoming onerous subsequently by assessing the likelihood of changes in applicable facts and circumstances. The Group considers facts and circumstances to identify whether a group of contracts are onerous based on:

a. Pricing information
b. Results of similar contracts it has recognised
c. Environmental factors, e.g. a change in the market experience or regulations

The Group divides portfolios of reinsurance contracts held applying the same principles set out above except that the references to onerous contracts refer to contracts on which there is a net gain on initial recognition. For some groups of reinsurance contracts held, a group can comprise a single contract.

iii. Recognition

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

a. The beginning of the coverage period of the group of contracts
b. The date when the first payment from a policyholder in the group is due or when the first payment is received if there is no due date
c. For a group of onerous contracts, if facts and circumstances indicate that the group is onerous

2. Summary of Material Accounting Policies (Continued)

(y) Insurance and reinsurance contracts accounting treatment (continued)

iii. Recognition (continued)

The Group recognises a group of reinsurance contracts held it has entered into from the earlier of the following:

a. The beginning of the coverage period of the group of reinsurance contracts held. (However, the Group delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held; and
b. The date the Group recognises an onerous group of underlying insurance contracts if the Group entered into the related reinsurance contract held in the group of reinsurance contracts held at or before the date.

The Group adds new contracts to the group in the reporting period in which that contract meets one of the criteria set out above.

iv. Contract boundary

The Group 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 Group can compel the policyholder to pay the premiums, or in which the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

a. The Group has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks; or
b. Both of the following criteria are satisfied:
   - The Group has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio; and
   - The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract is not recognised. Such amounts relate to future insurance contracts.

2. Summary of Material Accounting Policies (Continued)

(y) Insurance and reinsurance contracts accounting treatment (continued)

v. Measurement – Premium Allocation Approach

	IFRS 17 Options	Adopted Approach
Premium Allocation Approach (PAA) Eligibility	Subject to specified criteria, the PAA can be adopted as a simplified approach to the IFRS 17 general model	Coverage period for property insurance and liability reinsurance assumed is one year or less and so qualifies automatically for PAA. Both marine and personal accident insurance include contracts with coverage period greater than one year. However, there is no material difference in the measurement of the liability for remaining coverage between PAA and the general model, therefore, these qualify for PAA.
Insurance acquisition cash flows for insurance contracts issued	Where the coverage period of all contracts within a group is not longer than one year, insurance acquisition cash flows can either be expensed as incurred, or allocated, using a systematic and rational method, to groups of insurance contracts (including future groups containing insurance contracts that are expected to arise from renewals) and then amortised over the coverage period of the related group. For groups containing contracts longer than one year, insurance acquisition cash flows must be allocated to related groups of insurance contracts and amortised over the coverage period of the related group	For all business, insurance acquisition cash flows are allocated to related groups of insurance contracts and amortised over the coverage period of the related group.
Liability for Remaining Coverage (LRC), adjusted for financial risk and time value of money	Where there is no significant financing component in relation to the LRC, or where the time between providing each part of the services and the related premium due date is no more than a year, an entity is not required to make an adjustment for accretion of interest on the LRC.	For all business, there is no allowance as the premiums are received within one year of the coverage period.
Liability for Incurred Claims, (LIC) adjusted for time value of money	Where claims are expected to be paid within a year of the date that the claim is incurred, it is not required to adjust these amounts for the time value of money.	For some claims within the property product line, the incurred claims are expected to be paid out in less than one year. Hence, no adjustment is made for the time value of money. For all other business, the LFIC is adjusted for the time value of money and financial risk related to these cashflows.
Insurance finance income and expense	There is an option to disaggregate part of the movement in LFIC resulting from changes in discount rates and present this in OCI.	For the personal accident product line, the impact on LIC of changes in discount rates will be captured within OCI, in line with the accounting for assets backing this product line. For all other business, the change in LIC as a result of changes in discount rates will be captured within profit or loss.

2. Summary of Material Accounting Policies (Continued)

(y) Insurance and reinsurance contracts accounting treatment (continued)

vi. Measurement – Premium Allocation Approach (continued)

(a) Insurance contracts – initial measurement

The Group applies the premium allocation approach (PAA) to all the insurance contracts that it issues and reinsurance contracts that it holds, as:

- The coverage period of each contract in the group is one year or less, including insurance contract services arising from all premiums within the contract boundary; or
- For contracts longer than one year, the Group has modelled possible future scenarios and reasonably expects that the measurement of the liability for remaining coverage for the group containing those contracts under the PAA does not differ materially from the measurement that would be produced applying the general model. In assessing materiality, the Group has also considered qualitative factors such as the nature of the risk and types of its lines of business.

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

(b) Reinsurance contracts held – initial measurement

The Group measures its reinsurance assets for a group of reinsurance contracts that it holds on the same basis as insurance contracts that it issues. However, they are adapted to reflect the features of reinsurance contracts held that differ from insurance contracts issued, for example the generation of expenses or reduction in expenses rather than revenue.

Where the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Group establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

The Group calculates the loss-recovery component by multiplying the loss recognised on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Group expects to recover from the group of reinsurance contracts held. The Group uses a systematic and rational method to determine the portion of losses recognised on the group to insurance contracts covered by the group of reinsurance contracts held where some contracts in the underlying group are not covered by the group of reinsurance contracts held.

The loss-recovery component adjusts the carrying amount of the asset for remaining coverage.

2. Summary of Material Accounting Policies (Continued)

(y) Insurance and reinsurance contracts accounting treatment (continued)

vi. Measurement – Premium Allocation Approach (continued)

(c) Insurance contracts – subsequent measurement

The Group measures the carrying amount of the liability for remaining coverage at the end of each reporting period as the liability for remaining coverage at the beginning of the period:

- Plus premiums received in the period
- Minus insurance acquisition cash flows, with the exception of property insurance product line for which the Group chooses to expense insurance acquisition cash flows as they occur
- Plus any amounts relating to the amortisation of the insurance acquisition cash flows recognised as an expense in the reporting period for the group
- Plus any adjustment to the financing component, where applicable
- Minus the amount recognised as insurance revenue for the services provided in the period
- Minus any investment component paid or transferred to the liability for incurred claims

The Group estimates the liability for incurred claims as the fulfilment cash flows related to incurred claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of the Group, and include an explicit adjustment for non-financial risk (the risk adjustment). The Group does not adjust the future cash flows for the time value of money and the effect of financial risk for the measurement of liability for incurred claims that are expected to be paid within one year of being incurred.

Where, during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, the Group recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Group for the liability for remaining coverage for such onerous group depicting the losses recognised.

Insurance acquisition cash flows are allocated on a straight-line basis as a portion of premium to profit or loss (through insurance revenue).

(d) Reinsurance contracts held – subsequent measurement

The subsequent measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued and has been adapted to reflect the specific features of reinsurance held.

Where the Group has established a loss-recovery component, the Group subsequently reduces the loss- recovery component to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

2. Summary of Material Accounting Policies (Continued)

(y) Insurance and reinsurance contracts accounting treatment (continued)

iv. Measurement – Premium Allocation Approach (continued)

(e) Insurance acquisition cash flows

Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs.

With the exception of the property insurance product line, for which the Group chooses to expense insurance acquisition cash flows as they occur, the Group uses a systematic and rational method to allocate:

- Insurance acquisition cash flows that are directly attributable to a group of insurance contracts:
  - to that group; and
  - to groups that include insurance contracts that are expected to arise from the renewals of the insurance contracts in that group.
- Insurance acquisition cash flows directly attributable to a portfolio of insurance contracts that are not directly attributable to a group of contracts, to groups in the portfolio.

Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognised in the statement of financial position, a separate asset for insurance acquisition cash flows is recognised for each related group.

The asset for insurance acquisition cash flow is derecognised from the statement of financial position when the insurance acquisition cash flows are included in the initial measurement of the related group of insurance contracts.

At the end of each reporting period, the Group revises amounts of insurance acquisition cash flows allocated to groups of insurance contracts not yet recognised, to reflect changes in assumptions related to the method of allocation used.

After any re-allocation, the Group assesses the recoverability of the asset for insurance acquisition cash flows, if facts and circumstances indicate the asset may be impaired. When assessing the recoverability, the Group applies:

- An impairment test at the level of an existing or future group of insurance contracts; and
- An additional impairment test specifically covering the insurance acquisition cash flows allocated to expected future contract renewals.

If an impairment loss is recognised, the carrying amount of the asset is adjusted and an impairment loss is recognised in profit or loss.

The Group recognises in profit or loss a reversal of some or all of an impairment loss previously recognised and increases the carrying amount of the asset, to the extent that the impairment conditions no longer exist or have improved.

2. Summary of Material Accounting Policies (Continued)

(y) Insurance and reinsurance contracts accounting treatment (continued)

v. Measurement – Premium Allocation Approach (continued)

(f) Insurance contracts – modification and derecognition
The Group derecognises insurance contracts when:

- The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired); or
- The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Group derecognises the initial contract and recognises the modified contract as a new contract

When a modification is not treated as a derecognition, the Group recognises amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

vi. Presentation
The Group has presented separately, in the statement of financial position, the carrying amount of portfolios of insurance contracts issued that are assets, portfolios of insurance contracts issued that are liabilities, portfolios of reinsurance contracts held that are assets and portfolios of reinsurance contracts held that are liabilities.

Any assets for insurance acquisition cash flows recognised before the corresponding insurance contracts are included in the carrying amount of the related groups of insurance contracts are allocated to the carrying amount of the portfolios of insurance contracts that they relate to.

The Group disaggregates the total amount recognised in the statement of profit or loss and other comprehensive income into an insurance service result, comprising insurance revenue and insurance service expense, and insurance finance income or expenses.

The Group does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result.

The Group separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued.

(a) Insurance revenue
The insurance revenue for the period is the amount of expected premium receipts (excluding any investment component) allocated to the period. The Group allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time. But if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, then the allocation is made on the basis of the expected timing of incurred insurance service expenses.

The Group changes the basis of allocation between the two methods above as necessary, if facts and circumstances change. The change is accounted for prospectively as a change in accounting estimate.

For the periods presented, all revenue has been recognised on the basis of the passage of time.

2. Summary of Material Accounting Policies (Continued)

(y) Insurance and reinsurance contracts accounting treatment (continued)

vii. Presentation (continued)

(b) Loss components
The Group assumes that no contracts are onerous at initial recognition unless facts and circumstances indicate otherwise. Where this is not the case, and if at any time during the coverage period, the facts and circumstances indicate that a group of insurance contracts is onerous, the Group establishes a loss component as the excess of the fulfilment cash flows that relate to the remaining coverage of the group over the carrying amount of the liability for remaining coverage of the group. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.

(c) Loss-recovery components
As described in section 2.(y)(vii)(b) above, where the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts, or when further onerous underlying insurance contracts are added to a group, the Group establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the expected recovery of the losses.

A loss-recovery component is subsequently reduced to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

(d) Insurance finance income and 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; and
- The effect of financial risk and changes in financial risk.

The Group disaggregates insurance finance income or expenses on insurance contracts issued for its personal accident product line between profit or loss and OCI. The impact of changes in market interest rates on the value of the insurance assets and liabilities are reflected in OCI in order to minimise accounting mismatches between the accounting for financial assets and insurance assets and liabilities. The Group's financial assets backing the personal accident insurance portfolios are predominantly measured FVOCI. For all other business, the Group does not disaggregate finance income and expenses because the related financial assets are managed on a fair value basis and measured at FVPL.

(e) Net income or expense from reinsurance contracts held
The Group presents separately on the face of the statement of profit or loss and other comprehensive income, the amounts expected to be recovered from reinsurers, and an allocation of the reinsurance premiums paid. The Group 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 contract held and excludes investment components and commissions from an allocation of reinsurance premiums presented on the face of the statement of comprehensive income.

3. Responsibilities of the Appointed Actuary and External Auditors

The Board of Directors, pursuant to the Insurance Act, appoints the Actuary. His responsibility is to carry out an annual valuation of the Group's claims liabilities and insurance reserves in accordance with accepted actuarial practice and regulatory requirements and report thereon to the shareholders. In performing the valuation, the Actuary analyses past experience with respect to number of claims, claims payment and changes in estimates of outstanding liabilities.

The shareholders, pursuant to the Companies Act, appoint the external auditors. Their responsibility is to conduct an independent and objective audit of the financial statements in accordance with International Standards on Auditing and report thereon to the shareholders. In carrying out their audit, the auditors also make use of the work of the appointed Actuary and his report on claims liabilities and insurance reserves.

4. Insurance and Financial Risk Management

(a) Insurance risk

The Group's activities expose it to a variety of insurance and financial risks and those activities necessitate the analysis, evaluation, control and/or acceptance of some degree of risk or combination of risks. Taking various types of risk is core to the financial services business and operational risks are an inevitable consequence of being in business. The Group's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Group's financial performance.

The Board of Directors is ultimately responsible for the establishment and oversight of the risk management framework. The Board of Directors has established committees and departments for managing and monitoring risks, as follows:

(i) Investment and Loan Committee
The Investment and Loan Committee is responsible for monitoring and approving investment strategies for the Group.

(ii) Finance Department
The Finance Department is responsible for managing the Group's assets and liabilities and the overall financial structure. It is also primarily responsible for managing the funding and liquidity risks of the Group.

(iii) Conduct Review Committee
The Conduct Review Committee is responsible for monitoring the Group's adherence to regulatory and statutory requirements.

(iv) Audit Committee
The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

(v) Remuneration Committee
The remuneration committee is responsible for reviewing and recommending for approval, the remuneration arrangements of the directors and senior officers.

The most important types of risk are insurance risk, reinsurance risk, credit risk, liquidity risk, market risk and other operational risk. Market risk includes currency risk, interest rate and other price risk.

The Group issues contracts that transfer insurance risk. This section summarises these risks and the way the Group manages them.

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

The principal risk that the Group faces under its insurance contracts is that the actual claim payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques

4. Insurance and Financial Risk Management (Continued)

(a) Insurance risk (continued)

The Group principally issues the following types of non-life insurance contracts: Engineering; Fire; General Accident; Liability; Marine; and Motor. The most significant risks arise from climate changes, natural disasters and terrorist activities. For longer tail claims that take some years to settle, there is also inflation risk.

The objective of the Group is to ensure that sufficient reserves are available to cover the liabilities associated with these insurance and reinsurance contracts that it issues. The risk exposure is mitigated by diversification portfolios across the insurance contracts. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance held arrangements. Furthermore, strict claim review policies to assess all new and ongoing claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are established to reduce the risk exposure of the Group. The Group further enforces a policy of actively managing and promptly settling claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the business. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities and pricing appropriately. The Group also purchases reinsurance as part of its risk mitigation programme.

Amounts recoverable from reinsurers are estimated in a manner consistent with underlying insurance contract liabilities and in accordance with the reinsurance contracts. Although the Group has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to reinsurance held, to the extent that any reinsurer is unable to meet its obligations. The Group's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Group substantially dependent upon any single reinsurance contract.

The following table show the concentration of net insurance contract liabilities by type of contract:

	The Group					
$'000	**2023**			**2022**		
	Insurance	**Reinsurance held**	**Net**	**Insurance**	**Reinsurance held**	**Net**
Engineering	127,338	89,435	37,903	59,976	54,007	5,969
Fire	68,266	59,066	9,200	517,796	469,186	48,610
General Accident	91,967	51,898	40,069	62,070	36,397	25,673
Liability	299,028	100,155	198,873	248,665	30,549	218,116
Marine	7,388	5,476	1,912	5,120	3,714	1,406
Motor	2,405,478	547,166	1,858,312	2,985,523	879,584	2,105,939
Gross amount	2,999,465	853,196	2,146,269	3,879,150	1,473,437	2,405,713

	The Company					
$'000	**2023**			**2022**		
	Insurance	**Reinsurance held**	**Net**	**Insurance**	**Reinsurance held**	**Net**
Engineering	126,407	88,859	37,548	59,976	54,007	5,969
Fire	45,995	39,293	6,702	506,348	457,879	48,469
General Accident	90,433	50,824	39,609	60,962	35,432	25,530
Liability	293,074	100,041	193,033	245,806	30,549	215,257
Marine	5,527	3,774	1,753	698	398	300
Motor	1,533,483	472,302	1,061,181	2,007,123	820,959	1,186,164
Gross amount	2,094,919	755,093	1,339,826	2,880,913	1,399,224	1,481,689

The amounts above are shown net of recoveries for claims incurred of $465,230,000 (2022 - $318,018,000).

4. **Insurance and Financial Risk Management (Continued)**

(a) **Insurance risk (continued)**

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. The Group has developed its insurance underwriting strategy to diversify the types of insurance risks accepted to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

Factors that increase insurance risk include lack of risk diversification in terms of type and amount of risk and geographical location.

Management maintains an appropriate balance between commercial and personal policies and type of policies based on guidelines set by the Board of Directors. Insurance risk arising from the Group's insurance contracts are, however, concentrated within Jamaica, Trinidad and Tobago and Barbados.

The Group has the right to re-price the risk on renewal. It also has the ability to impose deductibles and reject fraudulent claims. Where applicable, contracts are underwritten by reference to the commercial replacement value of the properties or other assets and contents insured. Claims payment limits are always included to cap the amount payable on occurrence of the insured event. The cost of rebuilding properties, of replacement or indemnity for other assets and contents and time taken to restart operations for business interruption are the key factors that influence the level of claims under these policies.

Claims on insurance contracts are payable on a claims-occurrence basis. The Group is liable for all insured events that occurred during the term of the contract, even if the loss is discovered after the end of the contract term. This is however subject to the policy limit. Liability claims are settled over a long period of time and a portion of the claims provision relates to incurred but not reported (IBNR) claims. There are several variables that affect the amount and timing of cash flows from these contracts. These mainly relate to the inherent risks of the business activities carried out by individual contract holders and the risk management procedures they adopted. The compensation paid on these contracts is the monetary awards granted for bodily injury suffered by employees (for employer's liability covers) or members of the public (for public liability covers). Such awards are lump-sum payments that are calculated as the present value of the lost earnings and rehabilitation expenses that the injured party will incur as a result of the accident.

The estimated cost of claims includes direct expenses to be incurred in settling claims, net of the expected subrogation value and other recoveries. The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing the claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The liability for these contracts comprises a provision for IBNR, a provision for reported claims not yet paid and a provision for unexpired risks at the date of financial position. The amount of casualty claims is particularly sensitive to the level of court awards and to the development of legal precedent on matters of contract and tort. Casualty contracts are also subject to the emergence of new types of latent claims, but no allowance is included for this at the date of the statement of financial position.

In calculating the estimated cost of unpaid claims (both reported and not), the Group uses estimation techniques that are a combination of loss-ratio-based estimates (where the loss ratio is defined as the ratio between the ultimate cost of insurance claims and insurance premiums earned in a particular financial year in relation to such claims) and an estimate based upon actual claims experience using predetermined formulae where greater weight is given to actual claims experience as time passes.

4. Insurance and Financial Risk Management (Continued)

(a) Insurance risk (continued)

The initial loss-ratio estimate is an important assumption in the estimation technique and is based on previous years' experience, adjusted for factors such as premium rate changes, anticipated market experience and historical claims inflation. The initial estimate of the loss ratios used for the current year (before reinsurance) is analysed by type of risk for current and prior year premiums earned.

The estimation of IBNR is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Group, where information about the claim event is available. IBNR claims may not be apparent to the insured until many years after the event that gave rise to the claims. For casualty contracts, the IBNR proportion of the total liability is high and will typically display greater variations between initial estimates and final outcomes because of the greater degree of difficulty of estimating these liabilities.

In estimating the liability for the cost of reported claims not yet paid, the Group considers any information available from loss adjusters and information on the cost of settling claims with similar characteristics in previous periods. Large claims are assessed on a case-by-case basis or projected separately in order to allow for the possible distortive effect of their development and incidence on the rest of the portfolio.

Management sets policy and retention limits based on guidelines set by the Board of Directors. The policy limit and maximum net retention of any one risk for each class of insurance for the year are as follows:

	2023		2022	
	Policy Limit '000	**Maximum Net Retention '000**	**Policy Limit '000**	**Maximum Net Retention '000**
Jamaica				
Commercial property –				
Fire and consequential loss	US$8,000	US$1,600	US$8,000	US$800
Personal property	US$8,000	US$800	US$8,000	US$800
Engineering	U$6,500	U$125	US$5,000	US$125
Liability	J$93,000	J$7,500	J$93,000	J$7,500
Marine, aviation and transport	US$2,000	US$125	US$2,000	US$125
Motor	J$93,000	J$7,500	J$93,000	J$7,500
Miscellaneous Accident –				
All Risk	J$30,000	J$2,000	J$30,000	J$2,000
Burglary	J$10,000	J$2,000	J$10,000	J$2,000
Cash/Money	J$5,000	J$1,000	J$5,000	J$1,000
Fidelity	J$5,000	J$1,000	J$5,000	J$1,000
Bonds	J$100,000	J$20,000	J$100,000	J$20,000
Goods in Transit	J$7,500	J$1,500	J$5,000	J$1,000
Personal Accident	J$10,000	J$2,000	J$10,000	J$2,000

4. Insurance and Financial Risk Management (Continued)

	2023		2022	
	Policy Limit '000	Maximum Net Retention '000	Policy Limit '000	Maximum Net Retention '000
Trinidad and Tobago				
Commercial property –				
Fire and consequential loss	TT$50,000	TT$5,000	TT$50,000	TT$5,000
Personal property	TT$50,000	TT$5,000	TT$50,000	TT$5,000
Engineering	TT$44,200	TT$850	TT$54,400	TT$850
Liability	TT$11,400	TT$1,600	TT$5,200	TT$800
Motor	TT$11,400	TT$1,600	TT$5,200	TT$800
Marine, aviation and transport	US$2,000	US$125	US$2,000	US$125
Miscellaneous Accident –				
All Risk	TT$2,010	TT$134	TT$2,010	TT$134
Burglary	TT$435	TT$87	TT$435	TT$87
Cash/Money	TT$335	TT$67	TT$335	TT$67
Fidelity	TT$335	TT$67	TT$335	TT$67
Bonds	TT$2,500	TT$500	TT$2,500	TT$500
Goods in Transit	TT$335	TT$67	TT$335	TT$67
Personal Accident	TT$670	TT$ 134	TT$670	TT$134
Barbados				
Commercial property –				
Fire and consequential loss	BB$16,000	BB$1,600	BB$16,000	BB$1,600
Personal property	BB$16,000	BB$1,600	BB$16,000	BB$1,600
Engineering	BB$13,000	BB$250	BB$16,000	BB$1,600
Liability	BB$22,500	BB$150	BB$22,500	BB$150
Motor	BB$22,500	BB$150	BB$22,500	BB$150
Miscellaneous Accident –				
All Risk	BB$750	BB$50	BB$600	BB$40
Burglary	BB$350	BB$50	BB$140	BB$20
Cash/Money	BB$350	BB$50	BB$140	BB$20
Fidelity	BB$140	BB$20	BB$140	BB$20
Bonds	BB$2,000	BB$400	BB$2,000	BB$400
Goods in Transit	BB$140	BB$20	BB$140	BB$20
Personal Accident	BB$200	BB$40	BB$200	BB$40

4. Insurance and Financial Risk Management (Continued)

(a) Insurance risk (continued)

Sensitivity analysis to underwriting risk variables
The liability for incurred claims is sensitive to the key assumptions in the table below. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

The following table presents information on how reasonably possible changes in assumptions made by the Group with regard to how underwriting risk variables impact insurance liabilities before and after risk mitigation by reinsurance contracts held. These contracts are measured under the PAA and, thus, only the LIC component of insurance liabilities is sensitive to possible changes in underwriting risk variables.

	Group		
	LIC as at 31 December 2023	Impact on LIC	Impact on profit before income tax
	$'000	$'000	$'000
Liability for incurred claims	3,612,194	-	-
Increase development by 10%	-	127,170	127,170
Decrease development by 10%	-	(101,731)	(101,731)

	Group		
	LIC as at 31 December 2022	Impact on LIC	Impact on profit before income tax
	$'000	$'000	$'000
Liability for incurred claims	3,952,436	-	-
Increase development by 10%	-	143,313	143,313
Decrease development by 10%	-	(114,659)	(114,659)

4. Insurance and Financial Risk Management (Continued)

(a) Insurance risk (continued)

Sensitivity Analysis of Actuarial Liabilities (Continued)

	Company		
	LIC as at 31 December 2023	Impact on LIC	Impact on profit before income tax
	$'000	$'000	$'000
Liability for incurred claims	2,600,674	-	-
Increase development by 10%	-	90,254	90,254
Decrease development by 10%	-	(72,203)	(72,203)

	Company		
	LIC as at 31 December 2022	Impact on LIC	Impact on profit before income tax
	$'000	$'000	$'000
Liability for incurred claims	2,913,249	-	-
Increase development by 10%	-	96,880	96,880
Decrease development by 10%	-	(77,504)	(77,504)

4. Insurance and Financial Risk Management (Continued)

(a) Insurance risk (continued)

Development Claim Liabilities

In addition to sensitivity analysis, the development of insurance liabilities provides a measure of the Group's claims liability for accident years 2015 - 2022 has changed at successive year-ends, up to 2022. Updated date are used to derive the revised amounts for the ultimate claims liability for each accident year, used in

		2016	2016 And Prior	2017	2017 and prior	2018	2018 and prior	2019
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
2016	Paid during year	379,721	1,257,450					
	UCAE, end of year	550,051	2,508,687					
	IBNR, end of year	200,066	1,233,790					
	Ratio: excess (deficiency)							
2017	Paid during year	411,945	921,098	407,102	1,328,200			
	UCAE, end of year	424,106	2,102,721	658,944	2,761,665			
	IBNR, end of year	384,889	1,095,774	426,773	1,522,547			
	Ratio: excess (deficiency)	(62.77%)	(10.08%)					
2018	Paid during year	84,396	417,899	419,091	836,990	704,090	1,541,080	
	UCAE, end of year	364,568	1,713,282	403,829	2,117,111	702,263	2,819,374	
	IBNR, end of year	200,408	491,259	251,701	742,960	361,653	1,104,613	
	Ratio: excess (deficiency)	(41.49%)	5.32%	1.02%	13.70%			
2019	Paid during year	149,021	897,118	158,262	1,055,380	495,868	1,551,248	642,092
	UCAE, end of year	211,293	780,949	258,251	1,039,200	367,971	1,407,171	724,954
	IBNR, end of year	138,151	274,149	172,455	446,604	217,437	664,041	352,877
	Ratio: excess (deficiency)	(32.62%)	12.06%	7.15%	21.15%	(1.63%)	7.68%	
2020	Paid during year	120,131	447,397	146,510	593,907	146,478	740,385	621,611
	UCAE, end of year	179,586	520,920	244,074	764,994	498,845	1,263,839	498,791
	IBNR, end of year	70,651	73,022	91,988	165,010	148,783	313,793	159,783
	Ratio: excess (deficiency)	35.41%	(12.43%)	(2.38%)	(20.26%)	7.15%	(5.22%)	18.77%
2021	Paid during year	69,548	179,422	100,762	280,184	74,660	354,844	84,965
	UCAE, end of year	167,737	330,123	142,130	472,253	265,274	737,527	266,214
	IBNR, end of year	51,722	184,700	72,827	257,527	120,474	378,001	57,080
	Ratio: excess (deficiency)	(23.58%)	(25.43%)	(9.03%)	(10.21%)	(0.31%)	(0.86%)	(7.64%)
2022	Paid during year	15,563	50,982	13,051	64,033	50,012	114,045	60,930
	UCAE, end of year	105,213	254,657	100,151	354,808	151,723	506,531	188,318
	IBNR, end of year	1,439	5,857	12,958	18,815	14,542	33,357	22,691
	Ratio: excess (deficiency)	(26.00%)	17.18%	52.12%	46.17%	13.83%	18.23%	1.66%
2023	Paid during year	16,120	55,696	16,142	71,838	37,324	109,162	55,988
	UCAE, end of year	66,758	171,556	63,680	235,236	94,475	329,711	107,919
	IBNR, end of year	4,289	7,211	1,021	8,232	3,330	11,562	7,759
	Effects of discount, risk adj, other end of year	(5,131)	(13,299)	(5,709)	(19,008)	(7,748)	(26,756)	(9,041)
	Ratio: excess (deficiency)	24.19%	17.59%	(5.94%)	(6.38%)	(3.17%)	(1.08%)	7.66%

ability to estimate the ultimate value of claims. The table below illustrates how the Group's estimate of the ultimate unpaid claims and adjustment expenses (UCAE) and IBNR estimates in each successive year, as well as amounts paid to the development calculations.

2019 and prior $'000	2020 $'000	2020 and prior $'000	2021 $'000	2021 and prior $'000	2022 $'000	2022 and prior $'000	2023 $'000	2023 and prior $'000
2,193,340								
2,132,125								
1,016,918								
1,361,996	677,161	2,039,157						
1,762,630	734,770	2,497,400						
473,576	337,154	810,730						
9.50%								
439,809	577,580	1,017,389	682,569	1,699,958				
1,003,741	461,939	1,465,680	671,032	2,136,712				
435,081	81,527	516,608	392,469	909,077				
(0.36%)	4.58%	1.17%						
174,975	141,872	316,847	698,217	1,015,064	753,449	1,768,513		
694,849	289,280	984,129	82,383	1,066,512	1,158,026	2,224,538		
56,048	67,944	123,992	138,806	262,798	387,741	650,539		
14.01%	(0.44%)	19.50%	19.78%	26.04%				
165,150	67,894	233,044	209,818	442,862	778,947	1,221,809	1,157,821	2,379,630
437,630	146,738	584,368	205,011	789,379	522,376	1,311,755	585,176	1,896,931
19,321	13,540	32,861	(23,474)	9,387	(23,828)	(14,441)	480,946	466,505
(35,797)	(12,963)	(48,760)	(12,705)	(61,465)	(37,218)	(98,683)	(118,485)	(217,168)
14.10%	4.36%	4.24%	27.34%	17.28%	43.78%	30.24%		

4. Insurance and Financial Risk Management (Continued)

(a) Insurance risk (continued)

Development Claim Liabilities

In addition to sensitivity analysis, the development of insurance liabilities provides a measure of the Company's ability ultimate claims liability for accident years 2016 - 2023 has changed at successive year-ends, up to 2022. Updated amounts paid to date are used to derive the revised amounts for the ultimate claims liability for each accident year,

		2016	2016 and prior	2017	2017 and prior	2018	2018 and prior	2019
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
2016	Paid during year	316,867	686,604					
	UCAE, end of year	395,079	977,817					
	IBNR, end of year	90,131	147,810					
	Ratio: excess (deficiency)	-	-					
2017	Paid during year	354,039	594,475	376,268	970,743			
	UCAE, end of year	231,093	709,192	491,870	1,201,062			
	IBNR, end of year	34,818	72,549	128,131	200,680			
	Ratio: excess (deficiency)	(27.77%)	(22.26%)					
2018	Paid during year	64,897	203,060	357,070	560,130	657,745	1,217,875	
	UCAE, end of year	151,792	441,021	217,186	658,207	610,706	1,268,913	
	IBNR, end of year	16,902	47,716	39,187	86,903	112,632	199,535	
	Ratio: excess (deficiency)	(21.11%)	(14.27%)	1.06%	6.88%			
2019	Paid during year	30,938	128,028	70,661	198,689	391,239	589,928	593,953
	UCAE, end of year	89,194	253,501	122,988	376,489	294,613	671,102	693,840
	IBNR, end of year	(863)	4,747	7,542	12,289	24,022	36,311	168,069
	Ratio: excess (deficiency)	10.92%	5.17%	(9.96%)	(18.13%)	(1.86%)	(11.65%)	
2020	Paid during year	23,741	76,043	29,570	105,613	89,000	194,613	577,520
	UCAE, end of year	77,776	210,713	97,345	308,058	217,201	525,259	391,730
	IBNR, end of year	2,481	10,832	2,581	13,413	11,894	25,307	35,763
	Ratio: excess (deficiency)	14.15%	8.66%	(10.12%)	(15.40%)	(1.94%)	(9.08%)	16.60%
2021	Paid during year	24,531	48,893	25,329	74,222	55,988	130,210	132,087
	UCAE, end of year	63,689	162,464	65,004	227,468	144,380	371,848	222,793
	IBNR, end of year	2,371	7,660	6,780	14,440	5,903	20,343	18,887
	Ratio: excess (deficiency)	16.28%	8.44%	(10.58%)	(15.78%)	(5.09%)	(11.00%)	10.37%
2022	Paid during year	17,265	38,639	19,698	58,337	29,065	87,402	46,664
	UCAE, end of year	41,976	125,893	43,986	169,879	79,213	249,092	137,917
	IBNR, end of year	7,263	15,661	8,393	24,054	15,127	39,181	10,414
	Ratio: excess (deficiency)	(16.37%)	(9.33%)	68.12%	14.44%	27.19%	12.12%	(4.95%)
2023	Paid during year	13,970	41,141	14,558	55,699	26,324	82,023	49,401
	UCAE, end of year	24,432	86,042	34,277	120,319	61,700	182,019	95,561
	IBNR, end of year	4,289	7,211	1,021	8,232	3,330	11,562	7,759
	Effects of discount, risk adj, other end of year	(2,576)	(8,766)	(3,912)	(12,678)	(5,810)	(18,488)	(8,578)
	Ratio: excess (deficiency)	15.02%	8.70%	(10.94%)	(15.73%)	(9.22%)	(12.99%)	5.46%

to estimate the ultimate value of claims. The table below illustrates how the Company's estimate of the unpaid claims and adjustment expenses (UCAE) and IBNR estimates in each successive year, as well as used in the development calculations.

2019 and prior	2020	2020 and prior	2021	2021 and prior	2022	2022 And Prior	2023	2023 And Prior
$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
1,183,881								
1,364,942								
204,380								
772,133	619,746	1,391,879						
916,989	631,504	1,548,493						
61,070	191,432	252,502						
11.53%								
262,297	508,866	771,163	618,721	1,389,884				
594,641	341,734	936,375	599,123	1,535,498				
39,230	34,819	74,049	184,364	258,413				
6.31%	7.59%	(1.08%)						
134,066	121,797	255,863	606,318	862,181	586,448	1,448,629		
387,009	201,030	588,039	348,120	936,159	596,050	1,532,209		
49,595	21,421	71,016	38,522	109,538	292,437	401,975		
(2.28%)	(3.67%)	6.38%	(26.74%)	(6.30%)				
131,424	49,447	180,871	191,478	372,349	602,300	974,649	707.382	1,682,031
277,580	117,245	394,825	184,454	579,279	367,009	946,288	237,358	1,183,646
19,321	13,541	32,862	(23,475)	9,387	(23,811)	(14,424)	329,326	314,902
(27,066)	(11,490)	(38,556)	(13,381)	(51,937)	(27,051)	(78,988)	(79,735)	(158,723)
1.75%	(1.46%)	(9.18%)	22.37%	1.63%	6.42%	(1.43%)		

4. Insurance and Financial Risk Management (Continued)

(b) Reinsurance risk

To limit its exposure of potential loss on an insurance policy, the insurer may cede certain levels of risk to a reinsurer. The Group selects reinsurers which have established capability to meet their contractual obligations and which generally have high credit ratings. The credit ratings of reinsurers are monitored.

Retention limits represent the level of risk retained by the cedant insurer. Coverage in excess of these limits is ceded to reinsurers up to the treaty limit or as agreed. The retention programs used by the Group are summarised below:

(a) Facultative reinsurance treaties are accepted on a per risk basis.
(b) The group has treaty arrangements as follows:
(i) Property:

	Jamaica		Barbados		Trinidad	
Property & Allied Perils	**Ceded**	**Retention**	**Ceded**	**Retention**	**Ceded**	**Retention**
Homeowners	90%	10%	85%	15%	90%	10%
Other Property	80%	20%	85%	15%	90%	10%

(ii) Motor 60%:40% Quota Share of premiums i.e. 60% ceded premiums and 40% retained.
(iii) Excess of loss treaty for motor and third-party liability, which covers losses in excess of J$7,500,000 for any one loss or event.
(iv) Excess of loss treaty for motor and third-party liability, which covers losses in excess of TT$800,000 for any one loss or event.
(v) First surplus and a quota share treaty for engineering business with retention of US$125,000.
(vi) First surplus treaty for miscellaneous accident, losses covered in excess of J$2,000,000.
(vii) Catastrophe excess of loss treaty which covers losses in excess of J$150,000,000 for any one catastrophic event as defined.

The Group reinsures with several reinsurers. Of significance are Munich Reinsurance, R & V Reinsurance, Scor Reinsurance and Swiss Reinsurance Company. All other reinsurers carry lines under 10%. The Group's business model supports the placement of specialty risk directly in the overseas market on a per risk basis. In keeping with the Group's risk policy, placement of these risks are with several reinsurers. A.M Best (Best) and Standard & Poor's (S & P) ratings for the major reinsurers are as follows:

	A.M Best		S & P	
	2023	**2022**	**2023**	**2022**
Munich Reinsurance Company	A+	A+	AA-	AA-
R & V Reinsurance	-	-	A+	AA-
Scor Reinsurance Company	A+	A+	A+	AA-
Swiss Reinsurance Company	A+	A+	AA-	AA-

(d) The amount of reinsurance recoveries recognised during the period is as follows:

	Group		Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Engineering	81,633	35,290	44,986	34,422
Fire	226,285	(93,601)	194,810	(99,255)
General Accident	41,704	138,066	23,005	139,361
Liability	(7,626)	11,975	(10,845)	10,256
Marine	8,415	(22,821)	3,725	(22,759)
Motor	681,429	465,215	633,710	439,377
	1,031,840	534,124	889,391	501,402

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk

The Group is exposed to financial risk through its financial assets, reinsurance assets and insurance liabilities. In particular the key financial risk is that the proceeds from its financial assets are not sufficient to fund the obligations arising from its insurance contracts. The most important components of this financial risk are interest rate risk, market risk, cash flow risk, currency risk, price risk and credit risk.

These risks arise from open positions in interest rates, currency and equity products, all of which are exposed to general and specific market movements. The risks that the Group primarily faces due to the nature of its investments and liabilities are credit risk, interest rate risk and market risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects of the Group's financial performance.

(i) Credit risk

The Group takes on exposure to credit risk, which is the risk that its reinsurers, brokers, customers, clients or counterparties will cause a financial loss for the Group by failing to discharge their contractual obligations. Credit risk is an important risk for the Group's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally from reinsurance assets, investment contracts, lease receivables and loans receivable.

The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counterparty or groups of related counterparties.

Credit review process

The Group's senior management meets on a monthly basis to discuss the ability of customers and other counterparties to meet repayment obligations.

(i) Reinsurance

Reinsurance is used to manage insurance risk. This does not, however, discharge the Group's liability as primary insurer. If a reinsurer fails to pay a claim for any reason, the Group remains liable for the payment to the policyholder. The creditworthiness of reinsurers is considered on an annual basis by reviewing their financial strength prior to finalisation of any contract. The Group's senior management assesses the creditworthiness of all reinsurers and intermediaries by reviewing credit grades provided by rating agencies and other publicly available financial information.

(ii) Loans and leases receivable

The Group's management of exposure to loans and leases receivable is influenced mainly by the individual characteristics of each customer. Management has established a credit policy under which each customer is analysed individually for creditworthiness prior to the Group offering credit facilities. Customers are required to provide a letter of guarantee and proof of collateral to be held as security.

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)
(i) Credit risk (continued)
Credit review process (continued)

(iii)Investments
The Group limits its exposure to credit risk by investing mainly in liquid securities, with counterparties that have high credit quality and Government securities. Accordingly, management does not expect any counterparty to fail to meet its obligations.

Impairment of Financial Assets
The following financial assets that are subject to expected credit loss model:
- Debt investments carried at amortised cost.
- Lease receivables

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, all bank balances are assessed to have low credit risk at each reporting date as they are held with reputable banking institutions and the identified impairment loss was immaterial.

Debt securities
The following table summarises the Group's credit exposure for debt securities at their carrying amounts, as categorised by issuer:

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Government of Jamaica	13,716	31,717	13,716	31,717
Government of Trinidad and Tobago	298,284	813,791	-	-
Other Government	30,566	329,802	30,566	329,802
Certificate of deposits	1,714,774	1,406,485	874,404	1,315,495
Corporate	108,066	118,962	108,066	104,975
	2,165,406	2,700,757	1,026,752	1,781,989

Significant increase in credit risk
- Qualitative assessment – Credit ratings are associated with ranges of default probabilities based on historical information. Rating outlooks, which are inherently forward-looking, are used to determine the probability of default to be applied to a specific security within its respective range. Issuer-specific default risk estimates incorporate forward-looking information directly. In calculating the probability of default, the Group uses credit ratings along with rating outlooks from recognised rating agencies, as well as issuer-specific default risk estimates where available and appropriate. The ratings and risk estimates are mapped to an internal credit risk grading model in order to standardise across different rating systems and to clearly demarcate significant changes in credit risk over time.

  A qualitative assessment is done at initial recognition and subsequently at each statement of financial position date and where it is determined that there is a significant increase in the probability of default the security is categorise as stage 2 for the purpose of calculating the ECL. If the financial instrument is credit impaired, the financial instrument is then moved to 'Stage 3. Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

- Quantitative assessment - Investment securities considered to have experienced a significant increase in credit risk if it is more than 30 days past due on its contractual payments.

4. Insurance and Financial Risk Management (Continued)
(c) Financial risk (continued)

(i) Credit risk (continued)

Expected credit loss measurement
The Group assesses on a forward-looking basis the ECL associated with debt investments. The ECL recognised by the Group reflects an unbiased and probability weighted amounts that is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information that is available without undue cost at the reporting date. The ECL is the product of the Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD).

The PD presents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months or over the remaining lifetime of the obligation.

EAD is based on the amounts the Group expects to be owed at the time of default, over the next 12 months or over the remaining lifetime.

LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD is calculated on a 12 month or a lifetime basis, where 12 month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and lifetime LGD is a percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

All of the Group's debt investments at amortised cost is considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses (Stage 1). Management considers 'low credit risk' for bonds to be those with an investment grade or high credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. There were no transfers between stages from the date of adoption to the reporting date.

The loss allowance for debt investments at amortised cost as at 31 December 2023 reconciles to the opening loss allowance on 1 January 2023 as at 31 December 2023 as follows:

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Opening loss allowance as at 1 January	3,723	10,523	3,680	5,876
Decrease in loss allowance recognised in profit or loss in the statement of comprehensive income during the year	(533)	(6,800)	(533)	(2,196)
Closing loss allowance as at 31 December	3,190	3,723	3,147	3,680

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)

(i) Credit risk (continued)

Sensitivity analysis
Set out below are the changes in ECL as at 31 December 2023 that would result from a reasonably possible change in the PDs used by the Group:

			Impact on ECL			
31 December 2023			**The Group**		**The Company**	
Financial Assets	**Actual PD ranges applied**	**% Change in PD**	**Higher threshold**	**Lower threshold**	**Higher threshold**	**Lower threshold**
					$'000	**$'000**
Debt instruments at amortised cost	1% - 4%	+/- 20%	638	(638)	629	(629)

			Impact on ECL			
31 December 2022			**The Group**		**The Company**	
Financial Assets	**Actual PD ranges applied**	**% Change in PD**	**Higher threshold**	**Lower threshold**	**Higher threshold**	**Lower threshold**
					$'000	**$'000**
Debt instruments at amortised cost	1% - 4%	+/- 20%	745	(745)	736	(736)

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to meet obligations to fulfil claims and other liabilities incurred.

Liquidity risk management process

The Group's liquidity management process, as carried out within the Group and monitored by the Board of Directors, includes:

(i) Monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure funding if required;

(ii) Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruptions to cash flow;

(iii) Optimising cash returns on investments;

(iv) Monitoring statement of financial position liquidity ratios against internal and regulatory requirements; and

(v) Managing the concentration and profile of debt maturities.

Monitoring and reporting take the form of cash flow measurement and projections for the next day, week and month, as these are key periods for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets.

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)`

(ii) Liquidity risk (continued)

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Group. It is unusual for companies ever to be completely matched since business transacted is often of uncertain term and of different types. An unmatched position potentially enhances profitability, but can also increase the risk of loss.

The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest-bearing liabilities as they mature, are important factors in assessing the liquidity of the Group and its exposure to changes in interest rates and exchange rates.

Financial assets and financial liabilities cash flows
The tables below present the undiscounted cash flows of the Group's financial assets and liabilities based on contractual repayment obligations:

				Group			
	Within 1 Month	Within 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	No Specific Maturity	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At 31 December 2023:							
Cash and short-term investments	836,745	242,846	-	-	-	-	1,079,591
Reinsurance contract assets	94,163	587,534	1,358,961	-	-	-	2,040,658
Insurance contract assets	12,246	829	12,058	-	-	-	25,133
Other receivables	38,074	5,036	984,046	-	-	232,867	1,260,023
Due from related parties	-	-	-	-	-	8,334	8,334
Loan receivable	737	1,453	6,193	22,270	95,824	-	126,477
Lease receivable	6,405	6,461	24,827	9,525	-	-	47,218
Real estate investment	-	-	-	-	-	228,750	228,750
Investment securities	206,437	177,591	614,982	975,928	262,280	976,286	3,213,504
Total financial assets	1,194,807	1,021,750	3,001,067	1,007,723	358,104	1,446,237	8,029,688
Other liabilities	-	-	-	-	-	231,130	231,130
Lease liabilities	2,797	4,701	44,183	204,690	-	-	256,371
Insurance contract liabilities	1,126,267	99,265	1,108,954	2,802,038	-	-	5,136,524
Reinsurance contract liabilities	462	2,883	6,667	-	-	-	10,012
Total financial liabilities	1,129,526	106,849	1,159,804	3,006,728	-	231,130	5,634,037
Net Liquidity Gap	65,281	914,901	1,841,263	(1,999,005)	358,104	1,215,107	2,395,651
Cumulative gap	65,281	980,182	2,821,445	822,440	1,180,544	2,395,651	

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)`

(ii) Liquidity risk (continued)

Liquidity risk management process (continued)

	Group						
	Within 1 Month	Within 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	No Specific Maturity	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At 31 December 2022:							
Cash and short-term investments	778,819	13,897	-	-	-	-	792,716
Reinsurance contract assets	226,521	568,534	1,191,251	-	-	-	1,986,306
Insurance contract assets	6,724	2,235	4,427	18,224	-	-	31,610
Other receivables	14,181	13,475	46,669	-	-	874,623	948,948
Due from related parties	-	-	-	-	-	8,049	8,049
Loan receivable	1,858	3,715	16,715	89,149	66,861	-	178,298
Lease receivable	2,783	4,487	20,191	72,852	6,969	-	107,282
Real estate investment	-	-	-	-	189,912	-	189,912
Investment securities	466,001	486,165	1,118,738	625,681	172,226	584,884	3,453,695
Total financial assets	1,496,887	1,092,508	2,397,991	805,906	435,968	1,467,556	7,696,816
Other liabilities	126,777	19,968	130,847	-	-	-	277,592
Due to related parties	-	-	-	-	-	16,577	16,577
Lease liabilities	6,302	6,755	36,387	7,153	-	-	56,597
Insurance contract liabilities	1,030,226	342,344	678,246	2,791,989	-	-	4,842,805
Reinsurance contract liabilities	5,851	14,686	30,771	-	-	-	51,308
Total financial liabilities	1,169,156	383,753	876,251	2,799,142	-	16,577	5,244,879
Net Liquidity Gap	327,731	708,755	1,521,740	(1,993,236)	435,968	1,450,979	2,451,937
Cumulative gap	327,731	1,036,486	2,558,226	564,990	1,000,958	2,451,937	

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)
(ii) Liquidity risk (continued)
Liquidity risk management process (continued)

	Company						
	Within 1 Month	Within 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	No Specific Maturity	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At 31 December 2023:							
Cash and short-term investments	513,167	147,873	-	-	-	-	661,040
Reinsurance contract assets	89,812	560,383	1,296,162	-	-	-	1,946,357
Other receivables	8,030	5,036	984,046	-	-	19,362	1,016,474
Due from related parties	-	-	-	-	-	273,475	273,475
Lease receivable	6,405	6,461	24,827	9,525	-	-	47,218
Real estate investment	-	-	-	-	-	228,750	228,750
Investment securities	196,120	157,423	607,743	121,275	16,003	971,953	2,070,517
Total financial assets	813,534	877,176	2,912,778	130,800	16,003	1,493,540	6,243,831
Other liabilities	180,541	14,911	97,707	-	-	-	293,159
Lease liabilities	285	285	34,305	213,682	-	-	248,557
Insurance contract liabilities	799,188	70,437	786,902	1,988,298	-	-	3,644,825
Total financial liabilities	980,014	85,633	918,914	2,201,980	-	-	4,186,541
Net Liquidity Gap	(166,480)	791,543	1,993,864	(2,071,180)	16,003	1,493,540	2,057,290
Cumulative gap	(166,480)	625,063	2,618,927	547,747	563,750	2,057,290	-

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)

(ii) Liquidity risk (continued)

Liquidity risk management process (continued)

	Company						
	Within 1 Month	Within 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	No Specific Maturity	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At 31 December 2022:							
Cash and short-term investments	350,215	13,897	-	-	-	-	364,112
Reinsurance contract assets	485,456	679,639	776,730	-	-	-	1,941,825
Insurance contract assets	5,996	8,394	9,592	-	-	-	23,982
Other receivables	14,181	13,475	46,669	-	-	734,206	808,531
Due from related parties	-	-	-	-	-	104,905	104,905
Lease receivable	2,783	4,487	20,191	72,852	6,969	-	107,282
Real estate investment	-	-	-	-	189,912	-	189,912
Investment securities	370,183	269,778	1,099,885	63,469	146,685	580,055	2,530,055
Total financial assets	1,228,814	989,670	1,953,067	136,321	343,566	1,419,166	6,070,604
Other liabilities	195,320	19,968	130,847	-	-	-	346,135
Due to related parties	-	-	-	-	-	16,577	16,577
Lease liabilities	5,578	5,307	17,924	559	-	-	29,368
Insurance contract liabilities	884,445	530,667	707,556	1,415,111	-	-	3,537,779
Reinsurance contract liabilities	6,855	4,113	5,484	10,969	-	-	27,421
Total financial liabilities	1,092,198	560,055	861,811	1,426,639	-	16,577	3,957,280
Net Liquidity Gap	136,616	429,615	1,091,256	(1,290,318)	343,566	1,402,589	2,113,324
Cumulative gap	136,616	566,231	1,657,487	367,169	710,735	2,113,324	-

Assets available to meet all of the liabilities and to cover financial liabilities include cash and bank balances and investment securities. The Group is also able to meet unexpected net cash outflows by selling securities and accessing additional funding sources from its parent company and other financial institutions.

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a 0financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates, interest rates and prices of quoted equities. Market risk is monitored by the finance department which carries out research and monitors the price movement of financial assets on the local and international markets.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)

(iii) Market risk

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

The Group also has transactional currency exposure. Such exposure arises from having financial assets in currencies other than those in which financial liabilities are expected to settle. The Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign assets to address short term imbalances.

Concentrations of currency risk
The tables below summarise the Group's exposure to foreign currency exchange rate risk at 31 December:

	The Group				
	Jamaican$ J$'000	TTD J$'000	US$ J$'000	BBD J$'000	Total J$'000
At 31 December 2023:					
Financial Assets					
Cash and short term investments	384,445	230,435	317,055	147,656	1,079,591
Reinsurance contract assets	1,946,357	34,800	-	59,501	2,040,658
Insurance contract assets	-	21,030	-	4,103	25,133
Other receivables	1,176,359	10,168	43,073	30,423	1,260,023
Loan receivables	-	126,477	-	-	126,477
Lease receivables	44,725	-	-	-	44,725
Due from related parties	8,334	-	-	-	8,334
Real estate investment	228,750	-	-	-	228,750
Investment securities	1,557,365	1,219,300	390,622	-	3,167,287
Total financial assets	5,346,335	1,642,210	750,750	241,683	7,980,978
Financial Liabilities					
Reinsurance contract liabilities	-	304	-	9,708	10,012
Other liabilities	153,962	70,658	-	6,510	231,130
Due to related parties	-	-	-	-	-
Lease liabilities	-	13,561	217,959	4,193	235,713
Insurance contract liabilities	3,644,825	1,356,725	-	134,974	5,136,524
Total financial liabilities	3,798,787	1,441,248	217,959	155,385	5,613,379
Net financial position	1,547,548	200,962	532,791	86,298	2,367,599

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)

(iii) Market risk (continued)

Currency risk (continued)

The tables below summarise the Group's exposure to foreign currency exchange rate risk at 31 December:

	The Group				
	Jamaican$ J$'000	**TTD J$'000**	**US$ J$'000**	**BBD J$'000**	**Total J$'000**
At 31 December 2022:					
Financial Assets					
Cash and short term investments	237,894	218,608	180,610	149,192	786,304
Reinsurance contract assets	1,833,858	62,126	83,970	6,352	1,986,306
Insurance contract assets	23,982		-	4,847	31,610
Other receivables	920,472	27,858	-	-	948,330
Loan receivables	-	136,226	-	-	136,226
Lease receivables	66,312	-	-	-	66,312
Due from related parties	8,049	-	-	-	8,049
Real estate investment	189,912	-	-	-	189,912
Investment securities	1,846,508	997,328	485,890	-	3,329,726
Total financial assets	5,126,987	1,444,927	750,470	160,391	7,482,775
Financial Liabilities					
Reinsurance contract liabilities	27,421	8,916	-	14,971	51,308
Other liabilities	222,459	42,519	5,912	6,701	277,591
Due to related parties	-	-	16,577	-	16,577
Lease liabilities	15,802	13,584	12,396	12,139	53,921
Insurance contract liabilities	3,094,258	1,206,919	443,521	98,106	4,842,804
Total financial liabilities	3,359,940	1,271,938	478,406	131,917	5,242,201
Net financial position	1,767,047	172,989	272,064	28,474	2,240,574

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)

(iii) Market risk (continued)

Currency risk (continued)

The tables below summarise the Company's exposure to foreign currency exchange rate risk at 31 December:

	Company				
	Jamaican$ J$'000	US$ J$'000	TT$ J$'000	BB$ J$'000	Total J$'000
At 31 December 2023:					
Financial Assets					
Cash and short term investments	384,445	276,595	-	-	661,040
Reinsurance contract assets	1,946,357	-	-	-	1,946,357
Other receivables	973,401	43,396	-	-	1,016,797
Lease receivables	44,725	-	-	-	44,725
Due from related parties	8,334	234,376	17,702	13,063	273,475
Real estate investment	228,750	-	-	-	228,750
Investment securities	1,557,365	390,622	76,313	-	2,024,300
Total financial assets	5,143,377	944,989	94,015	13,063	6,195,444
Financial Liabilities					
Other liabilities	293,159	-	-	-	293,159
Lease liabilities	-	217,959	-	-	217,959
Insurance contract liabilities	3,644,825	-	-	-	3,644,825
Total financial liabilities	3,937,984	217,959	-	-	4,155,943
Net financial position	1,205,393	727,030	94,015	13,063	2,039,501

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)

(iii) Market risk (continued)

Currency risk (continued)

The tables below summarise the Company's exposure to foreign currency exchange rate risk at 31 December:

	Company				
	Jamaican$ J$'000	**US$ J$'000**	**TT$ J$'000**	**BB$ J$'000**	**Total J$'000**
At 31 December 2022:					
Financial Assets					
Cash and short term investments	236,664	121,036	-	-	357,700
Reinsurance contract assets	23,982	-	-	-	23,982
Insurance contract assets	1,859,021	82,804		-	1,941,825
Other receivables	808,531	-	-	-	808,531
Lease receivables	8,049	74,039	14,332	8,485	104,905
Due from related parties	66,312	-	-	-	66,312
Real estate investment	189,912	-	-	-	189,912
Investment securities	1,846,508	485,890	73,732	-	2,406,130
Total financial assets	5,038,979	763,769	88,064	8,485	5,899,297
Financial Liabilities					
Reinsurance contract liabilities	27,421	-	-	-	27,421
Other liabilities	-	16,577	-	-	16,577
Due to related parties	340,223	5,912	-	-	346,135
Lease liabilities	15,802	12,396	-	-	28,198
Insurance contract liabilities	3,094,258	443,521	-	-	3,537,779
Total financial liabilities	3,477,704	478,406	-	-	3,956,110
Net financial position	1,561,275	285,363	88,064	8,485	1,943,187

The following tables indicate the currencies to which the Company had significant exposure on its monetary assets and liabilities and its forecast cash flows. The change in currency rates below represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis shows the impact of translating outstanding foreign currency denominated monetary items, assuming changes in currency rates shown in the table below. The sensitivity analysis includes cash and short-term deposits, investment securities, premium and other receivables and claims liabilities. The percentage change in the currency rate will impact each financial asset/liability included in the sensitivity analysis differently. Consequently, individual sensitivity analyses were performed. The effect on pre-tax profit below is the total of the individual sensitivities done for each of the assets/liabilities. There was no impact on the other components of equity.

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)

(iii) Market risk (continued)
Foreign currency sensitivity

	The Group			
	% Change in Currency Rate 2023	Increase/ (decrease) in Pre-tax Profit 2023 $'000	% Change in Currency Rate 2022	Increase/ (decrease) in Pre-tax Profit 2022 $'000
USD – J$ Revaluation	1%	(5,328)	1%	(2,622)
USD – J$ Devaluation	4%	21,312	4%	10,489
TT – J$ Revaluation	4%	(8,038)	4%	(2,949)
TT – J$ Devaluation	6%	12,058	6%	4,424

	The Company			
	% Change in Currency Rate 2023	Increase/ (decrease) in Pre-tax Profit 2023 $'000	% Change in Currency Rate 2022	Increase/ (decrease) in Pre-tax Profit 2022 $'000
USD – J$ Revaluation	1%	(7,267)	1%	(2,944)
USD – J$ Devaluation	4%	29,068	4%	11,778
TT – J$ Revaluation	4%	(3,761)	4%	(2,949)
TT – J$ Devaluation	6%	5,641	6%	4,424
BB – J$ Devaluation	4%	(523)	4%	(339)
BB – J$ Devaluation	6%	784	6%	509

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk.

The Group's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest bearing financial assets and interest bearing financial liabilities.

The following tables summarise the Group's exposure to interest rate risk. It includes the Group's financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

4. Insurance and Financial Risk Management (Continued)
(c) Financial risk (continued)
(iii) Market risk (continued)
Interest rate risk (continued)

	The Group						
	Within 1 Month	Within 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	Non-Interest Bearing	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At 31 December 2023:							
Cash and short term investments	836,745	242,846	-	-	-	-	1,079,591
Reinsurance contract assets	-	-	-	-	-	2,040,658	2,040,658
Insurance contract assets	-	-	-	-	-	25,133	25,133
Other receivables	38,428	5,005	907,609	-	-	308,981	1,260,023
Due from related parties	-	-	-	-	-	8,334	8,334
Loan receivables	737	1453	6,193	22,270	95,824	-	126,477
Lease receivable	6,062	5,860	23,434	9,369	-	-	44,725
Real estate investment	-	-	-	-	-	228,750	228,750
Investment securities	200,047	173,398	596,116	962,163	263,610	971,953	3,167,287
Total financial assets	1,082,019	428,562	1,533,352	993,802	359,434	3,583,809	7,980,978
Reinsurance contract liabilities	-	-	-	-	-	10,012	10,012
Other liabilities	-	-	-	-	-	231,130	231,130
Lease liabilities	2,744	4,610	36,630	191,729	-	-	235,713
Insurance contract liabilities	-	-	-	-	-	5,136,524	5,136,524
Total financial liabilities	2,744	4,610	36,630	191,729	-	5,377,666	5,613,379
Total interest repricing gap	1,079,275	423,952	1,496,722	802,073	359,434	(1,793,857)	2,367,599
Cumulative gap	1,079,225	1,503,227	2,999,949	3,802,022	4,161,456	2,367,599	

	The Group						
At December 2022							
Cash and short term investments	761,033	25,271	-	-	-	-	786,304
Reinsurance contract assets	-					1,986,306	1,986,306
Insurance contract assets	-					31,610	31,610
Other receivables	14,181	13,475	46,051	-	-	874,623	948,330
Loan receivables	1,063	2,144	9,962	62,907	60,150	-	136,226
Lease receivable	1,559	2,095	10,443	45,619	6,596	-	66,312
Due from related parties	-	-	-	-	-	8,049	8,049
Real estate investment	-	-	-	-	-	189,912	189,912
Investment securities	447,810	469,233	1,040,627	619,498	43,369	709,189	3,329,726
Total financial assets	1,225,646	512,218	1,107,083	728,024	110,115	3,799,689	7,482,775
Reinsurance contract liabilities	-	-	-	-	-	51,308	51,308
Other liabilities	-	-	-	-	-	277,592	277,592
Lease liabilities	5,925	6,340	34,793	6,863	-	-	53,921
Due to related parties	-	-	-	-	-	16,577	16,577
Insurance contract liabilities	-	-	-	-	-	4,842,804	4,842,804
Total financial liabilities	5,925	6,340	34,793	6,863	-	5,188,281	5,242,202
Total interest repricing gap	1,219,721	505,878	1,072,290	721,161	110,115	(1,388,592)	2,240,573
Cumulative gap	1,219,721	1,725,599	2,797,889	3,519,050	3,629,165	2,240,573	

4. Insurance and Financial Risk Management (Continued)
(c) Financial risk (continued)
(iii) Market risk (continued)
Interest rate risk (continued)

	The Company						
	Within 1 Month $'000	Within 3 Months $'000	3 to 12 Months $'000	1 to 5 Years $'000	Over 5 Years $'000	Non-Interest Bearing $'000	Total $'000
At 31 December 2023:							
Cash and short-term investments	513,167	147,873	-	-	-	-	661,040
Reinsurance contract assets	-	-	-	-	-	1,946,357	1,946,357
Other receivables	8,005	5,005	907,932	-	-	95,855	1,016,797
Due from related parties						273,475	273,475
Lease receivables	6,062	5,860	23,434	9,369	-	-	44,725
Real estate investment	-	-	-	-	-	228,750	228,750
Investment securities	189,730	153,230	588,877	107,510	13,000	971,953	2,024,300
Total financial assets	716,964	311,968	1,520,243	116,879	13,000	3,516,390	6,195,444
Other liabilities	-	-	-	-	-	293,159	293,159
Lease liabilities	270	270	26,868	190,551	-	-	217,959
Insurance contract liabilities	-	-	-	-	-	3,644,825	3,644,825
Total financial liabilities	270	270	26,868	190,551	-	3,937,984	4,155,943
Total interest repricing gap	716,694	311,698	1,493,375	(73,672)	13,000	(421,594)	2,039,501
Cumulative gap	716,694	1,028,392	2,521,767	2,448,095	2,461,095	2,039,501	

	The Company						
At 31 December 2022:							
Cash and short-term investments	332,429	25,271	-	-	-	-	357,700
Reinsurance contract assets	-	-	-	-	-	1,941,825	1,941,825
Insurance contract assets	-					23,982	23,982
Other receivables	14,181	13,475	46,669	-	-	734,206	808,531
Due from related parties						104,905	104,905
Lease receivables	1,559	2,095	10,443	45,619	6,596	-	66,312
Real estate investment	-	-	-	-	-	189,912	189,912
Investment securities	352,035	252,846	1,021,774	57,286	13,000	709,189	2,406,130
Total financial assets	700,204	293,687	1,078,886	102,905	19,596	3,704,019	5,899,297
Reinsurance contract liabilities	-	-	-	-	-	27,421	27,421
Other liabilities	-	-	-	-	-	346,135	346,135
Lease liabilities	5,274	5,039	17,355	530	-	-	28,198
Due to related parties	-	-	-	-	-	16,577	16,577
Insurance contract liabilities	-	-	-	-	-	3,537,779	3,537,779
Total financial liabilities	5,274	5,039	17,355	530	-	3,927,912	3,956,110
Total interest repricing gap	694,930	288,648	1,061,531	102,375	19,596	(223,893)	1,943,187
Cumulative gap	694,930	983,578	2,045,109	2,147,484	2,167,080	1,943,187	

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)

(iii) Market risk (continued)

Interest rate risk (continued)

Interest rate sensitivity
The following table indicates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, on the Group's profit or loss and shareholders' equity.

The sensitivity of the profit or loss is the effect of the assumed changes in interest rates on income based on the floating rate non-trading financial assets and financial liabilities. The sensitivity of other components of equity is calculated by revaluing fixed rate financial assets and liabilities for the effects of the assumed changes in interest rates. The change in the interest rates will impact the financial assets and liabilities differently. Consequently, individual analyses were performed. The effect on pre-tax profit and other components of equity below is the total of the individual sensitivities done for each of the assets and liabilities. It should be noted that the changes in the pre-tax profit and other components of equity as shown in the analysis are non-linear.

The Group

Change in Basis points:	Increase/(decrease) in Profit before Taxation	Increase/(decrease) in Other Components of Equity	Change in Basis points:	Increase/(decrease) in Profit before Taxation	Increase/(decrease) in Other Components of Equity
2023 JMD/USD	2023 $'000	2023 $'000	2022 JMD/USD	2022 $'000	2022 $'000
-25/-25	(110)	-	-50/-50	(230)	-
+25/+25	110	-	+100/+50	320	-

The Company

Change in Basis points:	Increase/(decrease) in Profit before Taxation	Increase/(decrease) in Other Components of Equity	Change in Basis points:	Increase/(decrease) in Profit before Taxation	Increase/(decrease) in Other Components of Equity
2023 JMD/USD	2023 $'000	2023 $'000	2022 JMD/USD	2022 $'000	2022 $'000
-25/-25	(55)	-	-50/-50	(90)	-
+25/+25	55	-	+100/+50	180	-

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)

Price risk
The Group is exposed to equity securities and real estate price risk because of investments held by the Group. These investments are classified on the statement of financial position as fair value through other comprehensive income, fair value through profit or loss.

The table below summarizes the impact of increases/(decreases) on the Group's pre-tax profit for the year and on equity. The analysis is based on the assumption that the equity prices had increased/decreased by 10% (2022 - 10%) with all other variables held constant.

The Group

	Equity Securities				Real estate investment	
Change in index:	Increase/ (decrease) in Profit before Taxation 2023 $'000	Increase/ (decrease) in Profit before Taxation 2022 $'000	Effect on Other Components of Equity: 2023 JMD/USD	Effect on Other Components of Equity 2022 $'000	Effect on Other Components of Equity 2023 $'000	Effect on Other Components of Equity 2022 $'000
10% (2023 -10%)	(16,751)	(16,515)	(80,445)	(41,491)	(22,875)	(18,991)
10% (2023 +10%)	16,751	16,515	80,445	41,491	22,875	18,991

The Group and Company

	Equity Securities				Real estate investment	
Change in index:	Increase/ (decrease) in Profit before Taxation 2023 $'000	Increase/ (decrease) in Profit before Taxation 2022 $'000	Effect on Other Components of Equity: 2023 JMD/USD	Effect on Other Components of Equity 2022 $'000	Effect on Other Components of Equity 2023 $'000	Effect on Other Components of Equity 2022 $'000
10% (2022 -10%)	(16,751)	(16,515)	(80,445)	(41,491)	(22,875)	(18,991)
10% (2022 + 10%)	16,751	16,515	80,445	41,491	22,875	18,991

5. Capital Management

The Group's objectives when managing capital, which is a broader concept than the 'equity' on the face of statement of financial position, are:

(a) To comply with the capital requirements set by the regulators of the insurance markets where the Group operates;

(b) To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for stockholders and benefits for other stakeholders; and

(c) To maintain a strong capital base to support the development of its business.

Regulations in Jamaica

To assist in evaluating the business and current strategies, a risk-based capital approach is used in the form of the Minimum Capital Test (MCT) as stipulated by the Jamaican regulator, the Financial Services Commission (FSC). The MCT is calculated by management. A revised calculation of the MCT came into effect on 22 December 2022 as prescribed by the Insurance (Amendment) Regulations, 2023. The revised calculation stipulated a required MCT of 150% for 2023 and 175% for 2022. The Company's ratio was 161% as at 31 December 2023.

Regulations in Trinidad and Tobago

General Accident Insurance (Trinidad and Tobago) Limited (formerly Motor One Limited) is regulated by The Central Bank of Trinidad and Tobago under the Insurance Act 2018 which became effective 1 January 2022. Under the Act, the company is required to maintain a Minimum Regulatory Capital Ratio of 110%. As at year end the company was in compliant with its Capital Ratio.

Regulations in Barbados

General Accident Insurance (Barbados) Limited is regulated by The Financial Services Commission with legislative guidance from the Financial Services Act, the Insurance Act and the Exempt Insurance Act. The company is required to have a margin of solvency determined as the greater of BB$500,000 or 20% of its net written premium for the financial year. Based on the net admissible assets as at the financial year end, the company is deemed solvent.

6. Fair Value Estimation

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

In accordance with IFRS 13, the Group discloses fair value measurements for items carried on the statement of financial position at fair value, by level of the following fair value measurement hierarchy:

(a) Quoted prices (unadjusted) in active markets for identical assets or liabilities are disclosed as Level 1.
(b) Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) are disclosed as Level 2.
(c) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) are disclosed as Level 3.

The following table presents the Group's assets that are measured at fair value. There are no liabilities that are measured at fair value at the year end, and the Group had no transfers between levels during the year.

	Group			
	Level 1	Level 2	Level 3	Total balance
At 31 December 2023	**$'000**	**$'000**	**$'000**	**$'000**
Assets				
Equity securities	976,286	-	-	976,286
Investment property	-	-	433,578	433,578
Real estate investment	-	-	228,750	228,750
Total assets measured at fair value	976,286	-	662,328	1,638,614

	Company			
	Level 1	Level 2	Level 3	Total
	$'000	**$'000**	**$'000**	**$'000**
At 31 December 2023				
Assets				
Equity securities	971,953	-	-	971,953
Investment property	-	-	367,000	367,000
Real estate investment	-	-	228,750	228,750
Total assets measured at fair value	971,953	-	595,750	1,567,703

6. Fair Value Estimation (Continued)

	The Group			
	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total balance $'000
At 31 December 2022				
Assets				
Equity securities	584,884	-	-	584,884
Investment property	-	-	407,507	407,507
Real estate investment	-	-	189,912	189,912
Total assets measured at fair value	584,884	-	597,419	1,182,303

	The Company			
	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total balance $'000
At 31 December 2022				
Assets				
Equity securities	580,055	-	-	580,055
Investment property	-	-	343,000	343,000
Real estate investment	-	-	189,912	189,912
Total assets measured at fair value	580,055	-	532,912	1,112,967

Market price is used to determine fair value where an active market (such as a recognised stock exchange) exists as it is the best evidence of the fair value of a financial instrument. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

However, market prices are not available for all financial assets held by the Group. Therefore, for financial instruments where no market price is available, the fair values presented have been estimated using present value or other estimation and valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The following methods have been used to value financial instruments:

(a) Investment securities classified as fair value through other comprehensive income and fair value through profit or loss are measured at fair value by reference to quoted market prices when available. If quoted market prices are not available, then fair values are estimated on the basis of pricing models or other recognised valuation techniques;

(b) The fair value of short-term assets and liabilities maturing within one year is assumed to approximate their carrying amount. This assumption is applied to liquid assets and the short-term elements of all other financial assets and financial liabilities;

(c) The fair value of variable rate financial instruments is assumed to approximate their carrying amounts, as these instruments are expected to reprice at the prevailing market rates;

(d) Financial assets at amortised cost are assumed to approximate fair value as these are issued at terms and conditions available in the market for similar transactions.

6. Fair Value Estimation (Continued)

Fair Value of Investment Properties and Real Estate Fund
An independent valuation of the Group's Investment Properties and Real Estate Fund was performed by valuers to determine the fair value as at 31 December 2023. The revaluation surplus has been credited to other comprehensive income.

Valuation process of the Group On an annual basis the Group engages external, independent and qualified valuers to determine the fair value of its Investment Properties and Real Estate Fund.

Sales Comparison Approach
The comparison method of valuation was taken in account by examining values of similar properties in and around surrounding areas. This approach incorporates unobservable inputs which in the valuer's judgement reflects suitable adjustments regarding size, age, condition, time of sale, quality of land and buildings and improvements. The higher the price per square foot the higher the fair value.

Income Approach
The projected net income of the subject properties are discounted using an appropriate capitalisation rate. The most significant input to this valuation is the rental rate per square foot and the capitalisation rate. Rental rates of the subject properties are adjusted to reflect the market rent for properties of similar size, location and condition. The higher rental rate per square foot the higher the fair value. The higher the capitalisation rate the lower the fair value. The average rent per square foot ranges between $US8 - $US14.

<u>Sensitivity Analysis</u>

Some of the investment properties and real estate investments held by the Group are measured using an income approach which considers rental rates and a capitalization rate. The capitalization factor is largely an unobservable input that have the greatest potential for volatility and have resulted in the classification of the investments in level 3. The capitalization rates used in the valuations range from 4% to 7%.

Should the capitalization factors increase/decrease by 1 percentage point, it would result in decrease/increase in the carrying value of investment properties and real estate investments, with all other factors remaining constant, of $6,623,000 (2022 - $5,974,000) for the Group and company.

7. Critical Accounting Estimates and Judgements in Applying Accounting Policies

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities in the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that will have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

(a) *Measurement of insurance contracts*
In applying IFRS 17 to measure liability for claims incurred, the Group discounts cashflows that are expected to occur more than one year after the date on which the claims are incurred and includes an explicit risk adjustment for non-financial risk. The areas of judgement and estimate that impact the measurement of insurance contracts are shown below.

(i) Discount rate
Discount rates are composed of an observable component, an assumed ultimate discount rate and interpolation between the two.

7. Critical Accounting Estimates and Judgements in Applying Accounting Policies (Continued)

(a) *Measurement of insurance contracts (Continued)*

(i) Discount rate (Continued)

During the observable period, a top down approach was used, where the discount is determined as the yield implicit in the fair value of a reference portfolio adjusted for differences between the reference portfolio of assets and respective liability cash flows. Reference portfolios were selected to reflect the currency of the liabilities, the Group's investment strategies and the characteristics of the liabilities and are comprised of a mix of sovereign and corporate bonds available in the markets. The yields are adjusted from to remove both expected and unexpected credit risk and, where applicable, other asset characteristics that are not related to the insurance contract liabilities. These adjustments are estimated using information from observed historical levels of default for bonds included in the reference portfolio. Observable market information is available for 20 years. The FSC has provided yields at six-month intervals so no interpolation is required. The yield curves that were used to discount the estimates of future cash flows are 1 year (2023: 5.82%; 2022: 7.75%), 5 years (2023: 6.77%; 2022: 6.10%) and 10 years (2023: 8.80%; 2022: 6.70%)

(ii) Risk adjustment for non-financial risk

The risk adjustment for non-financial risk represents the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts and covers non-financial risk. 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. For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.

The Group has estimated the risk adjustment using a margin approach, calibrated to the cost of capital and target confidence levels. The margin approach involves applying shocks to the insurance assumptions used to project expected cash flows so as to produce an increase in the fulfilment cash flows. Shocks are selected using the projected cost of insurance risk capital such that the resulting risk adjustment falls within the Group's target confidence level range. The risk adjustment for insurance and reinsurance contracts corresponds to a confidence level at 70% (2022 - 70%).

(iii) Liability for incurred claims

The determination of the liability for incurred claims represents the liability for future claims payable by the Group based on contracts for the insurance business in force at the date of the statement of financial position using several methods, including the Paid Loss Development method, the Incurred Loss Development method, the Bornhuetter-Ferguson Paid Loss method, the Bornhuetter-Ferguson Incurred Loss method and the Frequency-Severity method. These liabilities represent the amounts that will, in the opinion of the actuary, be sufficient to pay future claims relating to contracts of insurance in force, as well as meet the other expenses incurred in connection with such contracts. A margin for risk or uncertainty (adverse deviations) in these assumptions is added to the liability. The assumptions are examined each year in order to determine their validity in light of current best estimates or to reflect emerging trends in the Group's experience.

Claims are analysed separately between those arising from damage to insured property and consequential losses. Claims arising from damage to insured property can be estimated with greater reliability, and the Group's estimation processes reflect all the factors that influence the amount and timing of cash flows from these contracts. The shorter settlement period for these claims, allows the Group to achieve a higher degree of certainty about the estimated cost of claims, and relatively little IBNR is held at year-end. However, the longer time needed to assess the emergence of claims arising from consequential losses makes the estimation process more uncertain for these claims.

7. Critical Accounting Estimates and Judgements in Applying Accounting Policies (Continued)

(b) *Income taxes*

There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(c) *Fair value of financial assets determined using valuation techniques*

As described in Note 6, where the fair values of financial assets recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of discounted cash flows model and/or mathematical models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values.

For discounted cash flow analysis, estimated future cash flows and discount rates are based on current market information and rates applicable to financial instruments with similar yields, credit quality and maturity characteristics. Estimated future cash flows are influenced by factors such as economic conditions, types of instruments or currencies, market liquidity and financial conditions of counterparties. Discount rates are influenced by risk free interest rates and credit risk.

Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(d) *Measurement of expected credit loss allowance*

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and FVOCI requires that use of complex models and significant assumptions about future economic conditions and credit behaviour such as the likelihood of customers defaulting and the resulting losses.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as

i) Determining criteria for significant increase in credit risk
ii) Choosing appropriate models and assumptions for the measurement of ECL
iii) Establishing the number and relative weightings of forward-looking scenarios

Further details about judgements and estimates by the Group are set out in 4 (c)

8. Segment Information

Management has determined the operating segments based on the reports reviewed by the board of directors that are used to make strategic decisions. All operating segments used by management meet the definition of a reportable segment under IFRS 8.

The Group is organised into six operating segments. These segments represent the different types of risks that are written by the entity through various forms of brokers, agents and direct marketing programs, which are located in Jamaica, Trinidad and Barbados. Management identifies its reportable operating segments by product line consistent with the reports used by the board of directors. These segments and their respective operations are as follows:

(a) Motor - Losses involving motor vehicles, this includes liabilities to third parties.

(b) Fire and allied perils - Loss, damage or destruction to insured property used for residential and commercial purposes as specified on the policy schedule, resulting from fire and allied perils, burglary, theft, or accidental damage. This includes liability to third parties and domestic employees.

(c) Marine - Loss or damage to goods from the perils of the seas and other perils whilst in transit from destination to destination by sea, air or land and from warehouse to warehouse.

(d) Liability - Legal liability of the insured to third parties for accidental bodily injury, death and/or loss of or damage to property occurring in connection with the insured's business, subject to a limit of indemnity. In the case of an employee liability this is legal liability of the insured to pay compensation to its employees in respect of death, injury or disease sustained during and in the course of their employment, subject to a limit of indemnity.

(e) Engineering and machinery breakdown - Loss or damage by fire and allied perils including burglary, theft and accidental damage to specified equipment, including loss or damage resulting from electrical and mechanical breakdown subject to maintenance.

(f) Miscellaneous Accidents - This operating segment covers the following policies:

- Fidelity Guarantee - Loss of money or goods owned by the insured (or for which the insured is responsible) as a result of fraud or dishonesty by an employee.
- Goods in Transit - Loss, destruction or damage to insured goods by fire and allied perils, including loss or damage from accidental collision or overturning and whilst in, on or being loaded or unloaded from any road vehicle or whilst temporarily housed overnight during the ordinary course of transit.
- Loss of money - Loss, damage or destruction of money including hold-up on premises during and out of business hours and in transit.
- Plate glass - Accident breakage to plate glass windows and doors of buildings.
- Personal accident - Compensation for bodily injury caused by violent, visible, external and accidental means, which injury shall solely and independently of any other cause result in death or dismemberment within 12 months of such injury. Subject to the limits specified on the policy schedule.
- *Burglary* - Loss of or damage to the insured's property involving forcible and/or violent entry into or exit from the building including damage to the premises.

8. Segment Information (Continued)

The segment information provided to the board of directors for the reportable segments for the year ended 31 December 2023 is as follows:

	Group						
2023	**Engineering $'000**	**Fire $'000**	**Accident $'000**	**Liability $'000**	**Marine $'000**	**Motor $'000**	**Total $'000**
Insurance Revenue	435,110	2,500,809	129,240	445,713	130,191	4,934,645	8,575,708
Insurance service expense	(296,605)	(559,027)	(137,389)	(381,837)	(46,963)	(4,215,396)	(5,637,217)
Net expenses from reinsurance contracts held	(160,572)	(1,691,816)	(18,347)	(227,413)	(68,343)	(75,894)	(2,242,385)
Insurance service results	(22,067)	249,966	(26,496)	(163,537)	14,885	643,355	696,106

	Group						
2022	**Engineering $'000**	**Fire $'000**	**Accident $'000**	**Liability $'000**	**Marine $'000**	**Motor $'000**	**Total $'000**
Insurance Revenue	406,186	1,780,383	143,262	381,852	102,181	3,852,691	6,666,555
Insurance service expense	(171,842)	(420,405)	(202,865)	(129,294)	(1,114)	(3,225,531)	(4,151,051)
Net expenses from reinsurance contracts held	(213,703)	(1,473,183)	74,612	(170,067)	(83,192)	(30,745)	(1,896,278)
Insurance service results	20641	(113,205)	15,009	82,491	17,875	596,415	619,226

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Total capital expenditure was as follows:

	2023 $'000	**2022 $'000**
Property, plant and equipment	120,599	174,540
Intangible assets	19,173	720
	139,772	175,260

Assets, liabilities and capital expenditure are not reported by segment to the Board of Directors.

9. Related Party Transactions and Balances

(a) Related party transactions are as follows:

	Group 2023 $'000	Group 2022 $'000	Company 2023 $'000	Company 2022 $'000
Dividend income				
Affiliated companies	30,119	16,143	30,119	16,143
	30,119	16,143	30,119	16,143
Interest income -				
Fellow subsidiary	10,946	6,323	10,946	6,323
Parent	300	-	300	-
	11,246	6,323	11,246	6,323
Rental and lease payments-				
Affiliated company	68,605	43,961	68,605	43,961
Insurance revenue -				
Key management	1,450	3,055	1,450	2,903
Parent company	54,712	33,845	54,712	33,845
Fellow subsidiaries	681,228	427,769	681,228	427,769
Affiliates	413,219	254,231	389,058	210,107
	1,150,609	718,900	1,126,448	674,624
Insurance service expense -				
Parent company	558,189	13,011	558,189	13,011
Fellow subsidiaries	8,550	489,904	8,550	489,904
Affiliates	32,411	24,961	32,411	17,798
	599,150	527,876	599,150	520,713
Dividends declared -				
Key management	1,163	3,057	1,163	3,057
Parent company	162,022	200,458	162,022	200,458
	163,185	203,515	163,185	203,515
Key management compensation -				
Salaries and other short-term benefits	201,211	217,039	151,429	190,693
Post employment benefits	25,801	12,153	25,801	12,153
Directors emoluments				
Directors' emoluments (included above)	4,744	3,862	2,430	2,423
Directors' fees (included above)	4,744	3,862	2,430	2,423

9. Related Party Transactions and Balances (Continued)

(b) The statement of financial position includes the following balances with group companies:

	The Group		The Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Due from related parties -				
Subsidiary	-	-	265,141	96,856
Affiliated company	8,334	8,049	8,334	8,049
	8,334	8,049	273,475	104,905
Due to related party				
Parent	-	16,577	-	16,577
	-	16,577	-	16,577
Investment securities -				
Shares in affiliated entities (Note 23)	950,006	560,362	950,006	560,362

Included in the investments of the Group are shares in related parties. At 31 December 2023, these shares represented 9.7% of the total assets (2022 – 4.43%).

Affiliates represent companies that are associated with the parent company, which are not subsidiaries of the parent company and also entities over which the directors have significant influence.

No provisions made for receivables from related parties for either year.

10. Insurance service expenses

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Incurred claims	3,022,862	1,916,656	2,398,928	1,760,406
Commission expense	1,003,438	674,469	708,620	556,191
Amortization of insurance acquisition cash flows	1,048,583	1,079,102	780,395	777,043
Other acquisition cost	562,334	480,824	407,777	359,440
	5,637,217	4,151,051	4,295,720	3,453,080

11. Net investment income

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Interest income				
Lease receivable	4,824	18,331	4,824	18,331
Loan due from fellow subsidiary	6,122	6,323	6,122	6,323
Loan due from parent	300	-	300	-
Cash and deposits and investment securities	220,668	163,808	184,001	144,118
	231,914	188,462	195,247	168,772
Bond premium amortisation	(1,958)	(1,557)	(1,958)	(1,660)
	229,956	186,905	193,289	167,112
Dividend income	27,267	16,143	27,267	16,143
Real estate investment income (Note 26)	38,838	-	38,838	-
Rental income from investment property	23,604	24,291	23,604	24,291
Revaluation gains on investment property (Note 25)	24,000	77,973	24,000	75,142
Unrealised fair value gains on equities	(2,868)	131,098	(2,869)	131,098
Loss allowance reversed on investments	-	-	-	-
	340,797	436,410	304,129	413,786

12. Other operating income

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Foreign exchange gains	70,077	2,933	70,077	2,933
Gain on disposal of property, plant and equipment	1,165	321	1,165	321
Fronting fee	160,719	153,456	160,719	153,456
Miscellaneous income	55,606	36,111	21,004	8,505
	287,567	192,821	252,965	165,215

13. Expenses by Nature

Management and other expenses by nature are as follows:

	2023			
The Group	**Expenses attributed to insurance acquisition cash flows**	**Other directly attributable expenses**	**Other operating expenses**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Advertising costs	58,084	26,062	15,711	99,857
Asset tax	-	-	16,646	16,646
Audit fees	-	13,494	4,586	18,080
Bank charges and fees	27,879	10,203	2,820	40,902
Computer expenses	71,580	32,313	14,275	118,168
Directors' fees	-	2,372	2,372	4,744
Depreciation and amortisation (Note (27,28,30)	97,883	32,467	56,695	187,045
ECL allowance	1,974	277	277	2,528
Insurance	13,789	54,400	1,965	70,154
Irrecoverable VAT	8,330	7,380	3,168	18,878
Other operating expenses	44,719	15,760	74,463	134,942
Professional fees	47,038	68,147	30,179	145,364
Printing and stationery	19,179	9,153	5,451	33,783
Registration fees	17,073	13,029	4,023	34,125
Rent	25,752	7,393	3,497	36,642
Repairs and maintenance	45,247	15,796	17,049	78,092
Security	11,391	3,104	2,520	17,015
Staff costs (Note 14)	743,904	230,063	217,498	1,191,465
Transportation expenses	9,161	3,841	2,157	15,159
Utilities	42,697	17,080	11,152	70,929
	1,285,680	562,334	486,504	2,334,518

13. Expenses by Nature (Continued)

Management and other expenses by nature are as follows:

The Group	2022			
	Expenses attributed to insurance acquisition cash flows	Other directly attributable expenses	Other operating expenses	Total
	$'000	$'000	$'000	$'000
Advertising costs	57,137	24,350	14,689	96,176
Asset tax	-	-	18,199	18,199
Audit fees	-	13,149	3,287	16,436
Bank charges and fees	18,191	3,527	1,725	23,443
Computer expenses	61,261	27,761	12,976	101,998
Directors fees	-	1,931	1,931	3,862
Depreciation and amortisation (Note (27,28,30)	77,265	26,214	48,257	151,736
ECL allowance	6,648	192	192	7,032
Insurance	7,219	38,982	12,144	58,345
Irrecoverable VAT	6,158	5,456	2,354	13,968
Other operating expenses	37,639	15,049	426	53,114
Professional fees	36,420	46,116	19,808	102,344
Printing and stationery	18,009	9,720	5,764	33,493
Registration fees	13,706	10,348	3,342	27,396
Rent	16,450	5,236	2,493	24,179
Repairs and maintenance	41,229	14,209	15,983	71,421
Security	8,749	2,205	1,718	12,672
Staff costs (Note 14)	691,631	217,946	206,843	1,116,420
Transportation expenses	7,449	2,888	1,783	12,120
Utilities	38,684	15,545	10,048	64,277
	1,143,845	480,824	383,962	2,008,631

13. Expenses by Nature (Continued)

Management and other expenses by nature are as follows:

The Company	**2023**			
	Expenses attributed to insurance acquisition cash flows	**Other directly attributable expenses**	**Other operating expenses**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Advertising costs	41,305	18,490	13,073	72,868
Asset tax	-	-	16,646	16,646
Audit fees	-	8,713	3,267	11,980
Bank charges and fees	18,126	4,457	1,530	24,113
Computer expenses	56,592	27,249	11,921	95,762
Directors' fees	-	1,215	1,215	2,430
Depreciation and amortisation (Note (27,28,30)	77,414	25,133	23,373	125,920
ECL allowance	1,419	-	-	1,419
Insurance	12,479	2,181	1,635	16,295
Other operating expenses	40,382	15,100	61,306	116,788
Professional fees	36,934	47,593	7,576	92,103
Printing and stationery	11,469	4,362	2,642	18,473
Registration fees	15,039	12,012	3,006	30,057
Rent	8,737	1,413	1,021	11,171
Repairs and maintenance	37,272	13,167	15,658	66,097
Security	6,624	2,150	1,884	10,658
Staff costs (Note 14)	538,198	210,193	188,465	936,856
Transportation expenses	7,536	2,940	1,914	12,390
Utilities	27,907	11,409	7,664	46,980
	937,433	407,777	363,796	1,709,006

13. Expenses by Nature (Continued)

Management and other expenses by nature are as follows:

The Company	2022			
	Expenses attributed to insurance acquisition cash flows	Other directly attributable expenses	Other operating expenses	Total
	$'000	$'000	$'000	$'000
Advertising costs	42,137	17,590	12,437	72,164
Asset tax	-	-	18,199	18,199
Audit fees	-	8,713	2,178	10,891
Bank charges and fees	13,863	3,090	-	16,953
Computer expenses	47,337	22,863	10,040	80,240
Directors' fees	-	1,215	1,215	2,430
Depreciation and amortisation (Note (27,28,30)	62,418	20,235	17,730	100,383
ECL allowance	6,263	-	-	6,263
Insurance	6,349	1,953	1,465	9,767
Other operating expenses	41,264	11,910	19,997	73,171
Professional fees	25,329	32,639	5,196	63,164
Printing and stationery	8,580	3,263	1,977	13,820
Registration fees	11,700	9,345	2,339	23,384
Rent	3,956	639	462	5,057
Repairs and maintenance	33,701	12,114	14,591	60,406
Security	3,650	1,185	1,038	5,873
Staff costs (Note 14)	514,050	200,975	180,567	895,592
Transportation expenses	3,120	1,225	902	5,247
Utilities	25,074	10,486	6,857	42,417
	848,791	359,440	297,190	1,505,421

14. Staff Costs

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Wages and salaries	893,817	865,897	678,145	676,086
Statutory contributions	83,332	76,789	68,414	63,419
Pension costs	20,538	18,081	20,332	17,913
Other	193,778	155,653	169,965	138,174
	1,191,465	1,116,420	936,856	895,592

15. Taxation

The company's shares became listed on the Junior Market of the Jamaica Stock Exchange on 21 September 2011.

On September 27, 2023, the company graduated to the Main Market. The remissions to which the company was entitled expired in 2022 and as such, the tax rate for the company now stands at 33.33% for the year 2023.

(b) Taxation is based on the profit for the year adjusted for taxation purposes and represents income tax at 33 ⅓%:

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Current income tax	172,554	87,664	158,020	81,741
Deferred income tax (Note 32)	19,673	23,273	22,724	(1,283)
	192,227	110,937	180,744	80,458

(c) The tax charge on the Group's profit differs from the theoretical amount that would arise using the statutory tax rate as follows:

	The Group		The Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Profit before tax	740,495	891,331	705,181	684,707

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Tax calculated at applicable tax rate	248,832	236,045	235,060	161,836
Adjusted for the effects of:				
Income not subject to tax	(58,387)	(92,081)	(71,687)	(69,587)
Expenses not deductible for tax	12,959	20,437	24,407	8,154
Tax losses for which no deferred tax was recognised	(8,468)	(49,192)	-	-
Net effect of other charges and allowances	(2,709)	(4,272)	(7,036)	(19,945)
	192,227	110,937	180,744	80,458

16. Earnings Per Share

The calculation of earnings per share is based on the net profit for the year and 1,031,250,000 ordinary shares in issue.

	2023	2022
Net profit from continuing operations attributable to owners ($'000)	540,176	730,742
Weighted average number of ordinary shares in issue ('000)	1,031,250	1,031,250
Earnings per share ($)	0.52	0.71

The net profit and retained earnings of the Group are reflected in the accounts of the company and its subsidiaries as follows:

Net profit

	2023 $'000	2022 $'000
Company	524,437	604,249
Subsidiaries	23,831	176,145
	548,268	780,394

Retained earnings.

	2023 $'000	2022 $'000
Company	2,957,127	2,635,216
Subsidiaries	10,662	(5,077)
	2,967,789	2,630,139

17. Dividends per Share

The dividends paid in 2023 and 2022 were as follows:

	2023 $'000	2022 $'000
Interim dividends: -		
19.639 cents per stock unit – December 2023	202,526	-
24.298 cents per stock unit – December 2022	-	250,573
	202,526	250,573

18. Cash and Cash Equivalents

	The Group		The Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Cash and bank balances	836,745	666,352	513,167	332,429
Short-term deposits	242,846	119,952	147,873	25,271
	1,079,591	786,304	661,040	357,700

18. Cash and Cash Equivalents (Continued)

Short term deposits comprise term deposits and repurchase agreements with an average maturity of 90 days (2022 – 90 days) and include interest receivable of $601,863 (2022 – $2,673,000).

The weighted average effective interest rate on short term investments and deposits were as follows:

	The Group		The Company	
	2023	2022	2023	2022
	%	%	%	%
US$	4.0	2.5	4.0	2.5

The weighted average effective interest rates on cash balances for the year were as follows:

	The Group		The Company	
	2023	2022	2023	2022
	%	%	%	%
US$	0.5	0.5	0.5	0.5
BB$	0.5	0.5	-	-
J$	1.0	1.0	1.0	1.0

19. Reinsurance contract assets and liabilities

	The Group									
Reinsurance contracts held	Remaining coverage		Incurred claims		Total-2023	Remaining coverage		Incurred claims		Total-2022
	Excluding loss-recovery comp.	Loss comp.	Present value of future cash flows	Risk adj. for non-fin. risk		Excluding loss-recovery comp.	Loss comp.	Present value of future cash flows	Risk adj. for non-fin. risk	
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Reinsurance contract assets as at 1 January	**321,752**	**-**	**1,547,325**	**65,921**	**1,934,998**	**(174,262)**	**-**	**2,102,664**	106,681	**2,035,083**
Reinsurance expenses	(3,270,478)	-	(3,746)	-	(3,274,224)	(2,426,486)	-	(3,914)	-	(2,430,400)
Incurred claims recovery	-	-	1,059,118	(27,279)	1,031,839	-	-	574,882	(40,760)	534,122
Finance income/expenses from reinsurance contracts held recognised	-	-	20,804	-	20,804	-	-	14	-	14
Cash flows										
Premiums paid net of ceding commissions and other directly attributable expenses paid	3,476,362	-	-	-	3,476,362	2,922,500	-	-	-	2,922,500
Recoveries from reinsurance	-	-	(1,159,133)	-	(1,159,133)	-	-	(1,126,321)	-	(1,126,321)
Reinsurance contract assets as at 31 December	**527,636**	**-**	**1,464,368**	**38,642**	**2,030,646**	**321,752**	**-**	**1,547,325**	**65,921**	**1,934,998**

19. Reinsurance contract assets and liabilities (Continued)

	The Company									
Reinsurance contracts held	Remaining coverage		Incurred claims		Total-2023	Remaining coverage		Incurred claims		Total-2022
	Excluding loss-recovery comp.	Loss comp.	Present value of future cash flows	Risk adj. for non-fin. risk		Excluding loss-recovery comp.	Loss comp.	Present value of future cash flows	Risk adj. for non-fin. risk	
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Reinsurance contract assets as at 1 January	**407,251**	**-**	**1,445,689**	**61,464**	**1,914,404**	**(128,168)**	**-**	**2,012,627**	102,091	**1,986,550**
Reinsurance expenses	(2,785,021)	-	(3,286)	-	(2,788,307)	(2,129,491)	-	(3,380)	-	(2,132,871)
Incurred claims recovery	-	-	944,154	(26,961)	917,193	-	-	542,028	(40,627)	501,401
Finance income/expenses from reinsurance contracts held recognised	-	-	18,504	-	18,504	-	-	4,253	-	4,253
Cash flows										
Premiums paid net of ceding commissions and other directly attributable expenses paid	2,966,008	-	-	-	2,966,008	2,664,910	-	-	-	2,664,910
Recoveries from reinsurance	-	-	(1,081,445)	-	(1,081,445)	-	-	(1,109,839)	-	(1,109,839)
Reinsurance contract assets as at 31 December	**588,238**	**-**	**1,323,616**	**34,503**	**1,946,357**	**407,251**	**-**	**1,445,689**	**61,464**	**1,914,404**

20. Other Receivables

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Prepayments	97,676	73,689	42,784	70,336
Bond collateral recoverable	654,322	652,804	670,495	652,804
Other receivables	605,701	295,526	394,302	155,727
	1,357,699	1,022,019	1,107,581	878,867

Included in bond collateral recoverable are amounts due from third parties that are fully collaterised. Included in other receivables is $180,688,000 due from related parties.

21. Loans Receivables

	The Group	
	2023	2022
	$'000	$'000
Mortgage loan	126,477	136,226
Current portion of loan receivable	8,383	13,168
Non-current portion.	118,094	123,058
	126,477	136,226

This is a mortgage loan secured on property located at 120 and 122 Eastern Main Road, Barataria in Trinidad and is repayable by fixed monthly instalments over a period twelve (12) years with the following terms and conditions:

(i) Variable interest rate based on commercial banks' average lending rate as published by the Central Bank of Trinidad and Tobago with a floor of 5% adjustable at each anniversary date. The initial interest rate is 7%.

(ii) Balloon repayment of capital from the assignment of monies due and payable under the share purchase agreement on the acquisition of subsidiary.

(iii) Assignment of insurance policy on property.

22. Lease receivables

	The Group and Company	
	2023	2022
	$'000	$'000
Gross investment in finance leases		
Not later than one year	37,694	27,431
Later than one year and not later than five years	9,524	72,852
Later than five years	-	6,999
	47,218	107,282
Less: Unearned income	(2,493)	(40,970)
	44,725	66,312
Net investment in finance leases may be classified as follows:		
Note later than one year	35,357	14,097
Later than one year and not later than five years	9,368	45,619
Later than five years	-	6,596
	44,725	66,312

23. Investment Securities

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Debt securities -				
At amortised cost:				
Government Jamaica Securities	13,716	31,717	13,716	31,717
Government of Trinidad and Tobago	298,284	813,791	-	-
Certificate of Deposits	1,453,272	1,111,627	612,902	1,020,637
United States Dollar Corporate Bonds	-	118,961	-	104,975
United States Dollar Long Term Deposits	112,622	294,858	112,622	294,858
Other Government Securities	287,512	329,803	287,512	329,803
	2,165,406	2,700,757	1,026,752	1,781,990
Interest receivable	25,595	44,085	25,595	44,085
Equity investment at fair value through profit or loss	167,507	165,395	167,507	165,395
Equity investments at fair value through OCI	808,779	419,489	804,446	414,660
	3,167,287	3,329,726	2,024,300	2,406,130

Weighted average effective interest rate:	The Group		The Company	
	2023	2022	2023	2022
	%	%	%	%
Government of Jamaica Securities	6.19	6.19	6.19	6.19
Government of Trinidad and Tobago	3	3	1	1
Certificate of Deposits	7.76	6.55	7.76	6.55
United States Long Term Deposits	4.78	3,95	4.78	3.95
United States Dollar Corporate Bonds	8.50	7.00	8.50	7.0
Other Government Securities	4.63	4.63	4.63	4.63

Included in investments are Government of Jamaica securities valued at $18,000,000 and a Certificate of Deposit for $30,900,000 (2022 - $30,000,000.00) which have been pledged with the FSC, pursuant to Section 8(1)(b) of the Insurance Regulations, 2001.

Investments pledged with the Barbados FSC, pursuant to Exempt Insurance Act amounted to BBD $250,0000.

The Group's holdings in equity investments for 2023 and 2022 includes investment in affiliated companies (Note 9).

24. Investment in Subsidiaries

	The Company	
	2023	2022
	$'000	$'000
General Accident Insurance (Trinidad and Tobago) Limited (75%), 491,910 Ordinary shares)	441,624	441,624
General Accident Insurance (Barbados) Limited (80%) 2,400,000 Ordinary shares	165,893	165,893
	607,517	607,517

25. Investment Property

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
At 1 January	407,507	328,149	343,000	265,000
Additions	-	2,976	-	2,976
Revaluation (credited to profit or loss) (Note 11)	24,000	77,973	24,000	75,024
Translation differences	2,071	(1,591)	-	-
At 31 December	433,578	407,507	367,000	343,000

Property income and direct expenses including repairs and maintenance in relation to investment properties are as follows:

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Rental income	31,381	25,279	23,604	24,291
Direct costs	(6,152)	(5,647)	(6,152)	(5,647)

The properties of the Group were valued at current market value. The Trinidad properties were valued as at December 2023 by Bhanmati Seecharan in Trinidad. In December 2023, NAI Jamaica Langford and Brown did the valuations for Jamaica. Both parties are independent qualified property appraisers and valuators. The values for the properties have been established using the sales comparison method, which considers the values of similar properties in and around surrounding areas.

The valuation of investment property has been classified as Level 3 of the fair value hierarchy under IFRS 13, *Fair Value Measurement*. The valuations have been performed using a comparable sales approach but, as there have been a limited number of similar sales in the location, unobservable inputs determined based on the valuators' judgement regarding size, age, condition were utilised.

26. Real Estate Investment

	The Group and Company	
	2023	2022
	$'000	$'000
At 1 January	189,912	189,912
Revaluation (credited to profit or loss)	38,838	-
Closing	228,750	189,912

This represents the Group's beneficial interest in a property which is leased to third parties and held in trust for a group of investors under a Trust Deed managed by Scotia Investments Jamaica Limited.

The property is carried at fair value through the profit or loss statement and presented an increase in value at December 31, 2023.

The fair value of the investment is at level 3 in the fair value hierarchy, as is consistent with the requirements of IFRS 13 (Note 6).

27. Property, Plant and Equipment

	The Group				
	Land and Buildings	Furniture, Fixtures & Equipment	Motor Vehicles	Work in Progress	Total
	$'000	$'000	$'000	$'000	$'000
Cost -					
At 1 January 2021	601,972	286,598	35,525	-	924,095
Transfer	-	(32,118)	(16,643)	-	(48,761)
Additions	114,053	60,487	-	-	174,540
Disposals	-	(68,676)	(2,400)	-	(71,076)
Translation differences	(10,551)	(3,366)	(161)	-	(14,078)
At 31 December 2022	705,474	242,925	16,321	-	964,720
Additions	22,203	42,997	55,399	-	120,599
Translation differences	12,947	2,589	202	-	15,738
At 31 December 2023	740,624	288,511	71,922	-	1,101,057
Depreciation -					
At 1 January 2021	64,542	96,058	22,587	-	183,187
Transfer	(433)	(31,789)	(16,647)	-	(48,869)
Charge for the year	15,951	43,703	3,523	-	63,177
Relieved on disposal	-	(68,590)	(2,400)	-	(70,990)
Translation differences	(318)	(1,659)	(48)	-	(2,025)
At 31 December 2022	79,742	37,723	7,015	-	124,480
Charge for the year	24,184	48,493	7,154	-	79,831
Translation differences	22	464	89	-	575
At 31 December 2023	103,948	86,680	14,258	-	204,886
31 December 2023	636,676	201,831	57,664	-	896,171
31 December 2022	625,732	205,202	9,306	-	840,240

27. Property, Plant and Equipment (Continued)

	The Company			
	Land and Buildings	Furniture, Fixtures & Equipment	Motor Vehicles	Total
	$'000	$'000	$'000	$'000
Cost -				
At 1 January 2021	178,033	192,442	27,756	398,231
Adjustments	-	(32,118)	(16,643)	(48,761)
Additions	114,053	44,371	-	158,424
Disposal		(249)	(2,400)	(2,649)
At 31 December 2022	292,086	204,446	8,713	505,245
Additions	22,204	18,742	55,398	96,344
At 31 December 2023	314,290	223,188	64,111	601,589
Depreciation -				
At 1 January 2021	53,545	88,623	20,263	162,431
Adjustments	(432)	(31,791)	(16,646)	(48,869)
Charge for the year	14,250	32,248	2,437	48,935
Disposal	-	(163)	(2,400)	(2,563)
At 31 December 2022	67,363	88,917	3,654	159,934
Charge for the year	17,490	34,888	6,040	58,418
At 31 December 2023	84,853	123,805	9,694	218,352
Net Book Value -				
31 December 2023	229,437	99,383	54,417	383,237
31 December 2022	224,723	115,529	5,059	345,311

28. Intangible Assets

	The Group					
	Renewal Rights	**Distribution Relationships**	**Licence**	**Website**	**Computer Software**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
At Cost -						
At 1 January 2021	38,221	12,070	142,826	12,487	29,239	234,843
Additions	-	-	-	-	720	720
Disposal	-	-	-	-	(16,322)	(16,322)
Translation differences	-	-	-	-	(195)	(195)
At 31 December 2022	38,221	12,070	142,826	12,487	13,442	219,046
Addition	-	-	-	-	19,173	19,173
Translation differences	-	-	-	-	411	411
At 31 December 2023	38,221	12,070	142,826	12,487	33,026	238,630
Amortisation -						
At 1 January 2021	22,932	4,527	-	7,247	20,123	54,829
Charge for the year	7,645	1,508	-	3,122	1,883	14,158
Disposal	-	-	-	-	(16,322)	(16,322)
Translation differences	-	-	-	-	(49)	(49)
At 31 December 2022	30,577	6,035	-	10,369	5,635	52,616
Charge for the year	7,644	1,509	-	1,927	3,020	14,100
Translation differences	-	-	-	-	79	79
At 31 December 2023	38,221	7,544	-	12,296	8,734	66,795
Net Book Value -						
31 December 2023	-	4,526	142,826	191	24,292	171,835
31 December 2022	7,644	6,035	142,826	2,118	7,807	166,430

28. Intangible Assets (Continued)

	The Company		
	Website	Computer Software	Total
	$'000	$'000	$'000
At Cost -			
At 31 December 2021 and 2022	12,487	5,560	18,047
Additions during year 2023	-	9,362	9,362
At 31 December 2023	12,487	14,922	27,409
Amortisation			
At 1 January 2022	7,247	4,177	11,424
Charge for the year	3,121	670	3,791
At 31 December 2022	10,368	4,847	15,215
Charge for the year	1,927	1,340	3,267
At 31 December 2023	12,295	6,187	18,482
Net Book Value -			
31 December 2023	192	8,735	8,927
31 December 2022	2,119	713	2,832

29. Other Liabilities

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Statutory contributions payable	5,728	4,365	5,728	4,365
Accrued expenses	30,042	21,994	29,093	21,994
Sales and premium tax payable	194,297	124,027	258,254	187,984
Other payables	1,063	127,206	84	131,792
	231,130	277,592	293,159	346,135

30. Leases

This note provides information for leases where the Group is a lessee.

(a) Right of use assets

	Right of Use-Asset	
	The Group	The Company
	$'000	$'000
Cost		
1 January 2022	279,797	205,660
Disposal (termination)	(33,414)	(6,260)
Additions	42,209	6,351
Translation	(1,102)	-
1 January 2023	287,490	205,751
Disposal (termination)	(174,942)	(151,454)
Additions	280,005	260,390
Translation	1,821	826
31 December 2023	394,374	315,513
Accumulated Depreciation		
1 January 2022	197,633	139,404
Charge for the year	74,401	47,657
Disposal(termination)	(33,414)	(6,345)
Translation difference	(890)	-
1 January 2023	237,730	180,716
Charge for the year	93,154	64,234
Disposal(termination)	(174,171)	(151,454)
Translation difference	860	232
31 December 2023	157,573	93,728
Net Book Value		
31 December 2022	49,760	25,035
31 December 2023	236,801	221,785

30. Leases (Continued)

Amounts recognized in the statement of financial position

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Right-of-use assets				
Motor Vehicles	-	14,902	-	14,902
Land and buildings	236,801	34,858	221,785	10,133
	236,801	49,760	221,785	25,035
Lease liabilities				
Current	45,162	41,467	27,408	27,669
Non-current	190,551	12,454	190,551	529
	235,713	53,921	217,959	28,198

(b) Lease liabilities

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
1 January	53,921	103,207	28,198	85,286
Additions	269,870	41,724	260,390	6,351
Lease payments	(110,547)	(94,190)	(89,279)	(67,921)
Interest on lease liability	14,326	6,812	12,196	4,817
Foreign exchange and other adjustments	8,143	(3,632)	6,454	(335)
31 December	235,713	53,921	217,959	28,198

(c) Amounts recognized in profit or loss

The statement of profit or loss shows the following amounts relating to right-of-use assets:

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Depreciation charge of right-of-use assets				
Motor vehicles	-	16,257	-	16,257
Land and buildings	93,154	58,144	64,234	31,401
	93,154	74,401	64,234	47,658
Interest expense	14,326	6,812	12,196	4,817

31. Deferred Income Taxes

Deferred income taxes are calculated in full on temporary differences under the liability method using a principal tax rate of 33.33%.

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Deferred income tax assets	7,342	4,895	7,342	4,895
Deferred income tax liabilities	(100,940)	(78,820)	(51,828)	(26,657)
Net liabilities	(93,598)	(73,925)	(44,486)	(21,762)

The net movement on the deferred income tax account is as follows:

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
At the beginning of the year	(73,925)	(50,652)	(21,762)	(23,045)
Profit or loss (Note 15)	(19,673)	(23,273)	(22,724)	1,283
At end of year	(93,598)	(73,925)	(44,486)	(21,762)

31. Deferred Income Taxes (Continued)

Deferred income tax assets and liabilities are attributable to the following items:

	The Group		The Company	
	2023	2022	2023	2022
Deferred income tax assets	$'000	$'000	$'000	$'000
Accrued vacation	7,342	4,895	7,342	4,895
	7,342	4,895	7,342	4,895

	The Group		The Company	
	2023	2022	2023	2022
Deferred income tax liabilities	$'000	$'000	$'000	$'000
Unrealised foreign exchange gains	-	-	-	-
Accelerated depreciation	17,294	736	16,785	736
Intangible assets	48,603	52,163	-	-
Interest receivable	35,043	25,921	35,043	25,921
	100,940	78,820	51,828	26,657

The deferred tax movement in the profit or loss comprises the following temporary differences

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Accelerated depreciation	16,049	(12,058)	16,049	(12,058)
Unrealised foreign exchange gains	-	(3,885)	-	(3,885)
Intangible assets	(3,051)	24,556	-	-
Accrued vacation	(2,447)	(1,123)	(2,447)	(1,123)
Interest receivable	9,122	15,783	9,122	15,783
	19,673	23,273	22,724	(1,283)

(expressed in Jamaican dollars unless otherwise indicated)

32. Insurance contract assets and liabilities

Reconciliation of the insurance contract liabilities and assets

The following tables present reconciliations of insurance contract liabilities and assets.

Group	LRC		LIC		Total-2023	LRC		LIC		Total-2022
	Excluding loss comp.	Loss comp.	Present value of future cash flows	Risk adj. for non-fin. Risk		Excluding loss comp.	Loss comp.	Present value of future cash flows	Risk adj. for non-fin. Risk	
Insurance contract liabilities as at 1 January	**858,758**	**-**	**3,783,098**	**169,338**	**4,811,194**	**573,234**	**-**	**4,604,395**	**234,248**	**5,411,877**
Insurance revenue	**(8,575,708)**	**-**	**-**	**-**	**(8,575,708)**	**(6,666,555)**	**-**	**-**	**-**	**(6,666,555)**
Incurred claims and other directly attributable expenses	-	-	4,837,203	(36,309)	4,800,894	-	-	3,583,348	(64,910)	3,518,438
Insurance acquisition cash flows amortization	836,323	-	-	-	836,323	632,613	-	-	-	632,613
Insurance service expenses	**836,323**	**-**	**4,837,203**	**(36,309)**	**5,637,217**	**632,613**	**-**	**3,583,348**	**(64,910)**	**4,151,051**
Insurance service result	**(7,739,385)**	**-**	**4,837,203**	**(36,309)**	**(2,938,491)**	**(6,033,942)**	**-**	**3,583,348**	**(64,910)**	**(2,515,504)**
Movement on discount	-	-	118,275	-	118,275	-	-	(26,822)	-	(26,822)
Total amounts recognised in comprehensive income	**(7,739,385)**	**-**	**4,955,478**	**(36,309)**	**(2,820,216)**	**(6,033,942)**	**-**	**3,556,526**	**(64,910)**	**(2,542,326)**
Investment components	-	-	-	-	-	-	-	-	-	-
Insurance acquisition cash flows asset derecognised	-	-	890	-	890	-	-	18,351	-	18,351
Other pre-recognition cash flows derecognised and other changes	-	-	(4,377)	-	(4,377)	-	-	7,320	-	7,320
Cash flows										
Premiums received	9,286,712	-	-	-	9,286,712	6,984,466	-	-	-	6,984,466
Claims and other directly attributable expenses paid	-	-	(5,255,924)	-	(5,255,924)	-	-	(4,403,494)	-	(4,403,494)
Insurance acquisition cash flows	(906,888)	-	-	-	(906,888)	(665,000)	-	-	-	(665,000)
Total cash flows	**8,379,824**	**-**	**(5,255,924)**	**-**	**3,123,900**	**6,319,466**	**-**	**(4,403,494)**	**-**	**1,915,972**
Insurance contract liabilities as at 31 December	**1,499,197**	**-**	**3,479,165**	**133,029**	**5,111,391**	**858,758**	**-**	**3,783,098**	**169,338**	**4,811,194**

(expressed in Jamaican dollars unless otherwise indicated)

32. Insurance contract assets and liabilities (Continued)

Reconciliation of the insurance contract assets and liabilities (Continued)

Company	LRC		LIC		Total-2023	LRC		LIC		Total-2022
	Excluding loss comp.	Loss comp.	Present value of future cash flows	Risk adj. for non-fin. Risk		Excluding loss comp.	Loss comp.	Present value of future cash flows	Risk adj. for non-fin. Risk	
Insurance contract liabilities as at 1 January	**600,548**	**-**	**2,792,109**	**121,140**	**3,513,797**	**404,234**	**-**	**3,192,649**	**171,029**	**3,767,912**
Insurance revenue	**(6,752,418)**	**-**	**-**	**-**	**(6,752,418)**	**(5,518,241)**	**-**	**-**	**-**	**(5,518,241)**
Incurred claims and other directly attributable expenses	-	-	3,730,215	(28,402)	3,701,813	-	-	2,974,778	(49,889)	2,924,889
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	-	-	-	-	-	-	-	-
Insurance acquisition cash flows amortization	**593,907**	-	-	-	**593,907**	528,191	-	-	-	528,191
Insurance service expenses	**593,907**	**-**	**3,730,215**	**(28,402)**	**4,295,720**	**528,191**	**-**	**2,974,778**	**(49,889)**	**3,453,080**
Insurance service result	**(6,158,511)**	**-**	**3,730,215**	**(28,402)**	**(2,456,698)**	**(4,990,050)**	**-**	**2,974,778**	**(49,889)**	**(2,065,161)**
Movement on discount	-	-	92,205	-	92,205	-	-	35,050	-	35,050
Total amounts recognised in comprehensive income	**(6,158,511)**	**-**	**3,822,420**	**(28,402)**	**(2,364,493)**	**(4,990,050)**	**-**	**3,009,828**	**(49,889)**	**(2,030,111)**
Investment components	-	-	-	-	-	-	-	-	-	-
Insurance acquisition cash flows asset derecognised	-	-	2,950	-	2,950	-	-	20,912	-	20,912
Other pre-recognition cash flows derecognised and other changes	-	-	(2,177)	-	(2,177)	-	-	6,376	-	6,376
Cash flows										
Premiums received	7,281,900	-	-	-	7,281,900	5,738,571	-	-	-	5,738,571
Claims and other directly attributable expenses paid	-	-	(4,107,366)	-	(4,107,366)	-	-	(3,437,656)	-	(3,437,656)
Insurance acquisition cash flows	(679,786)	-	-	-	(679,786)	(552,207)	-	-	-	(552,207)
Total cash flows	**6,602,114**	**-**	**(4,107,366)**	**-**	**2,494,748**	**5,186,364**	**-**	**(3,437,656)**	**-**	**1,748,708**
Insurance contract liabilities as at 31 December	**1,044,151**	**-**	**2,507,936**	**92,738**	**3,644,825**	**600,548**	**-**	**2,792,109**	**121,140**	**3,513,797**

32. Insurance contract liabilities (Continued)

An actuarial valuation was performed to value the policy and claims liabilities of the Group as at 31 December 2023 in accordance with the Insurance Act of Jamaica by the appointed actuary, Josh Worsham, FCAS, MAAA of Mid Atlantic Actuarial. The Insurance Act requires that the valuation be in accordance with accepted actuarial principles. The actuary has stated that his report conforms to the standards of practice as established by the Canadian Institute of Actuaries, with such changes as directed by the Financial Services Commission, specifically, that the valuation of some policy and claims liabilities not reflect the time value of money.

For consistency, the management also performed a valuation for the policy and claim liabilities of the subsidiaries as at 31 December 2023 using the same appointed actuary.

In arriving at his valuation, the actuary employed the Paid Loss Development method, the Incurred Loss Development method, the Bornhuetter-Ferguson Paid Loss method, the Bornhuetter-Ferguson Incurred Loss method and the Frequency-Severity method.

In using the Paid/Incurred Loss Development methods, ultimate losses are estimated by calculating past paid/incurred loss development factors and applying them to exposure periods with further expected paid/incurred loss development. The Bornhuetter-Ferguson Paid/Incurred Loss methods is a combination of the Paid/Incurred Loss Development methods and a loss ratio method; however, these expected losses are modified to the extent paid/incurred losses to date differ from what would have been expected based on the selected paid/incurred loss development pattern. Finally, the Frequency-Severity method is calculated by multiplying an estimate of ultimate claims with an estimate of the ultimate severity per reported claim.

In his opinion dated 9 April 2024 for the Company, the actuary found that the amount of policy and claims liabilities represented in the statement of financial position at 31 December 2023 makes proper provision for the future payments under the Group's policies and meets the requirements of the Insurance Act and other appropriate regulations of Jamaica; that a proper charge on account of these liabilities has been made in profit or loss; and that there is sufficient capital available to meet the solvency standards as established by the Financial Services Commission.

33. Share Capital

	2023 $'000	2022 $'000
Authorised -		
1,100,000,000 Ordinary shares of no par value		
Issued and fully paid -		
1,031,250,000 Ordinary shares of no par value	470,358	470,358

34. Capital Reserves

	2023 $'000	2022 $'000
At beginning of and end of year	161,354	161,354

The capital reserves at year end represent realised surpluses.

35. Fair Value Reserve

This represents the unrealised surplus on the revaluation of investments classified as Fair Value through Other Comprehensive Income (FVOCI).

36. Non-Controlling Interest

	2023 $'000	2022 $'000
Beginning of year	349,788	364,638
Net transactions with NCI		
Purchase of additional shares GENACTT (ii)	-	(63,582)
NCI share of total comprehensive income	13,997	48,732
	363,785	349,788

(i) All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

(ii) In December 2022, the Group acquired an additional 10% of the issued shares of GENACTT for $48,612,000. Immediately prior to the purchase, the carrying value amount of the existing non-controlling interest in GENACTT was $63,582,000. The Group recognised a decrease in NCI of $48,612,000 and an increase in equity attributable to owners of the parent of $14,970,000.

Summarised financial information on subsidiary with material non-controlling interests.

General Accident Insurance Company (Trinidad andTobago) Limited

(a) Summarised Statement of Financial Position

	2023 $'000	2022 $'000
Assets	2,343,484	2,097,153
Liabilities	(1,462,366)	(1,282,203)
Net Assets	881,118	814,950

(b) Summarised Statement of Comprehensive Income

	2023 $'000	2022 $'000
Revenue	1,305,112	772,858
Profit before taxation	56,637	238,524
Taxation	(14,534)	(5,923)
Profit after tax	42,103	232,601
Other comprehensive income	25,217	(2,889)
Total Comprehensive Income	67,320	229,712
Total comprehensive income allocated to non-controlling interest	16,830	53,479

36. Non-Controlling Interest (Continued)

General Accident Insurance Company (Trinidad) Limited

(c) Summarised Statement of Cash Flows

	2023 $'000	2022 $'000
Cash flows from operating activities		
Cash generated from operations	201,290	(66,096)
Income taxes	(14,534)	(7,380)
Net cash provided by/(used in) operating activities	186,756	(73,476)
Net cash generated from investing activities	(179,438)	(208,754)
Net cash used in financing activities	(13,951)	(16,876)
Net decrease in cash and cash equivalents	(6,633)	(299,106)
Cash and cash equivalents at beginning of year	270,266	579,415
Exchange gains on cash and cash equivalents	7,262	(10,043)
	270,895	270,266

Summarised financial information on subsidiary with material non-controlling interests.

General Accident Insurance Company (Barbados) Limited

(a) Summarised Statement of Financial Position

	2023 $'000	2022 $'000
	$'000	$'000
Assets	263,702	238,757
Liabilities	(186,323)	(146,363)
Net Assets	77,379	92,394

(b) Summarised Statement of Comprehensive Income

	2023 $'000	2022 $'000
Revenue	564,965	375,455
Loss before taxation	(12,169)	(22,747)
Taxation	-	-
Loss after tax	(12,169)	(22,747)
Other comprehensive income	(1,994)	(634)
Total Comprehensive Income	(14,163)	(23,381)
Total comprehensive income allocated to non-controlling interest	(2,833)	(4,676)

36. Non-Controlling Interest (Continued)

General Accident Insurance Company (Barbados) Limited

(c) Summarised Statement of Cash Flows

	2023 $'000	2022 $'000
Cash flows from operating activities		
Cash generated from operations	(21,025)	(17,128)
Income taxes	-	-
Net cash used in operating activities	(21,025)	(17,128)
Net cash generated from investing activities	20,338	3,247
Net cash used in financing activities	(8,880)	(8,839)
Net decrease in cash and cash equivalents	(9,567)	(22,720)
Cash and cash equivalents at beginning of year	158,338	180,145
Exchange gains on cash and cash equivalents	(1,114)	913
	147,657	158,338

37. Pension Scheme

Employees participate in a defined contribution pension scheme operated by a related company, T. Geddes Grant (Distributors) Limited. The scheme is open to all permanent employees, as well as the employees of certain related companies. The scheme is funded by employees' compulsory contribution of 5% of earnings and voluntary contributions up to a further 5%, as well as employer's contribution of 5% of employees' earnings. The scheme is valued triennially by independent actuaries. The results of the most recent actuarial valuation, as at 31 December 2020, indicated that the scheme was adequately funded at that date.

Pension contributions for the period totalled $20,538,000 (2022 – $18,081,000) and are included in staff costs (Note 14).

38. Contingency

The Group is involved in certain legal proceedings incidental to the normal conduct of business. Management believes that none of these legal proceedings, individually or in aggregate, will have a material effect on the Group.

39. Change in Financial Reporting Standard

IFRS 17 replaces the provisions of IFRS 4 that relate to insurance contracts.

The adoption of IFRS 17 Insurance Contracts from 1 January 2023 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The standard was adopted with restating the comparative information in accordance with the transitional provision in IFRS 17. The total impact of adoption is therefore recognised in the opening statement of financial position on 1 January 2022.

The following tables show the adjustments recognised for each individual line item. Line items not impacted have also been included to facilitate reconciliation of the information provided.

Methods used and judgements applied in determining the IFRS 17 transition amounts
The Group has adopted IFRS 17 retrospectively. The full retrospective approach was applied to the insurance contracts in force at the transition date, including insurance acquisition cash flow assets. The Group has identified, recognised and measured each group of insurance contracts and each insurance acquisition cash flows asset in this category as if IFRS 17 had always applied; derecognised any existing balances that would not exist if IFRS 17 had always applied; and recognised any resulting net difference in equity.

39. Change in Financial Reporting Standard (Continued)

Effect on statement of financial position:

The Group	31 December 2022 $'000	Effect of IFRS 17 $'000	Restated 31 December 2022 $'000
ASSETS			
Cash and cash equivalents	786,304	-	786,304
Taxation recoverable	2,826	-	2,826
Due from policyholders, brokers and agents	1,766,929	(1,766,929)	-
Due from reinsurers and coinsurers	3,341,332	(3,341,332)	-
Deferred policy acquisition cost	626,397	(626,397)	-
Insurance contract assets	-	31,610	31,610
Reinsurance contract assets	-	1,986,306	1,986,306
Other receivables	934,082	87,937	1,022,019
Due from related parties	8,049	-	8,049
Loans receivables	136,226	-	136,226
Lease receivables	66,312	-	66,312
Right of use assets	49,760	-	49,760
Investment securities	3,329,726	-	3,329,726
Investment property	407,507	-	407,507
Real estate investment	189,912	-	189,912
Property, plant and equipment	840,240	-	840,240
Intangible assets	166,430	-	166,430
Total assets	12,652,032	(3,628,805)	9,023,227
LIABILITIES			
Taxation payable	42,890	-	42,890
Due to reinsurers and coinsurers	1,402,603	(1,402,603)	-
Due to related parties	29,914	(13,337)	16,577
Other liabilities	392,591	(114,999)	277,592
Lease liabilities	53,921	-	53,921
Deferred tax liabilities	73,925	-	73,925
Insurance reserves	7,486,128	(7,486,128)	-
Insurance contract liabilities	-	4,842,804	4,842,804
Reinsurance contract liabilities	-	51,308	51,308
Total liabilities	9,481,972	(4,122,955)	5,359,017
SHAREHOLDERS' EQUITY			
Share capital	470,358	-	470,358
Capital reserves	161,354	-	161,354
Fair value reserve	15,858	-	15,858
Translation reserve	32,834	3,879	36,713
Retained earnings	2,211,842	418,297	2,630,139
	2,892,246	422,176	3,314,422
Non-Controlling Interest	277,814	71,974	349,788
Total shareholders' equity	3,170,060	494,150	3,664,210
Total liabilities and shareholders' equity	12,652,032	(3,628,805)	9,023,227

39. Change in Financial Reporting Standard (Continued)

Effect on statement of financial position:

The Company	Note	31 December 2022 $'000	Effect of IFRS 17 $'000	Restated 31 December 2022 $'000
ASSETS				
Cash and cash equivalents		357,700	-	357,700
Taxation recoverable		-	-	-
Due from policyholders, brokers and agents		1,522,969	(1,522,969)	-
Due from reinsurers and coinsurers		3,157,949	(3,157,949)	-
Deferred policy acquisition cost		549,534	(549,534)	-
Insurance contract assets		-	23,982	23,982
Reinsurance contract assets		-	1,941,825	1,941,825
Other receivables		892,369	(13,502)	878,867
Due from related parties		104,905	-	104,905
Lease receivable		66,312	-	66,312
Right of use assets		25,035	-	25,035
Investment securities		2,406,130	-	2,406,130
Investment in subsidiaries		607,517	-	607,517
Investment property		343,000	-	343,000
Real estate investment		189,912	-	189,912
Property, plant and equipment		345,311	-	345,311
Intangible assets		2,832	-	2,832
Total assets		10,571,475	(3,278,147)	7,293,328
LIABILITIES AND EQUITY				
Liabilities				
Taxation payable		42,846	-	42,846
Due to reinsurers and coinsurers		1,287,800	(1,287,800)	-
Due to related parties		16,577	-	16,577
Other liabilities		395,533	(49,398)	346,135
Lease liabilities		28,198	-	28,198
Deferred tax liabilities		21,762	-	21,762
Insurance reserves		5,787,011	(5,787,011)	-
Reinsurance contract liabilities		-	27,421	27,421
Insurance contract liabilities		-	3,537,779	3,537,779
Total liabilities		7,579,727	(3,559,009)	4,020,718
Equity				
Share capital		470,358	-	470,358
Capital reserve		152,030	-	152,030
Property revaluation reserve		-	-	-
Fair value reserve		15,006	-	15,006
Retained earnings		2,354,354	280,862	2,635,216
Total shareholders' equity		2,991,748	280,862	3,272,610
Total liabilities and shareholders' equity		10,571,475	(3,278,147)	7,293,328

39. Change in Financial Reporting Standard (Continued)

Effect on statement of financial position:

The Group	31 December 2021 $'000	Effect of IFRS 17 $'000	Restated 1 January 2022 $'000
ASSETS			
Cash and cash equivalents	1,444,183	-	1,444,183
Taxation recoverable	2,859	-	2,859
Due from policyholders, brokers and agents	1,415,334	(1,415,334)	-
Due from reinsurers and coinsurers	3,280,908	(3,280,908)	-
Deferred policy acquisition cost	562,600	(562,600)	-
Insurance contract assets	-	979	979
Reinsurance contract assets	-	2,062,097	2,062,097
Other receivables	858,033	1,690	859,723
Due from related parties	5,383	-	5,383
Loan receivable	244,188	-	244,188
Lease receivable	67,320	-	67,320
Right of use assets	82,164	-	82,164
Investment securities	3,101,667	-	3,101,667
Investment property	328,149	-	328,149
Real estate investment	189,912	-	189,912
Property, plant and equipment	740,908	-	740,908
Intangible assets	180,014	-	180,014
Total assets	12,503,622	(3,194,076)	9,309,546
LIABILITIES AND EQUITY			
Liabilities			
Taxation payable	1,038	-	1,038
Due to reinsurers and coinsurers	1,065,509	(1,065,509)	-
Due to related parties	-	-	-
Other liabilities	549,644	(56,240)	493,404
Lease liabilities	103,207	-	103,207
Deferred tax liabilities	50,652	-	50,652
Insurance reserves	7,811,608	(7,811,608)	-
Reinsurance contract liabilities	-	27,014	27,014
Insurance contract liabilities	-	5,412,856	5,412,856
Total liabilities	9,581,658	(3,493,487)	6,088,171
Equity			
Share capital	470,358	-	470,358
Capital reserve	146,384	-	146,384
Property revaluation reserve	49,017		49,017
Fair value reserve	48,171	-	48,171
Translation reserve	45,926	(4,072)	41,854
Retained earnings	1,869,627	231,326	2,100,953
	2,629,483	227,254	2,856,737
Non-Controlling interest	292,481	72,157	364,638
Total shareholders' equity	2,921,964	299,411	3,221,375
Total liabilities and shareholders' equity	12,503,622	(3,194,076)	9,309,546

39. Change in Financial Reporting Standard (Continued)

Effect on statement of financial position:

The Company	**31 December 2021 $'000**	**Effect of IFRS 17 $'000**	**Restated 1 January 2022 $'000**
ASSETS			
Cash and cash equivalents	684,622	-	684,622
Taxation recoverable	2,859	-	2,859
Due from policyholders, brokers and agents	1,254,118	(1,254,118)	-
Due from reinsurers and coinsurers	3,129,095	(3,129,095)	-
Deferred policy acquisition cost	521,534	(521,534)	-
Insurance contract assets	-	-	-
Reinsurance contract assets	-	1,986,550	1,986,550
Other receivables	816,220	(65,009)	751,211
Due from related parties	86,532	-	86,532
Lease receivable	67,320	-	67,320
Right of use assets	66,256	-	66,256
Investment securities	2,343,371	-	2,343,371
Investment in subsidiaries	558,905	-	558,905
Investment property	265,000	-	265,000
Real estate investment	189,912	-	189,912
Property, plant and equipment	235,800	-	235,800
Intangible assets	6,623	-	6,623
Total assets	10,228,167	(2,983,206)	7,244,961
LIABILITIES AND EQUITY			
Liabilities			
Taxation payable	-	-	-
Due to reinsurers and coinsurers	983,335	(983,335)	-
Due to related parties	-	-	-
Other liabilities	409,964	6,771	416,735
Lease liabilities	85,286	-	85,286
Deferred tax liabilities	23,045	-	23,045
Insurance reserves	5,856,219	(5,856,219)	-
Reinsurance contract liabilities	-	-	-
Insurance contract liabilities	-	3,767,912	3,767,912
Total liabilities	7,357,849	(3,064,871)	4,292,978
Equity			
Share capital	470,358	-	470,358
Capital reserve	152,030	-	152,030
Property revaluation reserve	46,363	-	46,363
Fair value reserve	48,055	-	48,055
Retained earnings	2,153,512	81,665	2,235,177
Total shareholders' equity	2,870,318	81,665	2,951,983
Total liabilities and shareholders' equity	10,228,167	(2,983,206)	7,244,961

PROXY **FORM**

I/We ____

of ____

being a shareholder(s) of the above-named Company, hereby appoint:

of ____

or failing him ____

of ____

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at **9 am on September 13, 2024, at 58 Half Way Tree Road** and at any adjournment thereof. I desire this form to be used for/against the resolutions as follows (unless directed the proxy will vote as he sees fit):

No.	**Resolution details**	**Vote for or against**

(tick as appropriate)
ORDINARY RESOLUTIONS

1. To receive the report of the Board of Directors and the audited accounts of the Company for the year ended December 31, 2023. **For** ☐ **Against** ☐

2. To authorise the Board of Directors to re-appoint PwC as the Auditors of the Company and to fix their remuneration. **For** ☐ **Against** ☐

To re-appoint the following Directors of the Board, who have resigned by rotation in accordance with the Articles of Incorporation of the Company and, being eligible, have consented to act on re-appointment.

3. (a) To re-appoint Gregory Foster as a Director of the Board of the Company. **For** ☐ **Against** ☐

3. (b) To re-appoint Matthew Lyn as a Director of the Board of the Company. **For** ☐ **Against** ☐

3. (c) To re-appoint Duncan Stewart as a Director of the Board of the company. **For** ☐ **Against** ☐

4. (a) To Authorise the Board of Directors to fix the remuneration of the Directors. **For** ☐ **Against** ☐

5. To approve the amount of interim dividends declared by the Board during the financial year ended 31st December 2023, being $202,527,187.97 or 19.639 cents per ordinary share, as the final dividend for the year. **For** ☐ **Against** ☐

Signed this ____________________ **day of** ____________________ **2024:**

Signed: ______________________________ **(signature of primary shareholder)**

Signed: ______________________________ **(signature of joint shareholder, if any)**

Name: ______________________________ **(print name of primary shareholder)**

Name: ______________________________ **(print name of joint shareholder, if any)**

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Visit www.genac.com or Call 876-929-8451 for an instant quote.