



**UNAUDITED FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2014**



General Accident Insurance Company Jamaica Limited

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Year ended 31 December 2014

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GENERAL ACCIDENT INSURANCE COMPANY (JAMAICA) LIMITED



Report to Stockholders

For the year ended 31 December 2014

We are pleased to present the unaudited financial statements of General Accident Insurance Company (Jamaica) Limited ("General Accident") for the year ended 31 December 2014.

The highlights are as follows:

16th consecutive year of premium growth

Net profit of \$306 million, a decrease of 7% (2013: \$328 million)

Earnings per share of \$0.30 (2013: \$0.32)

Book value of \$1.57 billion (2013: \$1.47 billion)

Annualized return on average equity of 20%

Underwriting Performance

General Accident enjoyed another strong year in 2014. Gross written premiums grew by 13% to \$5.07 billion in 2014. This marks the 16th year in a row that the Company has grown its gross written premiums.

In 2014, the Company's claims expense increased marginally by 5% to \$679 million. Notwithstanding higher claims, our underwriting profit grew. This was driven both by an increase in earned premiums and commissions.

In 2014, the Company's combined ratio, its principal measure of underwriting profitability, was 92% or the same as in the prior year.

We continue to be proud of our underwriting performance. In the face of difficult market conditions, we have made consistent underwriting profit in 7 of the last 8 years.

Investment Performance

Our investment income for the year of 2014 was \$235 million, well below prior year amount of \$275 million. This represents an annualized return on our average investment portfolio of 10% and is in excess of our benchmarks inflation and the returns on Government of Jamaica securities.

GENERAL ACCIDENT INSURANCE COMPANY (JAMAICA) LIMITED



Interim Report to Stockholders

Summary

General Accident ended the year with a book value of \$1.57 billion and generated a return on average equity for shareholders for the year of 20%.

As at 31 December 2014, we remain in compliance with the capital adequacy and liquidity metrics prescribed by the Financial Services Commission. The Company has also renewed its treaties with its reinsurance partners for 2015.

We wish to thank our all of our policyholders, brokers, reinsurers, and employees for their loyal support during the year. With their help, we are confident that we can maintain our trajectory of profitable growth for the New Year 2015.

On behalf of the Board of Directors:



Geoffrey Messado
Director



Nicholas Scott
Director



General Accident Insurance Company Jamaica Limited
Statement of Comprehensive Income
Year ended 31 December 2014

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	Unaudited Year ended 31 December 2014 \$'000	Audited Year ended 31 December 2013 \$'000	Unaudited 3 months ended 31 December 2014 \$'000	Unaudited 3 months ended 31 December 2013 \$'000
Gross Premiums Written	5,072,375	4,479,755	555,402	674,500
Reinsurance ceded	(3,878,197)	(3,314,356)	(265,452)	(367,833)
Excess of Loss Reinsurance Cost	(128,173)	(147,001)	(31,810)	(43,910)
Net Premiums Written	1,066,005	1,018,398	258,140	262,757
Changes in unearned premiums, net	2,560	(24,205)	27,024	29,064
Net Premiums Earned	1,068,565	994,193	285,164	291,821
Commission Income	335,967	269,094	95,146	94,926
Commission Expense	(207,988)	(176,920)	(90,012)	(77,316)
Claims Expense	(678,573)	(646,791)	(161,697)	(150,245)
Management Expenses	(431,258)	(381,073)	(116,800)	(120,539)
Underwriting Profit	86,713	58,503	11,801	38,647
Investment Income	155,440	141,407	43,060	38,271
Other Income	94,257	151,091	20,219	32,114
Other Operating Expenses	(30,497)	(27,299)	(10,647)	(8,209)
Profit before Taxation	305,913	323,702	64,433	100,823
Taxation		4,212	-	-
NET PROFIT FOR THE PERIOD	305,913	327,914	64,433	100,823
Other Comprehensive Income:				
Items that may be subsequently reclassified to profit or				
Unrealised gains/(losses) on available-for-sale investments, net of tax	6,193	(14,228)	(12,336)	15,748
Gains recycled to profit or loss on disposal and maturity of available-for-sale investments	6,193	(4,421)	-	(77)
		(18,649)	(12,336)	15,671
TOTAL COMPREHENSIVE INCOME	312,106	309,265	52,097	116,494
EARNINGS PER SHARE	0.30	0.32	0.06	0.10

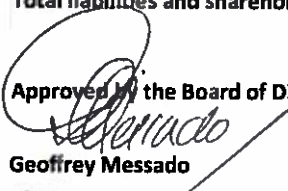


General Accident Insurance Company Jamaica Limited
Statement of Financial Position
As at 31 December 2014

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	Unaudited 31 December 2014 \$'000	Audited 31 December 2013 \$'000
ASSETS		
Cash and Short Term Investments	1,266,508	1,169,530
Taxation Recoverable	127,445	101,283
Due from policyholders, brokers and agents	380,606	464,421
Due from reinsurers and co-insurers	452,380	1,055,294
Deferred policy acquisition cost	177,849	163,627
Other Receivables	23,631	27,034
Due from related parties	2,275	122
Loans receivable	169,591	167,515
Leases receivable	47,875	97,582
Investment Securities	916,165	934,671
Investment Property	143,549	-
Property, Plant & Equipment	95,137	66,620
Intangible assets	7,463	13,163
Deferred tax assets	340	340
Total Assets	3,810,814	4,261,202
LIABILITIES		
Due to reinsurers and coinsurers	200,463	361,147
Other liabilities	56,606	78,453
Deferred tax liabilities	-	-
Insurance Reserves	1,988,573	2,364,658
Total Liabilities	2,245,642	2,804,258
SHAREHOLDERS' EQUITY		
Share capital	470,358	470,358
Capital reserves	152,030	152,030
Fair value reserve	54,516	48,323
Retained earnings	888,268	786,233
Total shareholders' equity	1,565,172	1,456,944
Total liabilities and shareholder's equity	3,810,814	4,261,202

Approved by the Board of Directors on February 13, 2015, and signed on its behalf by:


Geoffrey Messado
 Director


Nicholas Scott
 Director



General Accident Insurance Company Jamaica Limited

Statement of Changes in Equity

Year ended 31 December 2014

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	Share Capital \$'000	Capital Reserves \$'000	Fair Value Reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance as at December 31, 2012	470,358	152,030	68,118	598,344	1,288,850
Net profit for the period				327,914	327,914
Other Comprehensive Income					
Unrealised gains/(losses) on available-for-sale investment, net of tax	-	-	(15,621)	-	(15,621)
Gains recycled to profit or loss on disposal and maturity of available-for-sale investments	-	-	(4,174)	-	(4,174)
Total other comprehensive income	470,358	152,030	48,323	926,258	1,596,969
Transactions with owners					
Dividends	-	-	-	(140,025)	(140,025)
Issue of shares	-	-	-	-	-
Total transactions with owners	-	-	-	(140,025)	(140,025)
Balance as at 31 December 2013	470,358	152,030	48,323	786,233	1,456,944
Net profit for the period				305,913	305,913
Other Comprehensive Income					
Unrealised gains/(losses) on available-for-sale investment, net of tax			6,193		6,193
Gains recycled to profit or loss on disposal and maturity of available-for-sale investments					-
Total other comprehensive income	-	-	6,193	305,913	312,106
Transactions with owners					
Dividends				(203,878)	(203,878)
Total transactions with owners	-	-	-	(203,878)	(203,878)
Balance as at 31 December 2014	470,358	152,030	54,516	888,268	1,565,172



General Accident Insurance Company Jamaica Limited
Statement of Cash Flows
Year ended 31 December 2014

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	Unaudited 31 December 2014 \$'000	Audited 31 December \$'000
Cash Flows from Operating Activities		
Net profit	305,913	327,914
Adjustments for items not affecting cash:		
Depreciation	24,067	17,352
Amortisation of intangible assets	6,430	9,947
Amortisation of premium	1,277	-
Gain on sale of investments	-	(4,498)
Gain on disposal of property, plant and equipment	-	(1,378)
Interest income	(147,652)	(129,638)
Dividend income	(7,789)	(7,271)
Deferred taxation	-	(4,212)
Foreign exchange gains	(79,355)	(146,495)
Increase in deferred policy acquisition cost	(14,222)	(7,724)
(Decrease)/Increase in insurance reserves	(376,085)	165,526
	(287,416)	219,523
Changes in operating assets and liabilities:		
Due from policyholders, brokers and agents	128,790	4,775
Other receivables	4,220	(13,528)
Loans receivable	(2,076)	70,418
Other liabilities	(21,847)	12,125
Due from related parties	(2,153)	628
Due from reinsurers and coinsurers, net	391,944	(4,075)
	211,462	289,866
Taxation suffered at source	(26,162)	(34,172)
Net cash provided by operating activities	185,300	255,694
Cash Flows from Investing Activities		
Acquisition of investments	(486,646)	(667,546)
Lease receivables, net	49,707	(33,017)
Acquisition of property, plant and equipment	(52,584)	(26,923)
Acquisition investment property	(143,549)	-
Acquisition of intangible asset	(730)	(537)
Proceeds from disposal of property, plant and equipment	-	1,415
Proceeds from disposal and maturity of investments	543,377	218,787
Dividend received	6,972	7,271
Interest received	142,559	123,000
Net cash provided by/(used in) investing activities	59,106	(377,550)
Cash Flows from Financing Activities		
Dividends paid	(203,878)	(140,025)
Net cash used in financing activities	(203,878)	(140,025)
Increase/(decrease) in cash and cash equivalents	40,528	(261,881)
Effect of exchange rate changes on cash and cash equivalents	56,450	114,208
Cash and cash equivalents at beginning of year	1,169,530	1,317,203
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1,266,508	1,169,530



General Accident Insurance Company Jamaica Limited

Notes to the Financial Statements

Year ended 31 December 2014

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Identification and Activities

General Accident Insurance Company (Jamaica) Limited is a limited liability company incorporated and domiciled in Jamaica. The registered office of the company is located at 58 Half-Way-Tree Road, Kingston 10.

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 is a public company listed on the Jamaica Stock Exchange at September 30, 2011.

Statement of Compliance and Basis of Preparation

These unaudited interim financial statements have been prepared in accordance and comply with International Financial Reporting Standards (IFRS) and their interpretations issued by the International Accounting Standards Board (IASB), and the relevant provisions of the Companies Act.

The interim financial statements have been prepared under the historical cost convention as modified by the revaluation of certain financial assets carried at fair value.

The accounting policies and method of computation are consistent with the audited financial statements for year ended December 31, 2013. These financial statements are expressed in Jamaican dollars which is the currency of the primary economic environment in which the company operates.