General Accident

2022 ANNUAL REPORT

CUSTOMER SATISFACTION
THROUGH DIGITAL DOORWAYS

General Accident

INSURANCE COMPANY JAMAICA LTD.


PAY, QUOTE, BUY
CLAIM & RENEW
GENAC.com
- Convenient
- Safe & Secure
- 24/7 access
- Fast and affordable
General Accident
INSURE ON THE GO
58 Half Way Tree Road, Kingston 10, Jamaica, W.I.
Unit 8, Summit Business Center, Fairview, Montego Bay, St. James
(876) 929-8451
info@genac.com

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DA DENTAL ASSOCIATES
DR. MARGARET SYLVESTER
DR. SHERA GRANT
DR. DESIREE CHAMBERS

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.

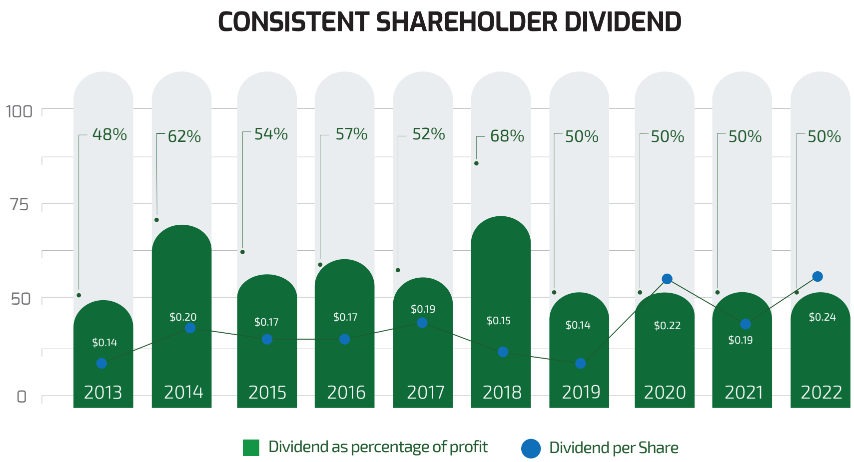
OUR **VISION**

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

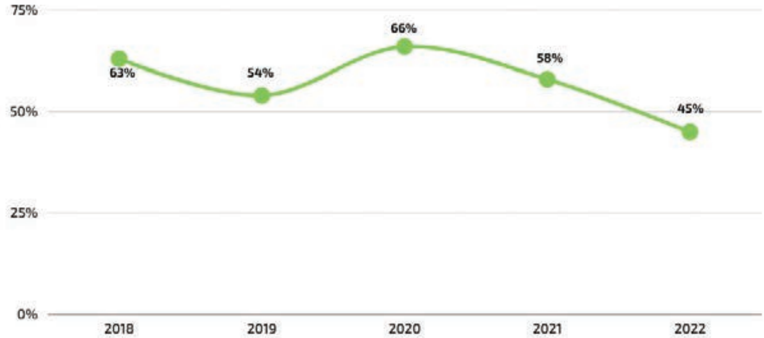
	JAMAICA	BARBADOS	TRINIDAD
Revenue	J$ 13.84B	J$ 394.77M	J$ 948.12M
Growth Percentage	6.7%	19.4%	44.8%
Net Assets	J$ 2.99B	J$ 60.45M	J$ 634.99M
Employees	193	8	58

KEY FINANCIAL HIGHLIGHTS

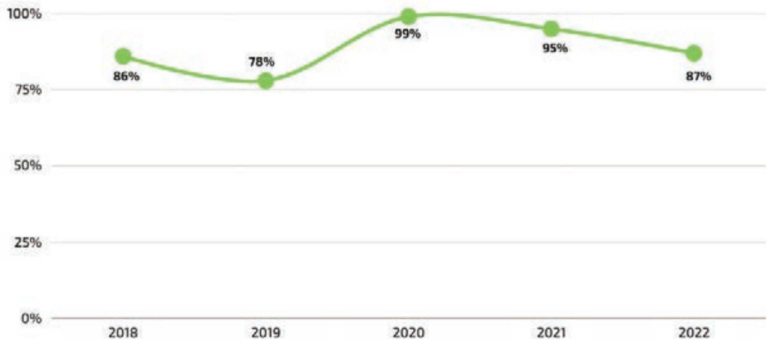


KEY FINANCIAL HIGHLIGHTS

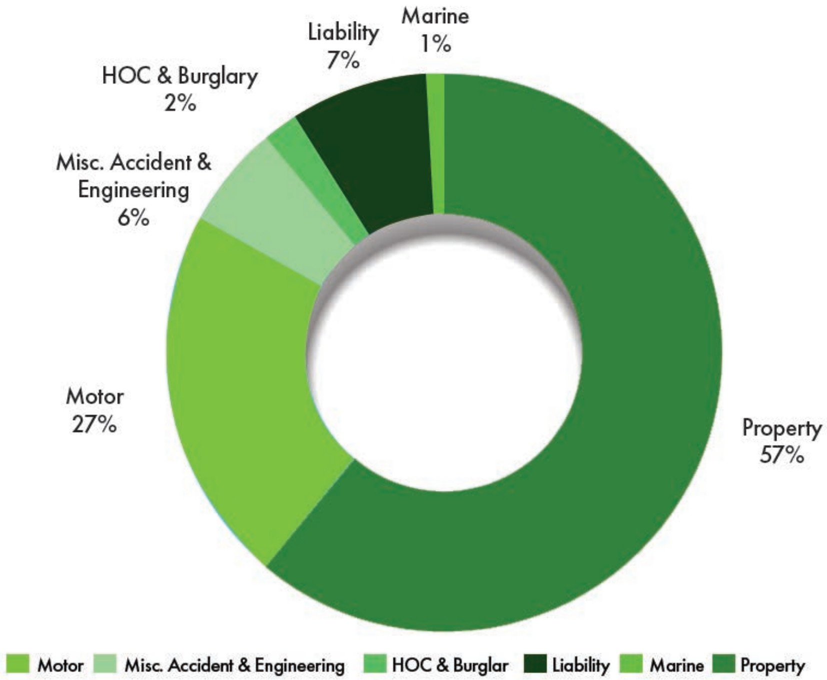
CONSOLIDATED LOSS RATIO OVER FIVE YEARS



CONSOLIDATED COMBINED RATIO



CONSOLIDATED PORTFOLIO COMPOSITION



10 - YEAR STATISTICAL REVIEW

	2022	2021	2020	2019
	$'000	$'000	$'000	$'000
EMPLOYEE	259	229	205	132
GROSS WRITTEN PREMIUMS	15,114,209	13,959,807	12,044,990	10,727,828
CLAIMS INCURRED	1,508,337	1,751,360	1,816,926	1,205,328
UNDERWRITING PROFIT/(LOSS)	386,614	80,317	1,445	442,136
PROFIT BEFORE TAX	708,167	259,695	259,536	770,154
PROFIT AFTER TAX	597,230	149,236	193,812	651,558
CASH DIVIDENDS	250,573	196,701	222,668	142,684
SHAREHOLDER'S EQUITY	3,170,060	2,921,964	2,974,866	3,003,565
LOSS RATIO	45%	58%	66%	54%
INVESTMENT RETURN	10%	5%	6%	6%
RETURN ON EQUITY	20%	5%	6%	32%
DIVIDEND YIELD ON AVERAGE EQUITY	8%	7%	7%	6%
NET WORTH MOVEMENT	8%	-2%	-1%	27%
P/E RATIO	8.3	23.6	25.8	13.1
CLOSING STOCK PRICE	4.41	5.9	6.19	7.1
DIVIDEND PAYOUT RATIO	50%	50%	50%	50%

2018 $'000	2017 $'000	2016 $'000	2015 $'000	2014 $'000	2013 $'000
131	111	91	90	78	83
8,735,797	7,106,254	5,649,097	6,112,355	5,072,375	4,479,755
1,023,022	1,087,590	746,073	696,480	678,558	646,791
174,768	-35,532	45,609	114,656	101,941	58,503
352,569	236,077	404,243	303,448	319,965	323,702
285,370	221,236	386,879	304,418	320,078	327,914
150,047	200,001	175,003	172,219	203,878	140,025
2,056,612	1,937,771	1,964,420	1,775,297	1,579,382	1,456,944
63%	82%	66%	62%	63%	65%
5%	11%	11%	8%	10%	14%
15%	11%	22%	19%	22%	25%
8%	10%	9%	10%	13%	10%
6%	-1%	11%	12%	8%	13%
12.6	13.3	8	6.8	5.6	5.6
3.54	2.8	2.99	2.05	1.75	1.8
68%	52%	57%	54%	62%	48%

OUR STRATEGIC FOCUS

VALUE CREATION AND LONG-TERM SUSTAINABILITY

GenAc provides risk transfer mechanisms to our customers, guided by 41 years of expertise and experience. We facilitate and support commerce by protecting the assets of people and businesses. Using sound investment decisions and a strategy of managed growth, we have built a strong balance sheet to ensure financial stability and strength. We create value for our shareholders, policyholders and employees while meeting all regulatory requirements.

DISTRIBUTION CHANNELS

Our head office is located in Kingston, Jamaica, and we write business through a network of valued insurance professionals islandwide. We have also embarked on a regional expansion programme and now offer our insurance products in Trinidad & Tobago and Barbados. We continue to look at other expansion opportunities within the Caribbean.

FAST, FAIR CLAIMS SETTLEMENT

We are committed to fast, fair claims settlement as a key element of efficient insurance services. We believe that the importance of insurance cover is tested at the time of a claim, and we seek to demonstrate to our clients that we are worthy of their trust and confidence.

ROBUST RISK MANAGEMENT

We have developed a comprehensive risk management framework to ensure risk tolerance limits are assessed and adhered to, particularly with regard to the acquisition of critical reinsurance support.

UTILIZING INFORMATION TECHNOLOGY

We have invested in continuous improvement of information technology to deliver simple, accessible online processes to our customers. We understand that ease of doing business brings a competitive advantage and we seek to ensure our customers receive the same superior level of service whether they contact us in person, by telephone or online. We place high priority on secure systems to handle payments, claims, new business and renewals.We believe our growing facility with data analytics allows us to respond quickly to changing markets for the benefit of our customers.

DEVELOPING THE GENAC TEAM

Insurance is a technical discipline and GenAc has a long history of recruiting, training and retaining expertise, providing all our employees with a culture of excellence and opportunity. We invest in the development of our staff members at every level by providing frequent training and mentorship programmes.

MAXIMIZING OPERATIONAL EARNINGS

Our growth and profitability 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.
- Constant improvements in operational efficiencies to deliver excellent service to our policyholders.

EMBRACING CORPORATE SOCIAL RESPONSIBILITY

GenAc ensures its business model complies with the principles of good corporate citizenship. We are conscious of our impact on all aspects of society and we self-regulate our operations to make certain they benefit the economy, 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 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

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.

SOLID FOUNDATION

We maintain financial strength to ensure consistent profitable growth.

INTEGRITY

We are honest and fair in all our actions.

PERFORMANCE

We strive for service that exceeds customer expectations.

RESPONSIBILITY

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

NOTICE OF ANNUAL GENERAL MEETING

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 15, 2023 at 58 Half Way Tree Road, Kingston 10, 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, 2022.

2. To authorize 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 reappoint Jennifer Scott as a Director of the Board of the Company.
   (b) To reappoint Nicholas Scott as a Director of the Board of the Company.
   (c) To reappoint Brian Jardim as a Director of the Board of the Company.

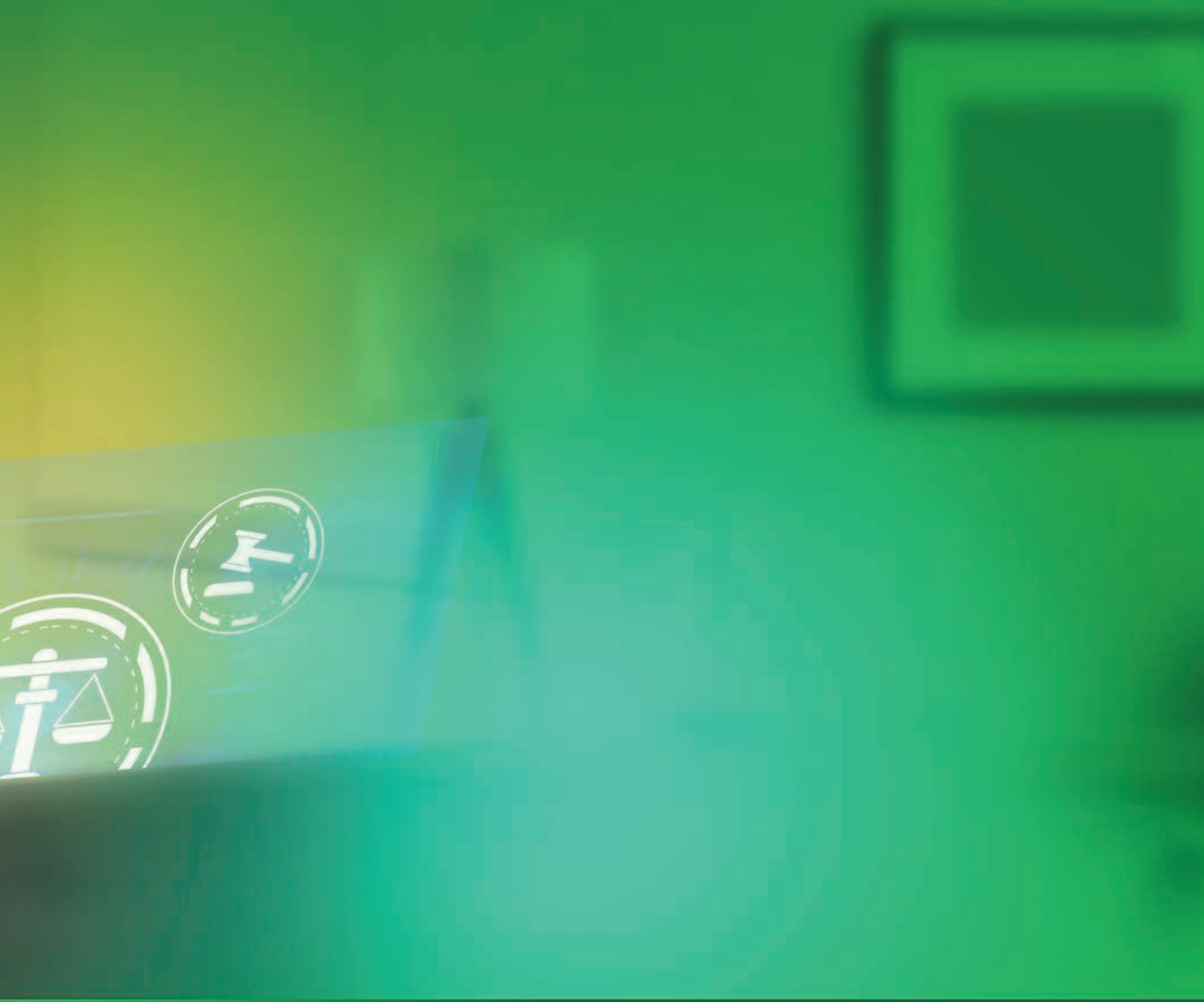
4. To authorize the Board of Directors to fix the remuneration of the Directors.

5. To approve the aggregate amount of interim dividends declared by the Board during the financial year ended December 31, 2022 being $250,573,125.12 or 24.298 cents per ordinary share, as the final dividend for that year.

Dated this the 30th day of April, 2023 by Order of the Board

Lesley Miller

Lesley Miller
CORPORATE SECRETARY



CORPORATE GOVERNANCE

CHAIRMAN'S REPORT

In 2022, General Accident continued to execute our strategy of building a leading regional general insurance company. Our brand, our people, our relationships and our technology allowed General Accident to deliver a record financial performance while executing on our long-term strategy.

General Accident achieved a record financial performance in 2022, recording the highest gross written premiums in our history.

We achieved gross written premiums of $15.1 billion, an increase of $1.2 billion or 8% over 2021. We achieved profit before tax of $708.2 million, representing an increase of $448.5 million or 173% over 2021. Further, General Accident produced a 22% return on equity and distributed $250.6 million of dividends to our shareholders.

General Accident continued to build a leading regional general insurance company, and in 2022, we made noteworthy progress. In Jamaica, we solidified our position as the largest underwriter of general insurance risks, with gross written premiums of $13.8 billion, an increase of $0.9 billion over 2021. In Trinidad, we grew gross written premiums to $948.1 million, an increase of $293.3 million or 45% over 2021, while in Barbados, we grew gross written premiums to $394.8 million, an increase of $64.1 million or 19% over 2021.

In 2022, General Accident's Jamaican property and motor insurance operations had another year of strong premium growth and profitability. This is a testament to our prudent underwriting policies and strong reinsurance program.

General Accident's consolidated profits in 2022 reflect our investments in our emerging subsidiaries in Trinidad and Barbados. While these investments have had a short-term impact on our financial results, over the long run they will create considerable value for General Accident. Consequently, we are pleased to report that in 2022 we achieved profitability in Trinidad. The fact that we were able to achieve profitability within our first 3 years of operation in Trinidad, 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 efficiently invest, develop and deploy digital insurance solutions."

The year ahead will be categorized by tightening conditions in insurance markets globally. The Caribbean markets in which we operate will be no exception. General Accident has fostered 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're 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. However, it is also important for our clients and the countries in which we operate since in many instances General Accident will be critical to ensuring that adequate insurance coverage is available in Jamaica, Trinidad and Barbados.

Sincerely,

Paul B. Scott
CHAIRMAN

DIRECTORS' REPORT

The Directors are pleased to present their report for General Accident Insurance Company (Jamaica) Limited for the financial year ended December 31, 2022.

FINANCIAL RESULTS

The Statement of Comprehensive Income for the Group shows pre-tax profits for the year of $708.2 million, taxation of $110.9 million and a net profit after tax of $597.2 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, 2022, 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: Jennifer Scott, Nicholas Scott and Brian Jardim 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 24.298 cents per share paid on December 15, 2022, is proposed to be the final dividend in respect of the financial year ended December 31, 2022.

DIRECTORS' PROFILES

CHAIRMAN

Paul B. Scott
(appointed November 1998)

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.

MANAGING DIRECTOR

Sharon Donaldson
(appointed March 2008)

Sharon Donaldson has been the Managing Director of the Company since 2008. She holds a Bachelor of Laws (LLB) 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 Charted Accountants of Jamaica and an Attorney-at-Law.

Ms. Donaldson is a member of the board of the Jamaica Environment Trust (JET). She is the treasurer for the Council of the Institute of Chartered Accountants of Jamaica and heads the committee of Professional Accountants in Business and Ms. Donaldson serves as director on several boards including Musson (Jamaica) Limited, the parent company to General Accident.

She is the current chairman of the Forestry Department Advisory Board, a director on the boards of Eppley Limited, 138 Student Living Limited, Paramount Trading Jamaica Limited, Canopy Insurance among others. Ms. Donaldson was a nominee for the Jamaica Observer Business Leader of the Year award in 2016.

EXECUTIVE DIRECTOR

Gregory St. Hugh Foster
(appointed April 2018)

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.

DEPUTY CHAIRMAN

Melanie Subratie
(appointed March 2002)

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.

INDEPENDENT NON EXECUTIVE DIRECTOR

Brian Jardim
(appointed August 2017)

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.

DIRECTORS' PROFILES

NON EXECUTIVE DIRECTOR

Nicholas A. Scott
(appointed July 2011)

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.

EXECUTIVE DIRECTOR & COMPANY SECRETARY

Lesley Miller
(appointed April 2022)

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®).

INDEPENDENT NON EXECUTIVE DIRECTOR

Christopher Nakash
(appointed December 2006)

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.

INDEPENDENT NON EXECUTIVE DIRECTOR

Duncan Stewart
(appointed August 2011)

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.

NON EXECUTIVE DIRECTOR

Jennifer Scott
(appointed December 2009)

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.

INDEPENDENT NON EXECUTIVE DIRECTOR

Matthew Lyn
(appointed July 2015)

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.

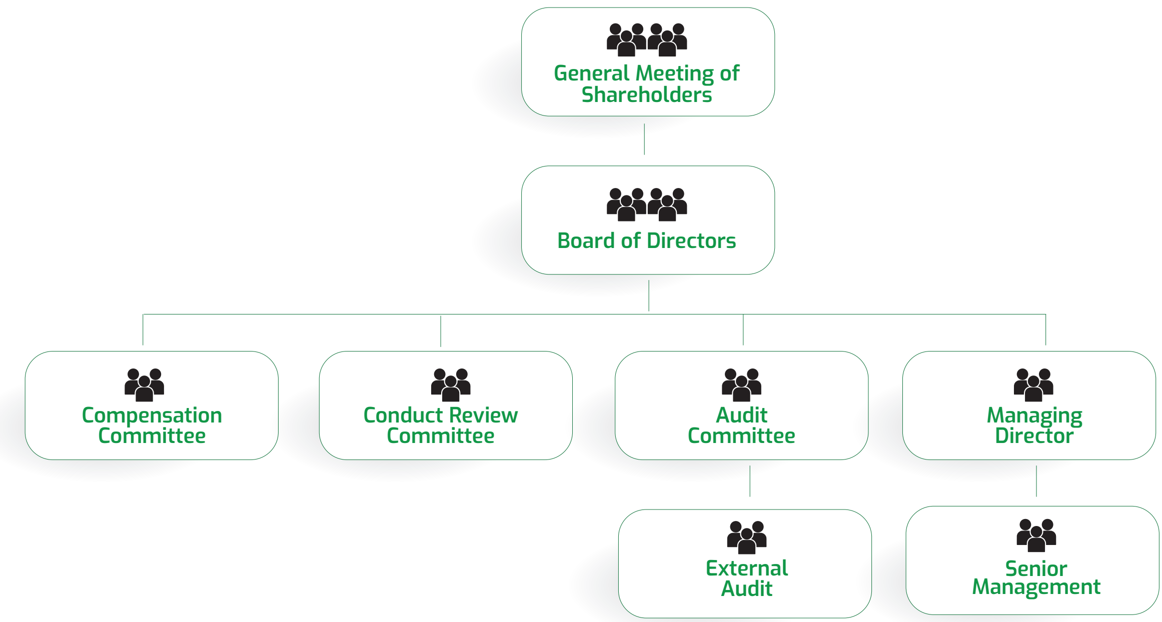
CORPORATE GOVERNANCE REPORT

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 Organization 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 progress and ensuring that the efforts of all stakeholders support those objectives.

BOARD OF DIRECTORS

The members of the Board of Directors and those entrusted with administering our Corporate Governance Framework embody diversity, experience, and proven excellence in their fields.

Comprised of eleven (11) members, a non-executive Chairman, seven (7) non-executive directors and three (3) executive directors, Board members provide balanced decision-making and independence.

THE COMPENSATION COMMITTEE

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

The Committee meets at least four (4) times a year.

CONDUCT REVIEW COMMITTEE

The Conduct Review Committee has the responsibility for oversight of the Company's policies and procedures to ensure that it conducts its affairs responsibly and in keeping with our values and the broad requirements of the Regulators. This committee is tasked with the prevention, identification and management of conflicts of interest and the disclosures around any such conflicts. The Conduct Review Committee is comprised of five (5) non-executive directors and one (1) executive director. The Committee meets at least three (3) times a year.

AUDIT COMMITTEE

The Audit 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 is comprised of four (4) non-executive directors and one (1) executive director. The Committee meets at least five (5) times during the year.

INVESTMENT AND LOAN COMMITTEE

The Investment and Loan Committee is responsible for driving the Group's investment strategy and ensuring that it 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 aligns with the credit risk appetite of the Company.

The Investment and Loan Committee is comprised of (4) non-executive directors and two (2) executive directors. 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

SENIOR LEADERSHIP TEAM

CEO & MANAGING DIRECTOR
SHARON DONALDSON

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 of communication between the Board of Directors and corporate operations.

CHIEF OPERATING OFFICER
GREGORY FOSTER

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.

CEO - TRINIDAD & TOBAGO
NATASHA PETTIER

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.

GENERAL MANAGER - BARBADOS
WANDA MAYERS

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.

CHIEF INFORMATION OFFICER
LESLEY MILLER

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.

CHIEF INSURANCE OFFICER
MICHELLE ROBINSON

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.

BUSINESS DEVELOPMENT OFFICER
JAMALDA STANFORD-BROWN

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.

GENERAL MANAGER – AUTOSMART
JANILLE JARRETT

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.

MANAGEMENT TEAM

CAREEN NOLAN
Head of Property & Casualty Division
Jamaica

ANGELLA REYNOLDS
Senior Risk & Reinsurance Manager
Jamaica

TANYA OAKLEY
Business Intelligence Manager
Jamaica

CAROL BARNETT
Claims Manager
Jamaica

PETAGAYE MCCOOK
Legal Services Manager
Jamaica

JANETTE COLE-SMITH
Finance & Compliance Manager
Jamaica

JOAN MCLEGGON
Chief Human Resources Officer
Jamaica

DOUGLAS HAYDEN
Information Technology Manager
Jamaica

CHERYLL HENRY
Operations & Facilities Manager
Jamaica

MANAGEMENT TEAM

NATASHA PETTIER
CEO
Trinidad & Tobago

JESEANIA GLASGOW-BURNETT
Manager, Underwriting and Business Development - Trinidad & Tobago

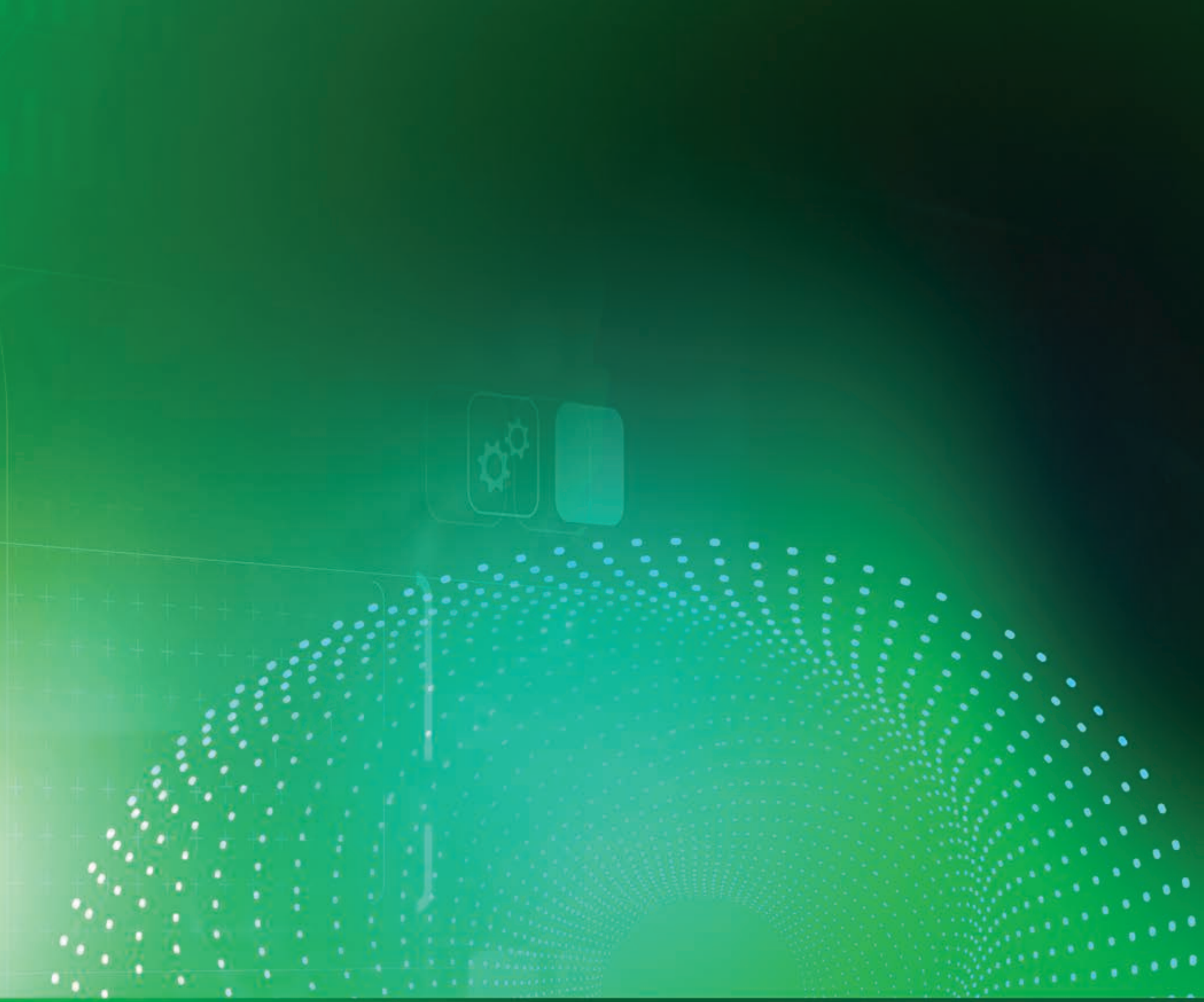
DUNSTAN LODGE
Head of Customer Support
Trinidad & Tobago

SHIVANNE RAMADHAR
Accountant
Trinidad & Tobago

RAJIN MATADEEN
Claims Manager
Trinidad & Tobago

WANDA MAYERS
General Manager
Barbados

GAIL GRIFFITH
Underwriter
Barbados



MANAGEMENT DISCUSSION & ANALYSIS

MANAGEMENT DISCUSSION & ANALYSIS

PROFITABILITY

In 2022, General Accident continued to execute its strategy of building a leading regional general insurance company. Our exceptional team, relationships, technology and brand allowed General Accident to deliver a record financial performance.

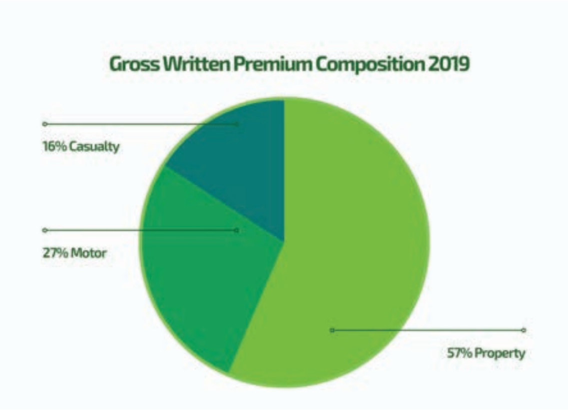
The General Accident Group produced record financial performance in 2022, achieving the highest gross written premiums in our history. We achieved gross written premiums of $15.1 billion, an increase of $1.2 billion or 8% over 2021, and profit before tax of $708.2 million, representing an increase of 173% over 2021. Further, General Accident produced a 22% return on equity and distributed $250.6 million of dividends to our shareholders.

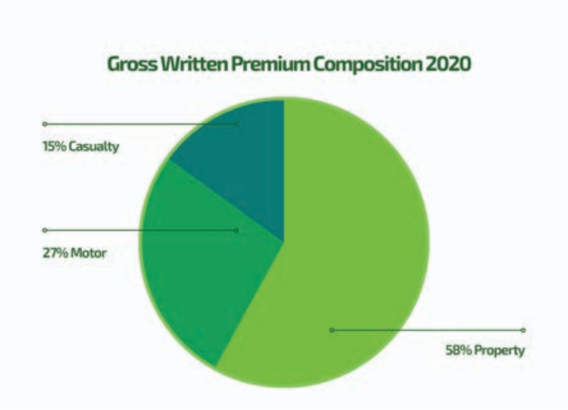
General Accident Jamaica maintained its position as the largest underwriter of general insurance risks, with gross written premiums of $13.8 billion, an increase of $0.9 billion over 2021, underwriting profit of $165.1 million, and net profit of $405.1 million.

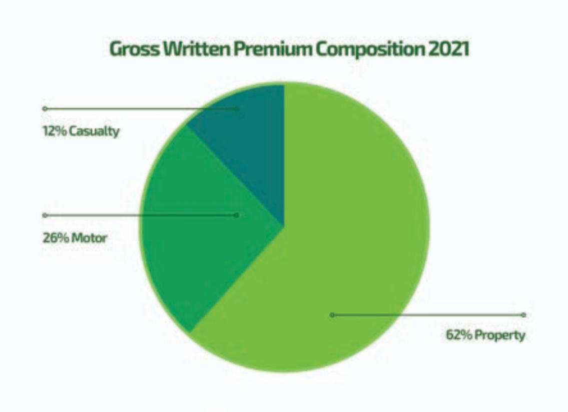
General Accident Trinidad achieved profitability for the first time. Given that we only began operations in Trinidad less than three years ago, in 2019, it is truly a testament to our team and our execution that we were able to achieve this feat so soon. This was a direct result of our dedicated and committed staff, our improved technology, our strong relationships with supportive business partners, and our strong corporate governance. General Accident Trinidad produced gross written premiums of $948.1 million, an increase of $293.3 million or 45% over 2021. We are poised for continued growth, as we build upon the relationships we have forged, expand our agency and sales network, and leverage our investments in technology.

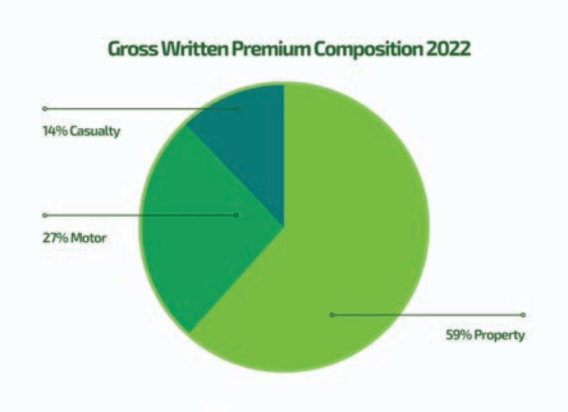
General Accident Barbados continued to grow in 2022. We achieved gross written premiums of $394.8 million, an increase of $64.1 million or 19% over 2021. This growth is largely attributable to our increased broker penetration and the expansion of our agent network. Although group business supported our portfolio, personal lines insurance products, particularly motor insurance products, exceeded our budgeted expectations, with $234.9 million in gross written premiums. The company performed better than anticipated through careful cost management. As a result, our 2022 net loss was $18.7 million, down significantly from our 2021 net loss of $99.9 million. General Accident Barbados continues to prudently increase its staff complement and improve its operating efficiency by digitising its processes.

GROUP GROSS PREMIUM COMPOSITION









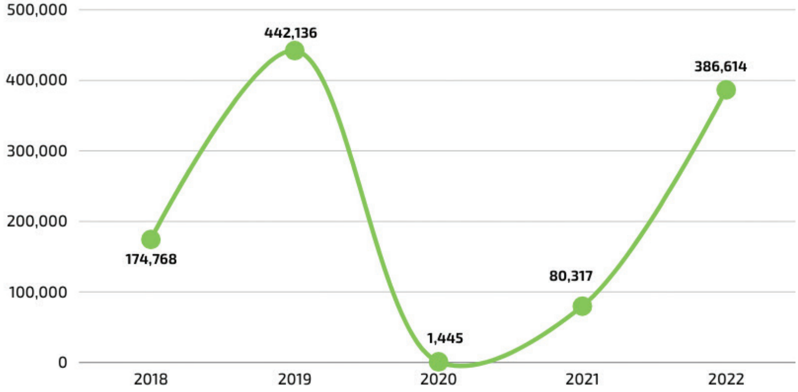
MANAGEMENT DISCUSSION & ANALYSIS CONT'D

FINANCIAL HIGHLIGHTS

GENERAL ACCIDENT GROUP
Consistent premium growth
Gross written premiums of $15.1 billion
Profit for the year of $597.2 million
Book value of $3.2 billion
Total assets of $12.7 billion
Earnings per share of $0.53

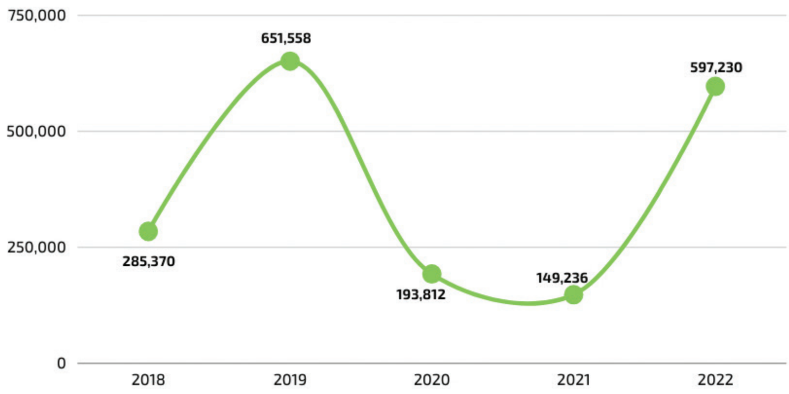
Profit attributable to shareholders was $543.8 Million in 2022. We paid dividends amounting to $250.6 million in the year under review. We are delighted to report an increased return on equity (ROE) of 20% for the year 2022, an improved performance over 2021 and 2022 when the company experienced increased expenses related to the acquisition of two regional entities, as well as implementing safety measures, maintaining business continuity, and adopting remote work setups made necessary by the Covid-19 pandemic. Following the first full year of full integration of the regional companies, we are back to achieving double-digit ROE.

GROUP UNDERWRITING PROFIT $'000



MANAGEMENT DISCUSSION & ANALYSIS CONT'D

GROUP NET PROFIT $'000



INVESTMENT INCOME

Investment income increased by 93% to $436.4 million, up from $226.5 million in 2021. This increase was driven by taking advantage of a high-return investment coupled with increased investment yields during the year.

FINANCIAL STRENGTH

General Accident Group is well capitalized with an equity book value of $3.2 billion. This provides stability to weather any potential economic challenges of 2023. Total assets increased by 1% to $12.7 billion, up from $12.5 billion in 2021.

CAPITAL MANAGEMENT

General Accident Group allocates its capital to maximize long term shareholder value while maintaining financial strength. We consistently meet required regulatory and solvency ratios. 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 are pleased to report that we met the regulatory capital and liquidity requirements for all entities for 2022.

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. Consequently, as a new entrant in Trinidad and Barbados, we derive a competitive advantage from our streamlined business processes resulting from our investment in digitization made in 2020, 2021 and 2022. This positions us well for increased operating efficiency in 2023.

For 2023, General Accident remains focused on solidifying our market leadership in Jamaica, growing our business in Trinidad and Barbados, and completing our digital

MANAGEMENT DISCUSSION & ANALYSIS CONT'D

transformation. 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.

General Accident remains committed to delivering our strategic objectives. We look ahead with confidence and enthusiasm as we believe we have the right approach, culture, and products to compete in a new digitized, customer-focused marketplace. We are well positioned to achieve robust financial performance and satisfied policyholders.

I would like to extend sincere thanks to 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 Barbados, my heartfelt gratitude and appreciation to you for your continued commitment to the success of the company. To our brokers and insureds, thank you for the confidence you have placed 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.

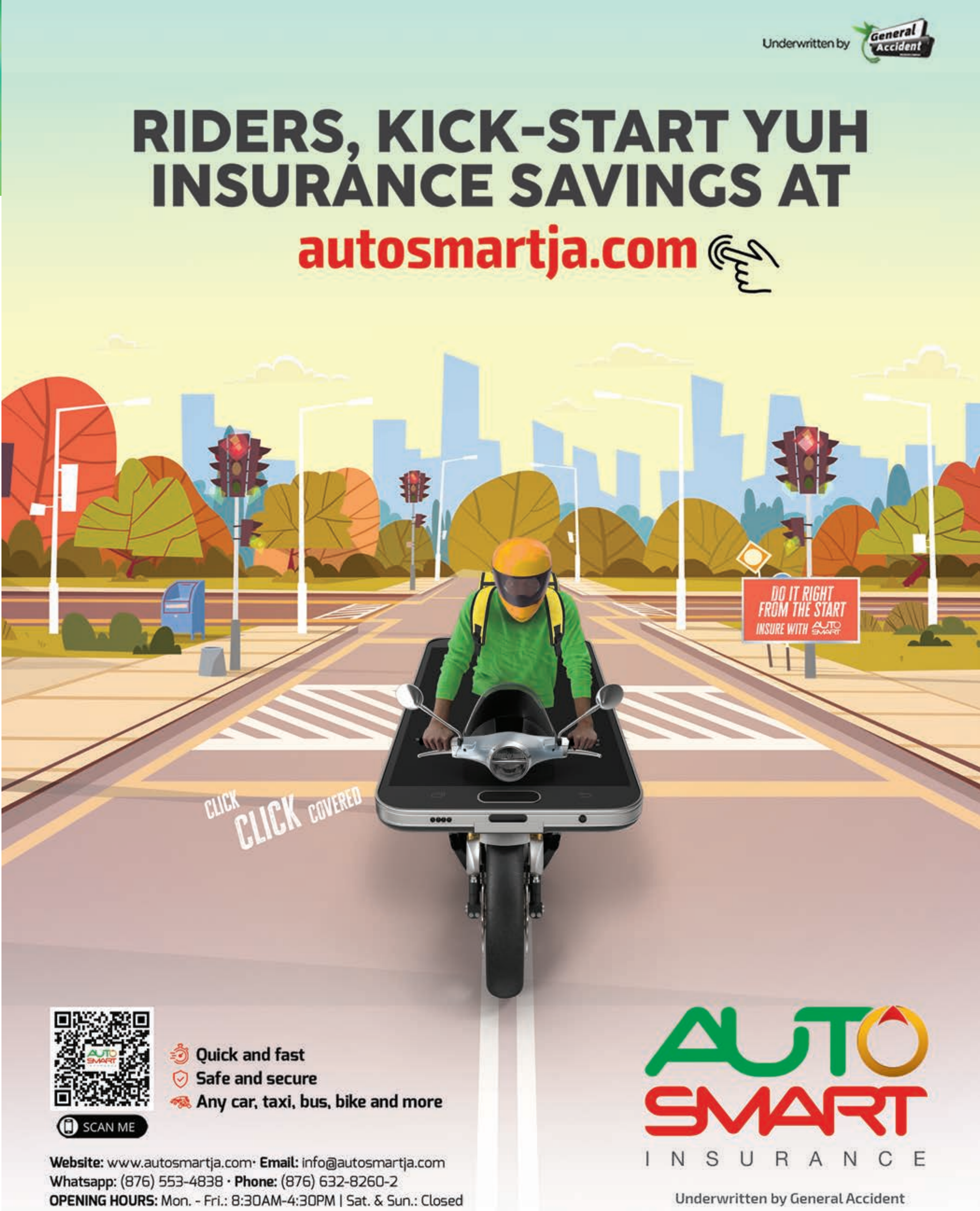
The risk categories subject to Board oversight are set out below:

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.



Underwritten by General Accident
RIDERS, KICK-START YUH INSURANCE SAVINGS AT
autosmartja.com
DO IT RIGHT FROM THE START
INSURE WITH AUTO SMART
CLICK CLICK COVERED
SCAN ME
Quick and fast
Safe and secure
Any car, taxi, bus, bike and more
Website: www.autosmartja.com · Email: info@autosmartja.com
Whatsapp: (876) 553-4838 · Phone: (876) 632-8260-2
OPENING HOURS: Mon. - Fri.: 8:30AM-4:30PM | Sat. & Sun.: Closed
AUTO SMART INSURANCE
Underwritten by General Accident

CORPORATE SOCIAL RESPONSIBILITY

CORPORATE SOCIAL RESPONSIBILITY

As we began to emerge from the Covid-19 pandemic in Jamaica, 2022 saw a return to in-person interactions and the resumption of many of our long-standing commitments to education, health and wellness, and the natural environment.

The General Accident team embraced increased opportunities for community involvement and made special contributions to the youth of Jamaica.

Here are the highlights:

WORLD DOWN SYNDROME DAY

In recognition of World Down Syndrome Day (March 21, 2022) and the hard work of the members of the Jamaica Down's Syndrome Foundation, General Accident Jamaica donated $100,000 to support the outreach services provided by the organisation. Founder & chairperson Dr. Chairmaine Scott was elated to receive the much-needed funding.

This donation highlights the Company's continued commitment to promoting health and wellness among staff members and the wider community.

General Accident's Chief Information Officer (left) Lesley Miller and Marketing Associate Sha Vaughn Rattigan (right) make the $100,000 donation to Jamaica Down's Syndrome Foundation members, In-house Counsellor Jennifer Anglin (second left) and Founder & Chairperson Dr. Chairmaine Scott (second right) in recognition of World Down Syndrome Day.

BLOOD DRIVE

The annual GenAc Blood Drive, held each year in June, recognises the life-saving gifts of blood on World Blood Donor Day (celebrated on June 14).

The initiative, done in partnership with the National Blood Transfusion Service (Blood Bank) and Musson Foundation, aims to help replenish the Blood Bank's resources. Blood Bank technicians were stationed at the General Accident offices at 58 Half-Way-Tree Road. At the end of the drive, 95 registered persons donated 62 units of blood. This year's blood drive saw not only an uptick in participants but also an increased number of young participants. From the 62 units collected at the GenAc Blood Drive, the Blood Bank can save up to 186 lives.

National Blood Transfusion Service Representative, Tanika Dewar- Taffe (standing left) explains the blood donation process to Musson Foundation Chairperson Melanie Subratie (standing middle) and General Accident Insurance Company (Jamaica) (GenAc) CEO Sharon Donaldson (right) while GenAc Motor Underwriting Supervisor Wendy Clarke-Gayle gives blood.

National Blood Transfusion Service Blood Donor Organizer, Keishawna Pinnock (left) Chairman and CEO of the Musson Group, Paul B Scott (middle) and General Accident Chief Information Officer, Lesley Miller check in on first-time donor and Senior Property & Casualty Supervisor, Julette Fuller during the General Accident Blood Drive held on June 15 at the Company's head office.

General Accident staff member Kyle Lawrence, proudly displays his gift of life at the General Accident Blood Drive hosted at the Company's head office in Kingston on June 15.

CORPORATE SOCIAL RESPONSIBILITY CONT'D

MAISIE GREEN LEARNING CENTRE

The Company continued its support of the Maisie Green Learning Centre in 2022. For Labour Day, GenAc donated painting materials, which volunteers used to beautify the school environment for young learners.

During the Christmas season, the newly formed GenAc choir lent their voices for the school's first annual Carolling Service held in December. Students, parents, teachers and faculty members thoroughly enjoyed the lively performance.

General Accident's Business Development Officer Jamalda Stanford-Brown(left) handed over paint and painting materials to the Principal of Maisie Green Learning Centre Charmaine Bennett on May 20, 2022 to aid with their Labour Day project on May 23, 2022.


General Accident Choir performed a medley at the Maisie Green Learning Centre for the children at their Christmas party on December 14, 2022.

CUSTOMER APPRECIATION DAY

To celebrate our customers' continued patronage throughout the year, GenAc hosted a customer appreciation day on December 9, 2022, with an exciting day of activities and giveaways for customers.

Customers visiting the Company's Kingston office were met with musical entertainment, a photo booth, discounted insurance premiums and a chance to spin a wheel for other prizes. To complete the celebratory mood, Genac enlisted vibes master, Jenny Jenny, as host and staff members wore Christmas hats.

The celebratory affair was well received by customers and culminated in the ultimate discount for one lucky customer.

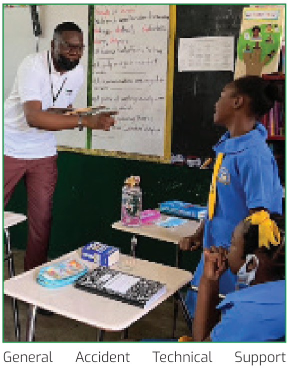

Management trainee, Lashane Sinclair (left) presents a gift to a customer during GenAc's customer appreciation day activity held at the Company's head office in Kingston on December 9.


Spin and win! Customer appreciation day host, Jenny Jenny explains the prizes to be won during the spin wheel giveaway to a customer.

READ ACROSS JAMAICA DAY

For National Read Across Jamaica Day 2022, GenAc welcomed the return of in-person sessions with the students of Dunrobin Primary School.

The animated storytelling of the participating staff members was a joy for the students as each staff member took turns reading to the students. National Read Across Jamaica Day forms part of activities


General Accident Technical Support Processor Trevaughn Davis engages students with questions during Genac's National Read Across Jamaica Day session on May 3, 2022, at Dunrobin Primary School.


General Accident Marketing Associate Sha Vaughn Rattigan reads SO WHO'S DR. RABBIT? by Patricia C McKissack to the students of Dunrobin Primary School during National Read Across Jamaica Day on May 3, 2022.

CORPORATE SOCIAL RESPONSIBILITY CONT'D

to mark Education Week. Under the 2022 theme 'Revisiting the Foundation', nine General Accident and Auto Smart staff members volunteered to fulfil the Read Across Jamaica Day mandate to promote the significance of reading and literacy locally.

HOUR OF CODE

In partnership with the Musson Foundation, GenAc representatives explored the basics of computer programming with 4th to 6th-grade students of Drews Avenue Primary School through the global Hour of Code initiative on December 10, part of the worldwide Hour of Code movement, which introduced tens of millions of students across the globe to Computer Science. The Hour of Code initiative is an annual learning event that takes place during Computer Science Education Week – December 5-11, 2022.

General Accident Help Desk Technician Omaro Taylor coaches students of Drews Avenue Primary School in Kingston through an Hour of Code session on December 8, 2022. The Hour of Code is now an annual global learning event that takes place during Computer Science Education Week – December 5th-11th 2022.

JAMAICA ENVIRONMENT TRUST (JET)

GenAc continued its longstanding partnership with Jamaica Environment Trust (JET) in 2022. The Company donated $250,000 towards the operations of the local environment trust. GenAc stands in solidarity with JETt'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. Each year the donation received facilitates the Trust's projects and administrative functions.

HONOURABLE MENTIONS

During the year, General Accident also supported the following organisations and activities:

- Jamaica Cancer Society (JCS)
- UWI
- Rusea's Sports Department
- Tornadoes Swim Club
- Apostolic Church of Jamaica
- Every Mikkle Foundation
- Salvation Army

CONCLUSION

GenAc celebrates a successful year of commitment to national development. The Company's efforts in promoting health and wellness, supporting education, sound environmental stewardship and giving back to the community through various partnerships and donations have positively impacted Jamaica.

As the world continues to recover from the pandemic, GenAc is committed to continuing these and other initiatives to make a meaningful difference in the lives of Jamaicans.

EMPLOYEE ENGAGEMENT

Staff engagement is crucial for any successful organization, directly impacting employee motivation, job satisfaction, and ultimately, the success of the business. At GenAc, we regard staff engagement as fundamental.

The advent of relaxed Covid 19 protocols in 2022 brought a resurgence of face-to-face interactions, allowing increased opportunities to foster a positive work environment and culture.

INTERNATIONAL WOMEN'S DAY

In honour of International Women's Day (IWD), celebrated on March 8, under the theme, Break the bias GenAc executed a themed photo booth for staff to showcase their solidarity with the global initiative. With the same excitement of years past, staff members across all departments posed for photos using the year's IWD pose (forming an X across the chest with both arms). Like a traditional photo booth, employees walked away with physical copies of their photos to mark the celebration.

STAFF APPRECIATION EVENT

Celebrating a year of hard work and progress, GenAc staff were treated to an exciting evening of festivities at the annual holiday staff party. To commence the celebrations, long-serving employees were acknowledged with an award ceremony which was later followed by a rousing sound-clash performance between the Claims and Registry department. In traditional holiday party fashion, the evening concluded with a dance party.

DOMINO TOURNAMENT

For the Jamaica Insurance Broker Association (JIBA) domino competition, the best General Accident domino players registered to challenge other insurance company representatives to a friendly domino tournament at Kingston Cricket Club on November 4, 2022. Two teams successfully represented GenAc, placing 2nd and 3rd in the overall competition.

EMPLOYEE ENGAGEMENT CONT'D

MR & MS GENERAL ACCIDENT COMPETITION

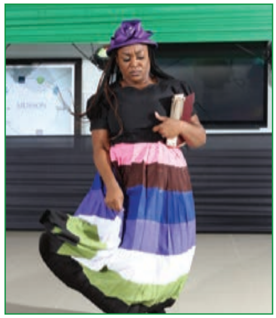
In August, GenAc hosted the inaugural Mr & Ms General Accident pageant. The competition, which saw staff members vie for prizes and the coveted title, was a welcomed activity that brought staff members across departments together.

The victors were Kadeem Henry – Broker Services Associate (Mr General Accident) and Chanelle Messam – Junior Underwriting Associate (Ms General Accident). The two walked away with various prizes from the competition sponsors, Admark and Digicel.

Prizes were also awarded to the competition's first and second runners up. The Mr & Ms General Accident competition was the final event of a week of celebratory activities executed to honour staff for their hard work and commitment. Throughout the week, staff were treated to a smoothie morning, GenAc quiz competition (fun while learning) and giveaways.

CONCLUSION

GenAc is proud to celebrate the efforts of our employees. It continues to be our goal to pay attention to the well-being of our employees and create a work environment that encourages respect, trust and empathy.



DISCLOSURE OF SHAREHOLDINGS

General Accident Insurance Company Jamaica Limited
Top Ten Shareholders
As at 31 December 2022

SHAREHOLDER	NO. OF UNITS	PERCENTAGE
Musson Jamaica Ltd.	824,999,989	80.00
Mayberry Jamaican Equities Ltd.	21,642,677	2.10
QWI Investments Ltd.	15,032,119	1.46
JCSD Trustee Services – Barita Unit Trust	14,384,371	1.39
Apex Pharmacy	10,000,000	0.97
PAM – Pooled Equity Fund	9,343,293	0.91
Lancedale Farquharson	7,632,582	0.74
Mayberry Managed Clients Account	6,340,154	0.61
Sagicor Select Funds Ltd	5,066,798	0.49
Sharon Donaldson et al	4,424,011	0.43

Shareholdings of Directors and their Connected Parties
As at 31 December 2022

DIRECTORS	COMBINED HOLDING	PERCENTAGE
Musson Jamaica Ltd.	824,999,989	80.00
Paul B. Scott Melanie Subratie		
Sharon Donaldson	4,424,011	0.429
Junior Levine		
Gregory Foster	350,000	0.0340
Duncan Stewart	2,475,190	0.2400
Deborah Stewart Diana Stewart		
Christopher Nakash	1,698,020	0.1647
Nicholas Scott	1,980,198	0.1920
Matthew Lyn	96,500	0.0094
Jodi Lyn		
Lesley Miller	360,746	0.0351
Martin Miller et al		

Shareholdings of Management Team
As at 31 December 2022

MANAGER	COMBINED HOLDING	PERCENTAGE
Michelle Robinson	780,000	0.0758
Cheryll Henry	159,445	0.0155
Jamalda Stanford	92,857	0.0090
Janille Jarrett	25,000	0.0024

CORPORATE DATA

COMPANY PROFILE

DIRECTORS:

- P.B. 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

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(876) 929-8451/4
Email: info@genac.com

AutoSmart Insurance
Kingston & St. Andrew
58 Half Way Tree Road, Kingston 10
Telephone: (876) 632-8260-2
Email: info@autosmartja.com

TRINIDAD

General Accident Insurance Company Trinidad & Tobago Limited
Cor. French Street & Ariapita Avenue,
Woodbrook, Port of Spain
Trinidad, W.I.
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(868) 622 -5614
(868) 622-8500
Email: infott@genac.com

BARBADOS

General Accident Insurance Company Barbados Limited

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Telephone: (246) 257-3392
Email: infobb@genac.com

GENERAL ACCIDENT INSURANCE COMPANY JAMAICA LIMITED
31 December 2022

FINANCIAL STATEMENTS

MID ATLANTIC ACTUARIAL

3. 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, 2022 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 PriceWaterhouseCoopers 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:	3,072,435	3,072,435
Assumed unpaid claims and adjustment expenses:	0	0
Gross unpaid claims and adjustment expenses:	3,072,435	3,072,435
Ceded unpaid claims and adjustment expenses:	1,134,833	1,138,952
Other amounts to recover:	0	0
Other net liabilities:	0	0
Net unpaid claims and adjustment expenses:	1,937,602	1,933,483

Policy Liabilities (J$000)	Carried in Annual Return	Actuary's Estimate
Gross policy liabilities in connection with unearned premiums:		1,293,798
Net policy liabilities in connection with unearned premiums:		994,921
Gross unearned premiums:	2,455,410	
Net unearned premiums:	1,937,602	
Premium deficiency:	0	
Other net liabilities:	0	

MID ATLANTIC
ACTUARIAL

In my opinion:

(i) The methods and procedures used in the verification of the data are sufficient and reliable and fulfill acceptable standards of care;

(ii) The valuation of policy and claims liabilities has been made in accordance with generally accepted actuarial practice with such changes as determined and directions made by the Commission;

(iii) The methods and assumptions used to calculate the policy and claims liabilities are appropriate to the circumstances of the company and of the said policies and claims;

(iv) The amount of policy and claims liabilities represented in the balance sheet of General Accident Insurance Company Jamaica Limited makes proper provision for the future payments under the company's policies and meet the requirements of the Insurance Act and other appropriate regulations of Jamaica;

(v) A proper charge on account of these liabilities has been made in the statement of comprehensive income;

(vi) There is sufficient capital available to meet the solvency standards as established by the Commission

Josh Worsham, FCAS, MAAA	Josh Worsham	March 17, 2023
Name of Appointed Actuary	Signature of Appointed Actuary	Date

pwc

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 2022, 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 International Financial Reporting Standards (IFRS) 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 2022;
- 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 2022;
- 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, which include significant accounting policies 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

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 two components which were considered individually financially significant. The 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
Valuation of claims liabilities for general insurance contracts *Refer to notes 2 (r), 4(a) and 33 to the consolidated and stand-alone financial statements for disclosures of related accounting policies, judgements and estimates* As at year end, the total reserves set aside in relation to claims liabilities amounted to $4.1 billion for the Group and $3.1 billion for the Company. This represented 43% and 40% of total liabilities for the Group and Company, respectively. We focused on this area as the determination of the value of claims liabilities requires significant judgement in the selection of key assumptions and the application of actuarial methodologies. In particular, judgement arises over the estimation of liabilities for claims reported as well as those that have been incurred but not reported (IBNR) as at 31 December 2022. There is generally less information available in relation to IBNR claims which could lead to greater variability between initial estimates and final settlement. Management engaged an actuarial expert to assist in determining the value of the claims liabilities included in the consolidated and stand-alone statements of financial position.	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. • Evaluated the suitability of the methodologies and assumptions used in establishing claims liabilities against established actuarial practices, those commonly used in the insurance industry and underlying claims information. The results of our procedures indicated that the methodologies and assumptions used by management in establishing the valuation of claims 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 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
31 March 2023
Kingston, Jamaica

General Accident Insurance Company Jamaica Limited
Consolidated Statement of Comprehensive Income
Year ended 31 December 2022
(expressed in Jamaican dollars unless otherwise indicated)

	Note	2022 $'000	2021 $'000
Gross Premiums Written		15,114,209	13,959,807
Reinsurance ceded		(11,343,818)	(10,488,851)
Excess of loss reinsurance cost		(317,054)	(216,992)
Net premiums written		3,453,337	3,253,964
Changes in unearned premiums, net		(125,855)	(221,205)
Net Premiums Earned		3,327,482	3,032,759
Commission income		1,065,418	892,857
Commission expense		(631,987)	(511,026)
Claims expense	10	(1,508,337)	(1,751,360)
Management expenses	13	(1,865,962)	(1,582,913)
Underwriting Profit		386,614	80,317
Investment income	11	436,410	226,526
Finance charge		(2,503)	(7,076)
Other income	12	39,381	124,591
Other operating expenses	13	(151,735)	(164,663)
Profit before Taxation		708,167	259,695
Taxation	15	(110,937)	(110,459)
Net Profit for the Year		597,230	149,236
Net Profit Attributable to:			
Owners of General Accident Insurance Company Jamaica Limited		543,771	254,750
Non-controlling interests	38	53,459	(105,514)
		597,230	149,236
EARNINGS PER SHARE	16	$0.53	$0.25
Other Comprehensive Income, net of tax:			
Items that may not be subsequently reclassified to profit or loss			
Unrealised (losses)/gains on FVOCI investments		(32,067)	14,880
Unrealised losses on revaluation of real estate investment		-	(22,417)
Foreign currency translation adjustments		(17,882)	2,100
Total Other Comprehensive Income		(49,949)	(5,437)
TOTAL COMPREHENSIVE INCOME		547,281	143,799
Total Comprehensive Income Attributable to:			
Owners of General Accident Insurance Company Jamaica Limited		498,366	249,807
Non-controlling interests	38	48,915	(106,008)
		547,281	143,799

	Note	2022 $'000	2021 $'000
ASSETS			
Cash and cash equivalents	18	786,304	1,444,183
Taxation recoverable		2,826	2,859
Due from policyholders, brokers and agents		1,766,928	1,415,334
Due from reinsurers and coinsurers	19	3,341,332	3,280,908
Deferred policy acquisition cost		626,397	562,600
Other receivables	20	934,082	858,033
Due from related parties	9	8,049	5,383
Loans receivables	21	136,226	244,188
Lease receivables	22	66,312	67,320
Right of use assets	31	49,760	82,164
Investment securities	23	3,329,726	3,101,667
Investment property	25	407,507	328,149
Real estate investment	26	189,912	189,912
Property, plant and equipment	27	840,241	740,908
Intangible assets	28	166,430	180,014
Total assets		12,652,032	12,503,622
LIABILITIES			
Taxation payable		42,890	1,038
Due to reinsurers and coinsurers	29	1,402,603	1,065,509
Due to related parties		29,914	-
Other liabilities	30	392,591	549,644
Lease liabilities	31	53,921	103,207
Deferred tax liabilities	32	73,925	50,652
Insurance reserves	33	7,486,128	7,811,608
Total liabilities		9,481,972	9,581,658
SHAREHOLDERS' EQUITY			
Share capital	34	470,358	470,358
Capital reserves	35	161,354	146,384
Property revaluation reserve	36	-	49,017
Fair value reserve	37	15,858	48,171
Translation reserve		32,834	45,926
Retained earnings		2,211,842	1,869,627
		2,892,246	2,629,483
Non-Controlling Interest	38	277,814	292,481
Total shareholders' equity		3,170,060	2,921,964
Total liabilities and shareholders' equity		12,652,032	12,503,622

Approved by the Board of Directors on 31 March 2023 and signed on its behalf by:

Paul B. Scott — Chairman

Sharon Donaldson-Levine — Director

General Accident Insurance Company Jamaica Limited
Consolidated Statement of Changes in Equity
Year ended 31 December 2022
(expressed in Jamaican dollars unless otherwise indicated)

	Note	Share Capital $'000	Capital Reserves $'000	Property Revaluation Reserve $'000	Fair Value Reserve $'000	Translation Reserve $'000	Retained Earnings $'000	Non-Controlling Interest $'000	Total $'000
As at 1 January 2021		470,358	146,384	77,508	33,320	37,229	1,811,578	398,489	2,974,866
Comprehensive income:									
Net profit for the year		-	-	-	-	-	254,750	(105,514)	149,236
Other comprehensive income		-		(28,491)	14,851	8,697	-	(494)	(5,437)
Total comprehensive income				(28,491)	14,851	8,697	254,750	(106,008)	143,799
Transactions with owners									
Dividends	17	-	-	-	-	-	(196,701)	-	(196,701)
Balance at 31 December 2021		470,358	146,384	49,017	48,171	45,926	1,869,627	292,481	2,921,964
Comprehensive income:									
Net profit for the year		-	-	-	-	-	543,771	53,459	597,230
Other comprehensive income		-	-	-	(32,313)	(13,092)	-	(4,544)	(49,949)
Total comprehensive income		-	-	-	(32,313)	(13,092)	543,771	48,915	547,281
Transactions with owners									
Transfer to retained earnings		-	-	(49,017)	-	-	49,017	-	-
Transaction with non-controlling interest	38	-	14,970	-	-	-	-	(63,582)	(48,612)
Dividends		-	-	-	-	-	(250,573)	-	(250,573)
Balance at 31 December 2022		470,358	161,354	-	15,858	32,834	2,211,842	277,814	3,170,060

	Note	2022 $'000	2021 $'000
Cash Flows from Operating Activities			
Net profit		597,230	149,236
Adjustments for items not affecting cash:			
Depreciation	27,31	137,577	142,215
Amortisation of intangible assets	28	14,158	14,506
Amortisation of investment premium		(1,557)	(1,202)
Gains on revaluation of investment property	11	(77,973)	(6,803)
Fair value gains on shares classified as FVTPL	11	(131,099)	-
ECL on debt investments		(2,196)	-
Gain on disposal of property, plant and equipment	12	(407)	(6,271)
Finance charge		6,812	7,402
Interest income	11	(191,113)	(167,984)
Dividend income	11	(16,143)	(18,822)
Current taxation	15	86,381	97,857
Deferred taxation	15	24,556	12,602
Foreign exchange gains		13,644	(33,753)
Increase in deferred policy acquisition cost		(63,797)	(66,088)
(Decrease)/Increase in insurance reserves		(325,480)	1,186,879
		70,593	1,309,774
Changes in operating assets and liabilities:			
Due from policyholders, brokers and agents		(351,594)	(162,497)
Other receivables		(76,049)	(614,458)
Other liabilities		(126,275)	138,860
Due from related parties		27,248	17,327
Due from/(to) reinsurers and coinsurers, net		276,670	(867,768)
		(179,407)	(178,762)
Tax paid and deducted at source		(69,052)	(76,658)
Net cash used in operating activities		(248,459)	(255,420)
Cash Flows from Investing Activities			
Investments, net		(178,572)	1,090,207
Loans receivable		107,962	7,276
Lease receivables		1,008	11,837
Net cash outflow from acquisition of subsidiary		(48,612)	-
Acquisition of investment property		(2,976)	(2,259)
Acquisition of property, plant and equipment	27	(174,540)	(127,134)
Acquisition of intangible asset	28	(720)	(479)
Proceeds from disposal of property, plant and equipment		321	6,239
Dividend received		16,143	18,822
Interest received		193,099	187,839
Net cash (used in)/provided by investing activities		(86,887)	1,192,348
Sub-total c/f		(335,346)	936,928

	Note	2022 $'000	2021 $'000
Sub-total b/f		(335,346)	936,928
Cash Flows from Financing Activities			
Investment made by non-controlling interest			-
Lease payments		(94,190)	(82,921)
Dividends paid	17	(250,573)	(196,701)
Net cash used in by financing activities		(344,763)	(279,622)
(Decrease)/increase in cash and cash equivalents		(680,109)	657,306
Effect of exchange rate changes on cash and cash equivalents		22,230	30,329
Cash and cash equivalents at beginning of year		1,444,183	756,548
CASH AND CASH EQUIVALENTS AT END OF THE YEAR (NOTE 18)		786,304	1,444,183

General Accident Insurance Company Jamaica Limited
Company Statement of Comprehensive Income
Year ended 31 December 2022
(expressed in Jamaican dollars unless otherwise indicated)

	Note	2022 $'000	2021 $'000
Gross Premiums Written		13,842,123	12,974,308
Reinsurance ceded		(11,152,059)	(10,327,323)
Excess of loss reinsurance cost		(144,532)	(129,519)
Net premiums written		2,545,532	2,517,466
Changes in unearned premiums, net		128	(24,197)
Net Premiums Earned		2,545,660	2,493,269
Commission income		985,236	855,070
Commission expense		(516,880)	(451,199)
Claims expense	10	(1,448,630)	(1,328,741)
Management expenses		(1,400,220)	(1,140,317)
Underwriting Profit		165,166	428,082
Investment income	11	413,786	185,855
Finance charge		(4,817)	(7,076)
Other income	12	11,759	98,298
Other operating expenses		(100,384)	(98,573)
Profit before Taxation		485,510	606,586
Taxation	15	(80,458)	(105,433)
Net Profit for the Year		405,052	501,153
Other Comprehensive Income, net of tax:			
Items that may not be subsequently reclassified to profit or loss			
Unrealised (losses)/gains on FVOCI investments		(33,049)	14,796
Unrealised losses on revaluation of real estate investment		-	(22,417)
Total Other Comprehensive Income		(33,049)	(7,621)
TOTAL COMPREHENSIVE INCOME		372,003	493,532

	Note	2022 $'000	2021 $'000
ASSETS			
Cash and cash equivalents	18	357,700	684,622
Taxation recoverable		-	2,859
Due from policyholders, brokers and agents		1,522,969	1,254,118
Due from reinsurers and coinsurers	19	3,157,949	3,129,095
Deferred policy acquisition cost		549,534	521,534
Other receivables	20	892,369	816,220
Due from related parties	9	104,905	86,532
Lease receivable	22	66,312	67,320
Right of use assets	31	25,035	66,256
Investment securities	23	2,406,130	2,343,371
Investment in subsidiary	24	607,517	558,905
Investment property	25	343,000	265,000
Real estate investment	26	189,912	189,912
Property, plant and equipment	27	345,311	235,800
Intangible assets	28	2,832	6,623
Total assets		10,571,475	10,228,167
LIABILITIES			
Taxation payable		42,846	-
Due to reinsurers and coinsurers	29	1,287,800	983,335
Due to related parties	9	16,577	-
Other liabilities	30	395,533	409,964
Lease liabilities	31	28,198	85,286
Deferred tax liabilities	32	21,762	23,045
Insurance reserves	33	5,787,011	5,856,219
Total liabilities		7,579,727	7,357,849
SHAREHOLDERS' EQUITY			
Share capital	34	470,358	470,358
Capital reserves	35	152,030	152,030
Property revaluation reserve	36	-	46,363
Fair value reserve	37	15,006	48,055
Retained earnings		2,354,354	2,153,512
Total shareholders' equity		2,991,748	2,870,318
Total liabilities and shareholders' equity		10,571,475	10,228,167

Approved by the Board of Directors on 31 March 2023 and signed on its behalf by:

Paul B. Scott Chairman

Sharon Donaldson-Levine Director

General Accident Insurance Company Jamaica Limited
Company Statement of Changes in Equity
Year ended 31 December 2022
(expressed in Jamaican dollars unless otherwise indicated)

	Note	Share Capital $'000	Capital Reserves $'000	Property Revaluation Reserve $'000	Fair Value Reserve $'000	Retained Earnings $'000	Total $'000
As at 1 January 2021		470,358	152,030	68,780	33,259	1,849,060	2,573,487
Comprehensive income:							
Net profit for the year						501,153	501,153
Other comprehensive income				(22,417)	14,796	-	(7,621)
Total comprehensive income				(22,417)	14,796	501,153	493,532
Transactions with owners							
Dividends	17	-	-	-	-	(196,701)	(196,701)
Balance at 31 December 2021		470,358	152,030	46,363	48,055	2,153,512	2,870,318
Comprehensive income:							
Net profit for the year		-	-	-	-	405,052	405,052
Other comprehensive income		-	-	-	(33,049)	-	(33,049)
Total comprehensive income		-		-	(33,049)	405,052	372,003
Transactions with owners							
Transfer to retained earnings		-	-	(46,363)	-	46,363	-
Dividends		-	-	-	-	(250,573)	(250,573)
Balance at 31 December 2022		470,358	152,030	-	15,006	2,354,354	2,991,748

	Note	2022 $'000	2021 $'000
Cash Flows from Operating Activities			
Net profit		405,052	501,153
Adjustments for items not affecting cash:			
Depreciation	27,31	96,593	94,401
Interest expense		4,817	7,076
Amortisation of intangible assets	28	3,791	4,173
Amortisation of investment premium		(1,660)	-
Gains on revaluation of investment property	11	(75,024)	(6,803)
ECL on debt investments			
Adjustment to property, plant and equipment	27	(108)	1,990
Gain on disposal of property, plant and equipment	12	(321)	(5,633)
Fair value gains on shares classified as FVTPL	11	(131,098)	-
Interest income	11	(168,771)	(131,042)
Dividend income	11	(16,143)	(18,822)
Current taxation	15	81,741	91,306
Deferred taxation	15	(1,283)	14,127
Foreign exchange gains		(38,824)	(43,215)
Increase in deferred policy acquisition cost		(28,000)	(34,531)
(Decrease)/Increase in insurance reserves		(69,208)	841,706
		61,554	1,315,886
Changes in operating assets and liabilities:			
Due from policyholders, brokers and agents		(268,851)	(51,314)
Other receivables		(76,149)	(585,526)
Other liabilities		(14,431)	76,321
Due from related parties		(1,797)	(34,279)
Due from/to reinsurers and coinsurers, net		275,611	(831,301)
		(24,063)	(110,213)
Tax paid and deducted at source		(34,753)	(53,764)
Net cash used in operating activities		(58,816)	(163,977)
Cash Flows from Investing Activities			
Investments, net		88,028	464,117
Loans receivable		1,008	11,837
Acquisition of investment property		(2,976)	(2,259)
Acquisition of property, plant and equipment	27	(158,424)	(70,115)
Investment in subsidiary	24	(48,612)	-
Proceeds from disposal of property, plant and equipment		407	6,240
Dividend received		16,143	18,822
Interest received		155,005	150,590
Net cash provided by investing activities		50,579	579,232
Sub-total c/f		(8,237)	415,255

	Note	2022 $'000	2021 $'000
Sub-total b/f		(8,237)	415,255
Cash Flows from Financing Activities			
Lease payments		(67,921)	(62,600)
Dividends paid	17	(250,573)	(196,701)
Net cash used in by financing activities		(318,494)	(259,301)
(Decrease)/increase in cash and cash equivalents		(326,731)	155,954
Effect of exchange rate changes on cash and cash equivalents		(191)	75,704
Cash and cash equivalents at beginning of year		684,622	452,964
CASH AND CASH EQUIVALENTS AT END OF THE YEAR (NOTE 18)		357,700	684,622

1. Identification and Activities

General Accident Insurance Company Jamaica Limited (the company) is incorporated and domiciled in Jamaica. The company is a public listed company with its listing on the Jamaica Junior 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 is 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 Significant 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 International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. 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 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 2022 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.

- Amendments to IAS 1, 'Presentation of financial statements' (effective for annual periods beginning on or after 1 January 2022). 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 amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. The adoption of this amendment did not have any significant impact on the Group.

- Amendments to IAS 37, 'Provisions, contingent liabilities and contingent assets' (effective for annual periods beginning on or after 1 January 2022). This amendment specifies which costs a company includes when assessing whether a contract will be loss making. It clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract. The adoption of this amendment did not have any significant impact on the Group.

2. Summary of Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Accounting pronouncements effective in 2022 which are relevant to the Group's operations (continued)

- Amendments to IFRS 3, 'Business combinations' (effective for annual periods beginning on or after 1 January 2022). Minor amendments were made to update the references to the Conceptual Framework for Financial Reporting and add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and Interpretation 21 Levies. The amendments also confirm that contingent assets should not be recognised at the acquisition date. The adoption of this amendment did not have any significant impact on the Group.

- Annual improvements to IFRSs 2019 – 2022 cycles (effective for annual periods beginning on or after 1 January 2022). These amendments include minor changes to the following standards: - IFRS 9, 'Financial instruments' - IFRS 16, 'Leases' - IFRS 1, 'First-time adoption of International Financial Reporting Standards - IAS 41, 'Agriculture. The adoption of these improvements did not have any significant impact on the Group.

- Amendment to IFRS 16, 'Leases' – COVID-19 related rent concessions Extension of the practical expedient (effective for annual periods beginning on or after 1 January 2022). As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. In May 2021, the IASB published an amendment to IFRS 16 that provided an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. On 31 March 2022, the IASB published an additional amendment to extend the date of the practical expedient from 30 June 2022 to 30 June 2022. Lessees can select to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs. The adoption of this amendment did not have any significant impact on the Group.

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 2022 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 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.

- 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.

- 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.

2. Summary of Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

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

- **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.

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

- IFRS 17, 'Insurance contracts', (effective for annual periods beginning on or after 1 January 2023). IFRS 17 replaces IFRS 4 which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features. The standard requires a current measurement model where estimates are re-measured each reporting period. Contracts are measured using the building blocks of discount probability – weighted cash flows, an explicit risk adjustment, and a contract service margin (CSM) representing the unearned profit of the contract which is recognised as revenue over the coverage period. This IFRS provides a common global insurance accounting standard leading to consistency in recognition, measurement, presentation and disclosure. The group is in the advanced stages of implementation of IFRS 17 and is continuing to refine the new accounting processes and internal controls required

  A reasonable estimate of the financial impacts cannot be provided at this stage. The group issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. The group does not issue insurance contracts with direct or indirect participating features, nor any features that should be accounted for separately in accordance with IFRS 17 requirements. The group uses reinsurance to mitigate its risk exposures. The group manages insurance contracts issued by product lines, where each product line includes contracts that are subject to similar risks and are managed together. All insurance contracts within a product line represent a portfolio of contracts. Portfolios of reinsurance contracts held are assessed for aggregation at the line of business level and are presented separately from portfolios of insurance contracts issued. The group will use the Premium Allocation Approach to measure all the insurance contracts issued, and reinsurance contracts held, which is a simplified approach compared to the general model in IFRS 17. The group assumes that no contracts are onerous at initial recognition, unless facts and circumstances indicate otherwise.

  The Group will not adjust the liability for remaining coverage for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money. For the Liabilities for Incurred Claims, the estimates of future cash flows will be adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgment and estimation.

  The adoption of IFRS 17 will result in changes in presentation in the statement of financial position and statement of comprehensive income. In the statement of financial position, the group will aggregate and report on portfolios of insurance and reinsurance assets and liabilities separately, while in the statement of comprehensive income the group will report revenue, service expense and finance expense in relation to insurance contract and finance income net expenses from reinsurance contracts held.

2. Summary of Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

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

- IFRS 17, 'Insurance contracts' (continued)

  Discount rate
  The group will use a bottom-up approach to determine discount rates. Risk-free discount rates will be determined using observed rates for Government of Jamaica, Government of Trinidad and Tobago and Government of Barbados bonds. An illiquidity premium will be selected using a range of approaches including the review of observed Bid-Ask spreads. The group's claims settlement period is not expected to exceed the period over which observable market prices are available. On transition date, 1 January 2023, the group will adopt IFRS 17 retrospectively. The full retrospective approach will be applied to the insurance contracts in force at the transition date. The group will: identify, recognise and measure each group of insurance contracts as if IFRS 17 has always applied; derecognise any existing balances that would not exist if IFRS 17 has always applied; and recognise any resulting net difference in equity.

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.

(b) Basis of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders give the Group the power to govern the financial and operating policies, etc.

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.

2. Summary of Significant Accounting Policies (Continued)

(b) Basis of consolidation (continued)

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 Significant 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 (formerly Motor One Insurance 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 2022, the company increased its shareholding in Motor One Insurance Company Limited from 65% to 75%. In October 2020, it was re-named General Accident Insurance Company (Trinidad) Limited (GENACTT).

(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. The portion of premiums written in the current year which relates to coverage in subsequent years is deferred as unearned premiums (Note 2(r)(i)).

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 Significant Accounting Policies (Continued)

(c) Revenue and income recognition (continued)

Rental income
Rental income is recognised on an accrual basis.

(d) 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.

(e) 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).

(f) Financial instruments

Financial instruments carried on the statement of financial position include investments, due to and from related parties, due to and from reinsurers and coinsurers, due from policyholders, brokers and agents, loans and other receivables, cash and short term investments, other liabilities and claims 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.

(g) 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 of Significant Accounting Policies (Continued)

(g) 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 Significant Accounting Policies (Continued)

(g) 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.

(h) 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.

(i) 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 Significant Accounting Policies (Continued)

(i) 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.

(j) Insurance contracts

Insurance contracts are those contracts that transfer significant insurance risk. The Group's insurance contracts are classified as short-term insurance contracts which include casualty and property insurance contracts.

Casualty insurance contracts protect the Group's customers against the risk of causing harm to third parties as a result of their legitimate activities. Damages covered include both contractual and non-contractual events. The typical protection offered is designed for employers who become legally liable to pay compensation to injured employees (employer's liability) and business customers who become liable to pay compensation to a third party for bodily harm or property damage (public liability).

Property insurance contracts mainly compensate the Group's customers for damage suffered to their properties or for the value of property lost. Customers who undertake commercial activities on their premises could also receive compensation for loss of earnings caused by the inability to use the insured properties in their business activities (business interruption cover).

Premiums are recognised as revenue (earned premiums) proportionally over the period of coverage. The portion of premium received on in-force contracts that relates to unexpired risk at the date of the statement of financial position is reported as unearned premium in Insurance Reserves. Premiums are shown before deductible commission.

Claims and loss adjustments expenses are charged to profit or loss as incurred based on estimated liability for compensation owed to contract holders or third parties damaged by the contract holders. They include direct and indirect claims settlement costs and arise from events that have occurred up to the date of the statement of financial position even if they have not yet been reported to the Group. The Group does not discount its liabilities for unpaid claims. Liabilities for unpaid claims are estimated using the input of assessments for individual cases reported to the Group. Statistical analysis is used to estimate claims incurred but not reported, as well as the expected ultimate cost of more complex claims that may be affected by external factors.

2. Summary of Significant Accounting Policies (Continued)

(k) Deferred policy acquisition costs

The cost of acquiring and renewing insurance contracts, including commissions, underwriting and policy issue expenses, which vary with and are directly related to the contracts, are deferred over the unexpired period of risk carried. Deferred policy acquisition costs are subject to recoverability testing at the time of policy issue and at the end of each accounting period.

(l) Reinsurance ceded

Contracts entered into by the Group with reinsurers under which the Group is compensated for losses on one or more contracts issued by the Group are classified as reinsurance contracts.

The benefits to which the Group is entitled under its reinsurance contracts held are recognised as reinsurance assets. These assets consist of short–term balances due from reinsurers as well as longer term receivables that are dependent on the expected claims and benefits arising under the related reinsurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expense when due.

Estimated amounts of reinsurance recoverable, which represent the portion of unearned premiums ceded to the reinsurers, are included in recoverable from reinsurers on the statement of financial position.

The Group relies upon reinsurance agreements to limit the potential for losses and to increase its capacity to write insurance. Reinsurance arrangements are effected under reinsurance treaties and by negotiation on individual risks. Reinsurance does not relieve the Group from liability to its policyholders. To the extent that a reinsurer may be unable to pay losses for which it is liable under the terms of the reinsurance agreement, the Group is exposed to the risk of continued liability for such losses. However, in an effort to reduce the risk of non-payment, the Group requires all of its reinsurers to have A.M. Best or Standard & Poors or equivalent rating of A- or better.

If there is objective evidence that the reinsurance asset is impaired, the Group reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in profit or loss.

(m) Property, plant and equipment

Land is stated at historical cost. All other property, plant and equipment are stated at historical 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 Significant Accounting Policies (Continued)

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

(o) 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.

(p) 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.

(q) 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.

2. Summary of Significant Accounting Policies (Continued)

(r) Insurance reserves

Under the Jamaican Insurance Regulations, 2001, the Group is required to actuarially value its insurance reserves annually. Consequently, provision for claims incurred but not reported (IBNR) has been independently actuarially determined. The remaining components of the reserves are also reviewed by the actuary in determining the overall adequacy of the provision for the Group's insurance liabilities.

A statutory reserve is maintained in accordance with the provisions of Section 171 of the Insurance Act, 1980 of Trinidad and Tobago whereby companies are required to appropriate towards statutory reserve at least 25% of the profit of the preceding year until the excess of assets over liabilities equals or exceeds the reserve in respect of its unearned premiums.

(i) *Provision for unearned premium*
The provision for unearned premium represents that proportion of premiums written in respect of risks to be borne subsequent to the year end, under contracts entered into on or before the date of the statement of financial position and is computed by applying the "365th" method to gross written premiums for the period, except for marine where the unearned premium reserve is calculated as 20% of the year's gross written premiums.

(ii) *Unearned commission*
The unearned commission represents the actual commission income on premium ceded on proportional reinsurance contracts relating to the unexpired period of risk carried. The income is deferred as unearned commission reserves, and amortised over the period in which the commissions are expected to be earned. These reserves are calculated on the 365th method.

(iii) *Claims outstanding*
A provision is made to cover the estimated cost of settling claims arising out of events which occurred by the year end, including claims incurred but not reported (IBNR), less amounts already paid in respect of those claims. This provision is estimated by management (insurance case reserves) and the appointed actuary (IBNR) on the basis of claims admitted and intimated.

(iv) *Claims incurred but not reported*
The reserve for IBNR claims has been calculated by an independent actuary using the Paid Loss Development method, the Incurred Loss Development method, the Bornhuetter-Ferguson Paid Loss method, the Bornhuetter-Ferguson Incurred Loss method, the Expected Loss Ratio method and the Frequency-Severity method (Note 32). This calculation is done in accordance with the Insurance Act 2001.

(v) The provision for unexpired period of risks is determined by the appointed actuary and represents the expected future costs associated with the unexpired portion of policies in force as of the reporting date, in excess of the net unearned premium minus deferred policy acquisition costs

(vi) At the end of each reporting period, liability adequacy tests are performed to ensure the adequacy of the policy liabilities, net of related deferred policy acquisition costs. In performing these tests, current best estimates of future contractual cashflows are compared to the carrying amount of policy liabilities and any deficiency is immediately recognised in profit or loss as unexpired risk provision.

2. Summary of Significant Accounting Policies (Continued)

(s) Accounts payable

Payables are recognised at fair value and subsequently measured at amortised cost.

(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 Significant Accounting Policies (Continued)

(v) Dividend distribution

Dividend distribution to the company'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.

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)

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 and Trinidad and Tobago.

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:

	2022		2021	
	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$800	US$8,000	US$800
Personal property	US$8,000	US$800	US$8,000	US$800
Engineering	US$5,000	US$125	US$5,000	US$125
Liability	J$93,000	J$5,000	J$93,000	J$5,000
Marine, aviation and transport	US$2,000	US$125	US$2,000	US$125
Motor	J$10,000	J$5,000	J$10,000	J$5,000
Miscellaneous Accident –				
All Risk	J$30,000	J$2,000	J$30,000	J$2,000
Burglary	J$6,250	J$1,250	J$6,250	J$1,250
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$5,000	J$1,000	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)

	2022		2021	
	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
Liability	TT$5,200	TT$800	TT$5,200	TT$800
Motor	TT$5,200	TT$800	TT$5,200	TT$800
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$670	TT$134	TT$670	TT$134
Personal Accident	TT$335	TT$67	TT$335	TT$67
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$16,000	BB$1,600	BB$16,000	BB$1,600
Liability	BB$22,500	BB$150	BB$22,500	BB$150
Marine, aviation and transport	BB$400	BB$400	BB$400	BB$400
Motor	BB$16,000	BB$1,600	BB$16,000	BB$1,600
Miscellaneous Accident –				
All Risk	BB$600	BB$40	BB$600	BB$40
Burglary	BB$130	BB$26	BB$130	BB$26
Cash/Money	BB$100	BB$20	BB$100	BB$20
Fidelity	BB$100	BB$20	BB$100	BB$20
Bonds	BB$2,000	BB$400	BB$2,000	BB$400
Goods in Transit	BB$100	BB$20	BB$100	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 of Actuarial Liabilities
The determination of actuarial liabilities is sensitive to a number of assumptions, and changes in those assumptions could have a significant effect on the valuation results.

In applying the noted methodologies, the following assumptions were made:

(i) Claims inflation has remained relatively constant and there have been no material legislative changes in the Jamaican civil justice system that would cause claim inflation to increase dramatically.

(ii) There is no latent environmental or asbestos exposure embedded in the Group's loss history.

(iii) The Group's case reserving and claim payments rates have remained, and will remain, relatively constant.

(iv) The overall development of claims costs gross of reinsurance is not materially different from the development of claims costs net of reinsurance. This assumption is supported by the following:

- The majority of the Group's reinsurance program consists of proportional reinsurance agreements; and
- The Group's non-proportional reinsurance agreements consist primarily of high attachment points.

(v) Claims are expressed at their estimated ultimate undiscounted value, in accordance with the requirement of the Insurance Act, 2001.

Scenario Testing:

The two major assumptions that determine reserve levels are:

- The selection of a-priori loss ratios within the Bornhuetter-Ferguson methods
- The selection of loss development factors.

These factors have been stochastically modeled using various confidence intervals to determine the impact on the net reserves. The net reserves of $2,934,279,000 for the Group and $1,934,194,000 for the Company (Note 33) were determined at the 50% confidence interval. Had the confidence interval increased/(decreased) by 10%, the net reserves would increase/(decrease) by $115,172,000/ ($143,953,000) for the Group and $77,504,000/ ($96,880,000) for the Company.

Provision for adverse deviation assumptions
The basic assumptions made in establishing insurance reserves are best estimates for a range of possible outcomes. To recognise the uncertainty in establishing these best estimates, to allow for possible deterioration in experience and to provide greater comfort that the reserves are adequate to pay future benefits, the appointed actuary is required to include a margin for adverse deviation in each assumption.

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

		2015	2015 And Prior	2016	2016 and prior	2017	2017 and prior
		$'000	$'000	$'000	$'000	$'000	$'000
2015	Paid during year	346,094	1,485,852				
	UCAE, end of year	515,330	2,418,670				
	IBNR, end of year	241,648	1,480,976				
	Ratio: excess (deficiency)						
2016	Paid during year	295,468	877,729	379,721	1,257,450		
	UCAE, end of year	456,157	1,958,636	550,051	2,508,687		
	IBNR, end of year	218,220	1,033,724	200,066	1,233,790		
	Ratio: excess (deficiency)	-28.12%	0.76%				
2017	Paid during year	132,979	509,153	411,945	921,098	407,102	1,328,200
	UCAE, end of year	430,798	1,678,615	424,106	2,102,721	658,944	2,761,665
	IBNR, end of year	322,845	710,885	384,889	1,095,774	426,773	1,522,547
	Ratio: excess (deficiency)	-56.16%	3.16%	-62.77%	-10.08%		
2018	Paid during year	65,710	333,503	84,396	417,899	419,091	836,990
	UCAE, end of year	414,858	1,348,714	364,568	1,713,282	403,829	2,117,111
	IBNR, end of year	140,974	290,851	200,408	491,259	251,701	742,960
	Ratio: excess (deficiency)	-38.71%	13.84%	-41.49%	5.32%	1.02%	13.70%
2019	Paid during year	249,011	748,097	149,021	897,118	158,262	1,055,380
	UCAE, end of year	220,240	569,656	211,293	780,949	258,251	1,039,200
	IBNR, end of year	84,726	135,999	138,151	274,150	172,455	446,604
	Ratio: excess (deficiency)	-38.46%	18.60%	-32.62%	12.06%	7.15%	21.15%
2020	Paid during year	33,826	109,874	69,548	179,422	100,762	280,184
	UCAE, end of year	48,318	162,386	167,737	330,123	142,130	472,253
	IBNR, end of year	41,178	132,978	51,722	184,700	72,827	257,527
	Ratio: excess (deficiency)	1.41%	(24.31%)	(23.58%)	(25.43%)	(9.03%)	(10.21%)
'2021	Paid during year	9,622	76,048	33,826	109,874	69,548	179,422
	UCAE, end of year	36,832	62,350	48,318	162,386	167,737	330,123
	IBNR, end of year	44,739	91,800	41,178	132,978	51,722	184,700
	Ratio: excess (deficiency)	24.81%	(32.65%)	1.41%	(24.31%)	(23.58%)	(25.43%)
2022	Paid during year	3,742	35,419	15,563	50,982	13,051	64,033
	UCAE, end of year	35,862	149,444	105,213	254,657	100,151	354,808
	IBNR, end of year	5,598	4,418	1,439	5,857	12,958	18,815
	Ratio: excess (deficiency)	(24.94)%	21.97%	(26.00)%	17.18%	52.12%	46.17%

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.

2018	2018 and prior	2019	2019 and prior	2020	2020 and prior	2021	2021 and prior	2022	2022 and prior
$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
704,090	1,541,080								
702,263	2,819,374								
361653	1,104,613								
495,868	1,551,248	642,092	,193,341						
367,971	1,407,171	724,954	2,132,124						
217,437	664,041	352,877	1,016,918						
-1.63%	7.68%	-20.19%							
74,660	354,844	84,965	539,809	577,580	1,112,715	682,569	1,795,284		
265,274	737,527	266,214	1,003,741	461,939	1,465,681	671,032	2,136,712		
120,474	378,001	57,080	535,081	81,527	616,608	392,469	1,009,077		
(0.31%)	(0.86%)	(7.64%)	(0.36%)	4.58%	1.17%	-	-		
100,762	280,184	74,660	354,844	84,965	539,809	577,580	1,112,715		
142,130	472,253	265,274	737,527	266,214	1,003,741	461,939	1,465,681		
72,827	257,527	120,474	378,001	57,080	535,081	81,527	616,608		
(9.03%)	(10.21%)	(0.31%)	(0.86%)	(7.64%)	(0.36%)	4.58%	1.17%		
50,012	114,045	60,930	174,975	141,872	316,847	698,217	1,015,064	753,449	1,768,513
151,723	506,531	188,318	694,849	289,280	984,129	82,384	1,066,512	1,158,026	2,224,238
14,542	33,357	22,691	56,047	67,944	123,991	138,806	262,797	387,741	650,537
13.83%	18.23%	1.66%	14.01%	(0.44)%	19.50%	19.78%	26.04%	-	-

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 2015 - 2022 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,

		2015	2015 and prior	2016	2016 and prior	2017	2017 and prior	2018
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
2015	Paid during year	269,589	613,880					
	UCAE, end of year	334,705	899,072					
	IBNR, end of year	84,310	157,292					
	Ratio: excess (deficiency)	-	-	-	-			
2016	Paid during year	211,295	369,737	316,867	686,604			
	UCAE, end of year	190,777	582,738	395,079	977,817			
	IBNR, end of year	29,963	57,679	90,131	147,810			
	Ratio: excess (deficiency)	(9.96%)	(12.36%)	-	-			
2017	Paid during year	102,601	240,436	354,039	594,475	376,268	970,743	
	UCAE, end of year	132,225	478,099	231,093	709,192	491,870	1,201,062	
	IBNR, end of year	17,247	37,731	34,818	72,549	128,131	200,680	
	Ratio: excess (deficiency)	(10.59%)	(6.59%)	(27.77%)	(22.26%)	-	-	
2018	Paid during year	33,231	138,163	64,897	203,060	357,070	560,130	657,745
	UCAE, end of year	77,148	289,229	151,792	441,021	217,186	658,207	610,706
	IBNR, end of year	6,642	30,814	16,902	47,716	39,187	86,903	112,632
	Ratio: excess (deficiency)	(2.84%)	(1.14%)	(21.11%)	(14.27%)	1.06%	6.88%	-
2019	Paid during year	22,270	97,090	30,938	128,028	70,661	198,689	391,239
	UCAE, end of year	52,473	164,307	89,194	253,501	122,988	376,489	294,613
	IBNR, end of year	871	5,610	(863)	4,747	7,542	12,289	24,022
	Ratio: excess (deficiency)	0.26%	-3.88%	10.92%	5.17%	-9.96%	-18.13%	-1.86%
2020	Paid during year	11,446	52,302	23,741	76,043	29,570	105,613	89,000
	UCAE, end of year	44,459	132,937	77,776	210,713	97,345	308,058	217,201
	IBNR, end of year	2,341	8,351	2,481	10,832	2,581	13,413	11,894
	Ratio: excess (deficiency)	2.06%	(1.64%)	14.15%	8.66%	(10.12%)	(15.40%)	(1.94%)
2021	Paid during year	6,931	24,362	24,531	48,893	25,329	74,222	55,988
	UCAE, end of year	36,425	98,775	63,689	162,464	65,004	227,468	144,380
	IBNR, end of year	2,468	5,289	2,371	7,660	6,780	14,440	5,903
	Ratio: excess (deficiency)	1.83%	(2.86%)	16.28%	8.44%	(10.58%)	(15.78%)	(5.09%)
2022	Paid during year	3,742	21,374	17,265	38,639	19,698	58,337	29,065
	UCAE, end of year	35,862	83,917	41,976	125,893	43,986	169,879	79,213
	IBNR, end of year	5,598	8,398	7,263	15,661	8,393	24,054	15,127
	Ratio: excess (deficiency)	(3.33%)	1.95%	(16.37%)	(9.33%)	68.12%	14.44%	27.19%

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.

2018 and prior	2019	2019 and prior	2020	2020 and prior	2021	2021 And Prior	2022	2022 And Prior
$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
1,217,875								
1,268,913								
199,535								
-								
589,928	593,953	1,183,881						
671,102	693,840	1,364,942						
36,311	168,069	204,380						
-11.65%								
194,613	577,520	772,133	619,746	1,391,879				
525,259	391,730	916,989	631,504	1,548,493				
25,307	35,763	61,070	191,432	252,502				
(9.08%)	16.60%	11.53%	-	-				
130,210	132,087	262,297	508,866	771,163	618,721	1,389,884		
371,848	222,793	594,641	341,734	936,375	599,123	1,535,498		
20,343	18,887	39,230	34,819	74,049	184,364	258,413		
(11.00%)	10.37%	6.31%	7.59%	(1.08%)	-	-		
87,402	46,664	134,066	121,797	255,863	606,318	862,181	586,448	1,448,629
249,092	137,917	387,009	201,030	588,039	348,120	936,159	596,050	1,532,209
39,181	10,414	49,595	21,422	71,016	38,522	109,538	292,437	401,975
12.12%	(4.95%)	(2.28%)	(3.67%)	6.38%	(26.74%)	(6.30%)	-	-

4. Insurance and Financial Risk Management (Continued)

(a) Insurance risk (continued)

The concentration of insurance risk before and after reinsurance in relation to the type of insurance risk accepted is summarized below, with reference to the carrying amount of the insurance liabilities (gross and net of reinsurance) arising from insurance contract.

The Group

31 December 2022

	Motor	Property	Other types of risk	Total
	$Millions	$Millions	$Millions	$Millions
Gross	67,589	279,017	158,934	505,540
Net	10,818	4,548	16,470	31,836

31 December 2021

	Motor	Property	Other types of risk	Total
	$Millions	$Millions	$Millions	$Millions
Gross	57,448	246,145	116,499	420,092
Net	49,094	18,905	40,291	108,290

The Company

31 December 2022

	Motor	Property	Other types of risk	Total
	$Millions	$Millions	$Millions	$Millions
Gross	56,727	231,184	144,467	432,378
Net	49,681	15,937	26,036	91,654

31 December 2021

	Motor	Property	Other types of risk	Total
	$Millions	$Millions	$Millions	$Millions
Gross	52,796	213,975	99,696	366,467
Net	44,509	15,896	25,612	86,017

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 and allied perils 90%:10% Quota Share of premiums i.e. 90% ceded premiums and 10% retention.
(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.

(c) 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	
	2022	2021	2022	2021
Munich Reinsurance Company	A+	A+	AA-	AA-
R & V Reinsurance	A	A	AA-	AA-
Scor Reinsurance Company	A+	A+	AA-	AA-
Swiss Reinsurance Company	A+	A+	AA-	AA-

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

	Group		Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Property	411,546	936,986	406,557	936,986
Motor	480,724	349,629	442,811	276,567
Marine	7,254	2,348	7,254	2,348
Liability	1,059	956	1,059	956
Engineering	12,343	10,849	11,675	10,849
Miscellaneous Accidents	138,422	9,919	131,052	9,919
	1,051,348	1,310,687	1,000,408	1,237,625

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 the amounts due from reinsurers, amounts due from insurance contract holders and insurance brokers and investment contracts 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) Premium receivables

The Group's senior management examines the payment history for significant contract holders with whom they conduct regular business. Management information reported to the Group includes details of provisions for impairment on premium receivables and subsequent write-offs. Exposures to individual policyholders and groups of policyholders are collected within the ongoing monitoring of the controls associated with regulatory solvency. Where significant exposure to individual policyholders or homogenous groups of policyholders exists, a financial analysis is carried out by senior management and where necessary cancellation of policies is effected for amounts deemed uncollectible.

(iii) 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)

(iv) 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:
- Premium receivables
- 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.

As loans receivables is also fully collateralised and the debtors are not experiencing any financial difficulty, the Group does not expect any financial losses on these amounts.

Premium receivables
The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for these assets.

To measure the expected credit losses, premium receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of premium over a period of 24 months and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of Jamaica to be most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors

For unemployment rate, we anticipate a decline in unemployment resulting in better payment patterns from our broker partners.

In determining the classification of our brokers, we considered the payment pattern for the past 24 months.

Maximum exposure to credit risk
The following table contains an analysis of the credit risk exposure of premium receivables for which an ECL is recognized. The gross carrying amount of financial assets below also represents the Group's maximum exposure to credit risk on these assets.

	The Group		The Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Gross carrying amount	1,796,652	1,431,458	1,547,552	1,270,242
Loss allowance	(29,724)	(16,124)	(24,583)	(16,124)
Carrying amount	1,766,928	1,415,334	1,522,969	1,254,118

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

Loss allowance
The movement on the loss allowance for insurance receivables was as follows:

	The Group and Company	
	2022	**2021**
	$'000	**$'000**
Opening loss allowance as at 1 January	16,124	14,293
Increase in allowance recognised in profit or loss during the period	13,600	1,831
Closing loss allowance as at 31 December 2022	29,724	16,124

The loss allowance as at 31 December 2022 and 31 December 2021 was determined as follows for premium receivables:

	The Group					
	2022 $'000	**Loss Allowance**	**Expected loss rate**	**2021 $'000**	**Loss Allowance**	**Expected loss rate**
Less than 45 days	489,485	-	0.00%	599,692	100	0.02%
Within 45 days to 3 months	377,941	946	0.15%	309,812	436	0.15%
Over 3 months	929,226	28,778	2.50%	521,954	15,588	3.20%
Gross amount	1,796,652	29,724		1,431,458	16,124	

	The Company					
	2022 $'000	**Loss Allowance**	**Expected loss rate**	**2021 $'000**	**Loss Allowance**	**Expected loss rate**
Less than 45 days	563,993	-	0.00%	494,758	100	0.02%
Within 45 days to 3 months	325,110	215	0.15%	287,912	436	0.15%
Over 3 months	787,520	24,368	2.50%	487,572	15,588	3.20%
Gross amount	1,676,623	24,583		1,270,242	16,124	

Loss allowance for receivables have not been accounted for within the subsidiary as the entity operates primarily on a cash basis.

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)

(i) Credit risk (continued)

Premium receivables

The following table summarises the Group's credit exposure for premium receivables at their carrying amounts, as categorised by brokers and direct business:

	The Group		The Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Brokers and insurance companies	879,932	1,073,638	893,414	912,422
Direct	886,996	341,696	629,555	341,696
	1,766,928	1,415,334	1,522,969	1,254,118

All premium receivables are receivable from policyholders, brokers and agents in Jamaica.

Debt securities

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

	Group		Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Government of Jamaica	31,717	31,717	31,717	31,717
Government of Trinidad and Tobago	813,791	308,669	-	-
Other government	329,802	302,681	329,802	306,786
Certificate of deposits	1,406,485	1,746,653	1,315,495	1,424,017
Corporate	118,962	230,061	104,975	106,926
	2,700,757	2,619,781	1,781,989	1,869,446

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 2022 reconciles to the opening loss allowance on 1 January 2022 as at 31 December 2022 as follows:

	The Group		The Company	
	2022	**2021**	**2022**	**2021**
	$'000	**$'000**	**$'000**	**$'000**
Opening loss allowance as at 1 January	10,523	12,326	5,876	7,679
Decrease in loss allowance recognised in profit or loss in the statement of comprehensive income during the year	(6,800)	(1,803)	(2,196)	(1,803)
Closing loss allowance as at 31 December	3,723	10,523	3,680	5,876

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)

(i) Credit risk (continued)

Total loss allowance on financial assets at 31 December 2022 total $33,447,000 (investment securities, $3,723,000 and trade receivable, $29,724,000).

Sensitivity analysis
Set out below are the changes in ECL as at 31 December 2022 that would result from a reasonably possible change in the PDs used by the Group:

31 December 2022	Actual PD ranges applied	% Change in PD	Impact on ECL – The Group: Higher threshold	The Group: Lower threshold	The Company: Higher threshold	The Company: Lower threshold
					$'000	$'000
Debt instruments at amortised cost	1% - 4%	+/- 20%	745	(745)	2,943	(2,943)
Trade receivables and other receivables	0.1% - 3%	+/- 20%	5,945	(5,945)	4,916	(4,916)
Total			6,690	(6,690)	7,859	(7,859)

31 December 2021 Financial Assets	Actual PD ranges applied	% Change in PD	Impact on ECL – The Group: Higher threshold	The Group: Lower threshold	The Company: Higher threshold	The Company: Lower threshold
					$'000	$'000
Debt instruments at amortised cost	1% - 4%	+/- 20%	1,843	(1,843)	1,843	(1,843)
Trade receivables and other receivables	0.1% - 3%	+/- 20%	3,224	(3,224)	3,224	(3,224)
Total			5,067	(5,067)	5,067	(5,067)

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**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
At 31 December 2022:							
Cash and short-term investments	778,819	13,897	-	-	-	-	792,716
Due from policyholders, brokers and agents	702,652	1,064,276	-	-	-	-	1,766,928
Due from reinsurers and	926,601	1,123,649	1,291,082			-	3,341,332
Deferred policy acquisition cost	-	-	-	-	-	626,397	626,397
Other receivables	14,181	13,475	46,669	-	-	786,068	860,393
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	47,921	709,189	3,453,695
Total financial assets	2,892,895	2,709,664	2,493,395	977,594	121,751	2,129,703	11,325,002
Due to reinsurers and coinsurers	837,141	565,462	-	-	-	-	1,402,603
Other liabilities	241,776	19,968	130,847				392,591
Due to related parties	-	-	-	-	-	29,914	29,914
Lease liabilities	6,302	6,755	36,387	7,153	-	-	56,597
Claims liabilities	1,871,532	1,267,095	1,569,313	2,778,188	-	-	7,486,128
Total financial liabilities	2,956,751	1,859,280	1,736,547	2,785,341	-	29,914	9,367,833
Net Liquidity Gap	(63,856)	850,384	756,848	(1,997,659	121,751	2,289,701	1,957,169
Cumulative gap	(63,856)	786,528	1,543,376	(454,283)	(332,532)	1,957,169	

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 2021:							
Cash and short-term investments	1,312,639	131,590		-	-	-	1,444,229
Due from policyholders, brokers and agents	469,465	945,869	-	-	-	-	1,415,334
Due from reinsurers and	857,080	1,095,183	1,328,645	-	-	-	3,280,908
Deferred policy acquisition cost	-	-	-	-	-	562,600	562,600
Other receivables	7,242	59,620	-	-	-	691,562	758,424
Loan receivable	2,770	5,540	24,930	265,924	-	-	299,164
Lease receivable	2,243	4,487	20,191	74,034	-	-	100,955
Due from related parties	-	-	-	-	-	5,383	5,383
Real estate investment	-	-	-	189,912	-	-	189,912
Investment securities	398,744	514,790	1,005,032	786,059	64,132	447,709	3,216,466
Total financial assets	3,050,183	2,757,079	2,378,798	1,315,929	64,132	1,707,254	11,273,375
Due to reinsurers and coinsurers	604,433	461,076	-	-	-	-	1,065,509
Other liabilities	359,193	14,318	143,825	7,064	-	25,244	549,644
Lease liabilities	7,545	13,604	56,763	26,388	-	-	104,300
Claims liabilities	1,757,365	952,026	1,238,969	3,863,248	-	-	7,811,608
Total financial liabilities	2,728,536	1,441,024	1,439,557	3,896,700	-	25,244	9,531,061
Net Liquidity Gap	321,647	1,316,055	939,241	2,580,771	64,132	1,682,010	1,742,314
Cumulative gap	321,647	1,637,702	2,576,943	(3,828)	60,304	1,742,314	-

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
Due from policyholders, brokers and agents	439,577	1,083,392					1,522,969
Due from reinsurers and coinsurers	789,487	1,105,282	1,263,180				3,157,949
Deferred policy acquisition	-	-	-	-	-	549,534	549,534
Other receivables	14,181	13,475	46,669	-	-	747,708	822,033
Due from related parties						104,905	104,905
Lease receivables	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	17,551	709,189	2,530,055
Total financial assets	1,966,42	2,490,31	2,429,925	136,321	214,432	2,111,33	9,348,751
Due to reinsurers and	722,338	565,462	-	-	-	-	1,287,800
Due to related related parties	-	-	-	-	-	16,577	16,577
Other liabilities	244,718	19,968	130,847	-	-	-	395,533
Lease liabilities	5,578	5,307	17,924	559	-	-	29,368
Insurance reserves	1,446,75	868,052	1,157,402	2,314,804	-	-	5,787,011
Total financial liabilities	2,419,38	1,458,78	1,306,173	2,315,363	-	16,577	7,516,289
Net Liquidity Gap	(452,961)	1,031,52	1,123,752	(2,179,042	214,432	2,094,75	1,832,462
Cumulative gap	(452,961)	578,561	1,702,313	(476,729)	(262,297)	1,832,46	-

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 2021:							
Cash and short-term investments	675,772	8,877	-	-	-	-	684,649
Due from policyholders, brokers and agents	308,249	945,869	-	-	-	-	1,254,118
Due from reinsurers and coinsurers	480,494	979,531	1,025,255	643,815	-	-	3,129,095
Deferred policy acquisition	-	-	-	-	-	521,534	521,534
Other receivables	7,216	59,620	-	-	-	656,240	723,076
Due from related parties	-	-	-	-	-	86,532	86,532
Lease receivables	2,243	4,486	20,191	74,033	-	-	100,953
Real estate investment	-	-	-	189,912	-	-	189,912
Investment securities	309,545	355,956	941,882	340,610	20,638	447,709	2,416,340
Total financial assets	1,783,519	2,354,339	1,987,328	1,248,370	20,638	1,712,015	9,106,209
Due to reinsurers and	522,259	461,076	-	-	-	-	983,335
Other liabilities	244,757	14,318	143,825	7,064	-	-	409,964
Lease liabilities	5,681	10,982	49,612	24,294	-	-	90,569
Insurance reserves	1,464,057	878,434	1,171,245	2,342,483	-	-	5,856,219
Total financial liabilities	2,236,754	1,364,810	1,364,682	2,373,841	-	-	7,340,087
Net Liquidity Gap	(453,235)	989,529	622,646	(1,125,471)	20,638	1,712,015	1,766,122
Cumulative gap	(453,235)	536,294	1,158,940	33,469	54,107	1,766,122	-

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 financial 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 2022:					
Financial Assets					
Cash and short term investments	237,894	218,608	180,610	149,192	786,304
Due from policyholders, brokers	1,162,556	102,161	342,463	159,748	1,766,928
Due from reinsurers and coinsurers	3,075,145	113,628	82,804	69,755	3,341,332
Deferred policy acquisition cost	549,534	60,010	-	16,853	626,397
Other receivables	822,033	749	-	37,610	860,392
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	7,957,943	1,628,710	1,091,767	433,158	11,111,578
Financial Liabilities					
Due to reinsurers and coinsurers	934,060	54,492	353,740	60,311	1,402,603
Other liabilities	316,240	30,361	5,912	40,078	392,591
Due to related parties	-	13,646	16,268	-	29,914
Lease liabilities	15,802	13,584	12,396	12,139	53,921
Insurance reserves	5,343,490	1,441,756	443,521	257,361	7,486,128
Total financial liabilities	6,609,592	1,553,839	831,837	369,889	9,365,157
Net financial position	1,348,351	74,871	259,930	63,269	1,746,421

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 2021:					
Financial Assets					
Cash and short term investments	315,287	484,995	472,896	171,005	1,444,183
Due from policyholders, brokers	1,056,249	46,826	197,869	114,390	1,415,334
Due from reinsurers and coinsurers	2,913,270	83,054	209,778	74,806	3,280,908
Deferred policy acquisition cost	521,534	31,726	-	9,340	562,600
Other receivables	639,160	77,599	-	41,665	758,424
Loan receivables	-	244,188	-	-	244,188
Lease receivables	67,320	-	-	-	67,320
Due from related parties	1,144	-	4,239	-	5,383
Real estate investment	189,912	-	-	-	189,912
Investment securities	1,877,855	758,296	465,516	-	3,101,667
Total financial assets	7,581,731	1,726,684	1,350,298	411,206	11,069,919
Financial Liabilities					
Due to reinsurers and coinsurers	760,604	23,713	222,731	58,461	1,065,509
Other liabilities	403,883	116,753	6,081	22,927	549,644
Lease liabilities	32,119	13,730	53,167	4,191	103,207
Insurance reserves	4,917,394	1,723,269	938,825	232,120	7,811,608
Total financial liabilities	6,114,000	1,877,465	1,220,804	317,699	9,529,968
Net financial position	1,467,731	(150,781)	129,494	93,507	1,539,951

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
Due from policyholders, brokers and agents	1,181,672	341,297	-	-	1,522,969
Due from reinsurers and coinsurers	3,075,145	82,804		-	3,157,949
Deferred policy acquisition cost	549,534	-	-	-	549,534
Other receivables	822,033	-	-	-	822,033
Due from related parties	8,049	74,039	14,332	8,485	104,905
Lease receivables	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	7,975,829	1,105,066	88,064	8,485	9,177,444
Financial Liabilities					
Due to reinsurers and coinsurers	934,060	353,740	-	-	1,287,800
Due to related parties	-	16,577	-	-	16,577
Other liabilities	389,621	5,912	-	-	395,533
Lease liabilities	15,802	12,396	-	-	28,198
Insurance reserves	5,343,490	443,521			5,787,011
Total financial liabilities	6,682,973	832,146	-	-	7,515,119
Net financial position	1,292,856	272,920	88,064	8,485	1,662,325

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 2021:					
Financial Assets					
Cash and short-term investments	316,517	368,105	-	-	684,622
Due from policyholders, brokers and agents	1,056,249	197,869	-	-	1,254,118
Due from reinsurers and coinsurers	3,051,865	77,230	-	-	3,129,095
Deferred policy acquisition cost	521,534	-	-	-	521,534
Other receivables	723,075	-	-	-	723,075
Due from related parties	6,082	64,584	12,252	3,614	86,532
Lease receivables	67,230	-	-	-	67,230
Real estate investment	189,912				189,912
Investment securities	1,881,152	462,219	-	-	2,343,371
Total financial assets	7,813,616	1,170,00	12,252	3,614	8,999,489
Financial Liabilities					
Due to reinsurers and coinsurers	760,604	222,731	-	-	983,335
Lease liabilities	32,119	53,167	-	-	85,286
Other liabilities	403,883	6,081	-	-	409,964
Insurance reserves	4,917,394	938,825	-	-	5,856,219
Total financial liabilities	6,114,000	1,220,80	-	-	7,334,804
Net financial position	1,699,616	(50,797)	12,252	3,614	1,664,685

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 2022	Increase/ (decrease) in Pre-tax Profit 2022 $'000	% Change in Currency Rate 2021	Increase/ (decrease) in Pre-tax Profit 2021 $'000
USD – J$ Revaluation	1%	(2,622)	2%	(2,565)
USD – J$ Devaluation	4%	10,489	6%	7,965
TT – J$ Revaluation	4%	(2,949)	4%	-
TT – J$ Devaluation	6%	4,424	6%	-

	The Company			
	% Change in Currency Rate 2022	Increase/ (decrease) in Pre-tax Profit 2022 $'000	% Change in Currency Rate 2021	Increase/ (decrease) in Pre-tax Profit 2021 $'000
USD – J$ Revaluation	1%	(2,944)	4%	(2,032)
USD – J$ Devaluation	4%	11,778	6%	3,048
TT – J$ Revaluation	4%	(2,949)	4%	-
TT – J$ Devaluation	6%	4,424	6%	-

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	$'000	h$'000	$'000	$'000	$'000
At 31 December 2022:							
Cash and short term investments	761,033	25,271	-	-	-	-	786,304
Due from policyholders and brokers	-	-	-	-	-	1,766,928	1,766,928
Due from reinsurers and coinsurers	-					3,341,332	3,341,332
Deferred policy acquisition costs	-					626,397	626,397
Other receivables	14,181	13,475	46,669	-	-	786,067	860,392
Due from related parties	-	-	-	-	-	8,049	8,049
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
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	1,107,701	728,024	110,115	7,427,874	11,111,578
Due to reinsurers and coinsurers	-	-	-	-	-	1,402,603	1,402,603
Other liabilities	-	-	-	-	-	392,591	392,591
Lease liabilities	5,925	6,340	34,793	6,863	-	-	53,921
Due to related parties	-	-	-	-	-	29,914	29,914
Insurance reserves	-	-	-	-	-	7,486,128	7,486,128
Total financial liabilities	5,925	6,340	34,793	6,863	-	9,311,236	9,365,157
Total interest repricing gap	1,219,721	505,878	1,072,908	721,161	110,115	(1,883,362)	1,746,421
Cumulative gap	1,219,721	1,725,599	2,798,507	3,519,668	3,629,783	1,746,421	
	The Group						
At December 2021							
Cash and short term investments	1,312,639	131,544	-		-	-	1,444,183
Due from policyholders and brokers	-	-	-		-	1,415,334	1,415,334
Due from reinsurers and coinsurers	-	-	-	-	-	3,280,908	3,280,908
Deferred policy acquisition costs	-	-	-		-	562,600	562,600
Other receivables	7,242	59,620	-	-	-	691,562	758,424
Loan receivables	1,772	3,545	15,951	222,920	-	-	244,188
Lease receivable	1,626	2,271	10,950	52,473	-	-	67,320
Due from related parties	-	-	-	-	-	5,383	5,383
Real estate investment	-	-	-	-	-	189,912	189,912
Investment securities	397,576	499,773	967,315	734,287	55,007	447,709	3,101,667
Total financial assets	1,720,855	696,753	994,216	1,009,680	55,007	6,593,408	11,069,919
Due to reinsurers and coinsurers	-	-	-	-	-	1,065,509	1,065,509
Other liabilities	-	-	-	-	-	549,644	549,644
Lease liabilities	6,983	12,808	56,509	26,907	-	-	103,207
Insurance reserves	-	-	-	-	-	7,811,608	7,811,608
Total financial liabilities	6,983	12,808	56,509	26,907	-	9,426,761	9,529,968
Total interest repricing gap	1,713,872	683,945	937,707	982,773	55,007	(2,833,353)	1,539,951
Cumulative gap	1,713,872	2,397,817	3,335,524	4,318,297	4,373,304	1,539,951	

4. Insurance and Financial Risk Management (Continued)

(c) Financial risk (continued)

(iii) Market risk (continued)

Interest rate risk (continued)

	The Company						
	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 2022:							
Cash and short-term investments	332,429	25,271	-	-	-	-	357,700
Due from policyholders and brokers	-	-	-	-	-	1,522,969	1,522,969
Due from reinsurers and coinsurers	-	-	-	-	-	3,157,949	3,157,949
Deferred policy acquisition costs	-					549,534	549,534
Other receivables	14,181	13,475	46,669	-	-	747,708	822,033
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	6,982,166	9,177,444
Due to reinsurers and coinsurers	-	-	-	-	-	1,287,800	1,287,800
Lease liabilities	5,274	5,039	17,355	530	-	-	28,198
Due to related parties	-	-	-	-	-	16,577	16,577
Other liabilities	-	-	-	-	-	395,533	395,533
Insurance reserves	-	-	-	-	-	5,787,011	5,787,011
Total financial liabilities	5,274	5,039	17,355	530	-	7,486,921	7,515,119
Total interest repricing gap	694,930	288,648	1,061,531	102,375	19,596	(504,755)	1,662,325
Cumulative gap	694,930	983,578	2,045,109	2,147,484	2,167,080	1,662,325	-
				The Company			
At 31 December 2021:							
Cash and short-term investments	675,772	8,850	-	-	-	-	684,622
Due from policyholders and brokers	-	-	-	-	-	1,254,118	1,254,118
Due from reinsurers and coinsurers	-	-	-	-	-	3,129,095	3,129,095
Deferred policy acquisition costs	-	-	-	-	-	521,534	521,534
Other receivables	7,216	59,620	-	-		656,240	723,076
Due from related parties	-	-	-	-	-	86,532	86,532
Lease receivables	1,626	2,271	10,950	52,473	-	-	67,320
Real estate investment	-	-	-	-	-	189,912	189,912
Investment securities	308,815	343,574	907,054	323,219	13,000	447,709	2,343,371
Total financial assets	993,429	414,315	918,004	375,692	13,000	6,285,140	8,999,580
Due to reinsurers and coinsurers	-	-	-	-	-	983,335	983,335
Lease liabilities	5,119	10,186	46,564	23,417	-	-	85,286
Other liabilities				-	-	409,964	409,964
Insurance reserves	-	-	-	-	-	5,856,219	5,856,219
Total financial liabilities	5,119	10,186	46,564	23,417	-	7,249,518	7,334,804
Total interest repricing gap	988,310	404,129	871,440	352,275	13,000	(964,378)	1,664,776
Cumulative gap	988,310	1,392,439	2,263,879	2,616,154	2,629,154	1,664,776	-

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: 2022 JMD/USD	Increase/(decrease) in Profit before Taxation 2022 $'000	Increase/(decrease) in Other Components of Equity 2022 $'000	Change in Basis points: 2021 JMD/USD	Increase/(decrease) in Profit before Taxation 2021 $'000	Increase/(decrease) in Other Components of Equity 2021 $'000
-50/-50	(230)	-	-50/-100	(1,488)	-
+100/+50	320	-	300/100	1,938	-

The Company

Change in Basis points: 2022 JMD/USD	Increase/(decrease) in Profit before Taxation 2022 $'000	Increase/(decrease) in Other Components of Equity 2022 $'000	Change in Basis points: 2021 JMD/USD	Increase/(decrease) in Profit before Taxation 2021 $'000	Increase/(decrease) in Other Components of Equity 2021 $'000
-50/-50	(90)	-	-50/-100	(90)	-
+100/+50	180	-	300/100	540	-

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 available-for-sale, fair value through profit or loss.

The table below summarises 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% (2021 - 10%) with all other variables held constant.

The Group

	Equity Securities				Real estate investment	
Change in index:	Increase/ (decrease) in Profit before Taxation 2022 $'000	Increase/ (decrease) in Profit before Taxation 2021 $'000	Effect on Other Components of Equity: 2022 JMD/USD	Effect on Other Components of Equity 2021 $'000	Effect on Other Components of Equity 2022 $'000	Effect on Other Components of Equity 2021 $'000
10% (2022 -10%)	(16,515)	-	(41,491)	(44,771)	(18,991)	(18,991)
10% (2022 +10%)	16,515	-	41,491	44,771	18,991	18,991

The Company

	Equity Securities				Real estate investment	
Change in index:	Increase/ (decrease) in Profit before Taxation 2022 $'000	Increase/ (decrease) in Profit before Taxation 2021 $'000	Effect on Other Components of Equity: 2022 JMD/USD	Effect on Other Components of Equity 2021 $'000	Effect on Other Components of Equity 2022 $'000	Effect on Other Components of Equity 2021 $'000
10% (2021 -10%)	(16,515)	-	(41,491)	(44,771)	(18,991)	(18,991)
10% (2021 + 10%)	16,515	-	41,491	44,771	18,991	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 current business and 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. This information is required to be filed with the FSC on a monthly, quarterly and annual basis. The required MCT ratio as of 31 December 2022 is 175% (2021 – 250%).

In January 2020, the FSC announced a measure to allow for the relaxation of the MCT ratio of 250% to 150% for a period of two years. The measure will reduce the amount of capital that he general insurance industry would need to hold for the purpose of meeting capital adequacy requirements. During this period of regulatory forbearance, the FSC will carry out a Quantitative Impact Study (QIS) to determine the optimal position for the MCT that balances growth and stability of the insurance industry. In this period, the amount of dividends paid to shareholders of the company should not exceed 50% of profit that was achieved for the previous year.

To qualify for the special provisions for relaxed MCT ratio, investment proposals must be approved by the FSC and commence within the 2-year window provided for in the January 2020 advisory. The company took advantage of this relaxation through a strategic investment, and as such, the FSC has granted forbearance on the MCT ratio requirement allowing the company to maintain a minimum MCT ratio of 200.8%.

The Company met the company for the years ended 31 December 2022 and 2021.

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 2021. Under the Act the transitional ratios applicable in year one (1) is 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 2022	**$'000**	**$'000**	**$'000**	**$'000**
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

	Company			
	Level 1	Level 2	Level 3	Total
	$'000	**$'000**	**$'000**	**$'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

6. Fair Value Estimation (Continued)

	The Group			
	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total balance $'000
At 31 December 2021				
Assets				
Equity securities	451,567	-	-	451,567
Investment property	-	-	328,149	328,149
Real estate investment	-	-	189,912	189,912
Total assets measured at fair value	451,567	-	518,061	969,628

	The Company			
	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total balance $'000
At 31 December 2021				
Assets				
Equity securities	447,709	-	-	447,709
Investment property	-	-	265,000	265,000
Real estate investment	-	-	189,912	189,912
Total assets measured at fair value	447,709	-	454,912	902,621

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 2022. 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 $28,919,000 (2021 - $33,333,000) 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) Liabilities arising from claims made under insurance contracts

The determination of the liabilities under insurance contracts 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.

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

(a) Liabilities arising from claims made under insurance contracts (continued)

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.

(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 as specified on the policy schedule.

(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) Homeowners and Burglary-
Homeowners - Loss, damage or destruction to insured property used for residential 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.

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.

Management has aggregated homeowners' and burglary for the purpose of segment reporting given that burglary coverage is usually covered under homeowners' policy.

(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.
- 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.
- 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.

8. Segment Information (Continued)

The segment information provided to the board of directors for the reportable segments for the year ended 31 December 2022 is as follows:

	Group						
2022	**Fire $'000**	**Motor $'000**	**Marine $'000**	**Liability $'000**	**Homeowners & Burglary $'000**	**Engineering & Accident $'000**	**Total $'000**
Gross Premiums Written	8,665,491	4,037,965	154,150	1,127,403	285,931	843,269	15,114,209
Reinsurance ceded	(8,561,693)	(733,290)	(135,418)	(939,783)	(255,693)	(717,941)	(11,343,818)
Excess of loss reinsurance cost	(85,428)	(171,072)	-	(4,695)	(55,859)	-	(317,054)
Net premiums written	18,370	3,133,603	18,732	182,925	(25,621)	125,328	3,453,337
Changes in unearned premiums, net	(20,096)	(88,926)	386	(11,157)	(820)	(5,242)	(125,855)
Net Premiums Earned	(1,726)	3,044,677	19,118	171,768	(26,441)	120,086	3,327,482
Commission income	487,177	323,570	22,865	51,355	65,255	115,196	1,065,418
Commission expense	(131,236)	(385,799)	(4,190)	(27,649)	(33,596)	(49,517)	(631,987)
Claims expense	5,518	(1,480,151)	3,564	(20,848)	(299)	(16,121)	(1,508,337)
Management expenses	(39,707)	(1,664,855)	(1,155)	(91,961)	(15,304)	(52,980)	(1,865,962)
Segment results	320,026	(162,558)	40,202	82,665	(10,385)	116,664	386,614
Unallocated income -							
Investment income							436,410
Finance charge							(2,503)
Other income							39,381
							859,902
Depreciation and amortisation							(151,735)
Profit before tax							708,167
Taxation							(110,937)
Net profit							597,230

8. Segment Information (Continued)

	Group						
2021	**Fire $'000**	**Motor $'000**	**Marine $'000**	**Liability $'000**	**Homeowners & Burglary $'000**	**Engineering & Miscellaneous Accident $'000**	**Total $'000**
Gross Premiums Written	8,276,049	3,680,643	179,350	993,732	292,897	537,136	13,959,807
Reinsurance ceded	(8,198,043)	(604,441)	(165,276)	(824,582)	(254,074)	(442,435)	(10,488,851)
Excess of loss reinsurance cost	(98,653)	(92,797)	-	(5,184)	(20,358)	-	(216,992)
Net premiums written	(20,647)	2,983,405	14,074	163,966	18,465	94,701	3,253,964
Changes in unearned premiums, net	(4,817)	(220,196)	198	3,087	(2,338)	2,861	(221,205)
Net Premiums Earned	(25,464)	2,763,209	14,272	167,053	16,127	97,562	3,032,759
Commission income	396,940	309,450	19,566	43,208	35,214	88,479	892,857
Commission expense	(110,792)	(307,770)	(2,597)	(21,975)	(33,802)	(34,090)	(511,026)
Claims expense	(74,450)	(1,661,828)	(160)	(2)	(1,299)	(13,621)	(1,751,360)
Management expenses	(20,207)	(1,461,699)	(546)	(71,743)	(10,591)	(18,127)	(1,582,913)
Segment results	166,027	(358,638)	30,535	116,541	5,649	120,203	80,317
Unallocated income -							
Investment income							226,526
Finance charge							(7,076)
Other Income							124,591
							424,358
Depreciation and amortisation							(164,663)
Profit before tax							259,695
Taxation							(110,459)
Net profit							149,236

Total capital expenditure was as follows:

	2022 $'000	2021 $'000
Property, plant and equipment	174,540	127,134
Intangible assets	720	536
	175,260	127,670

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		Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Dividend income				
Affiliated companies	16,143	18,822	16,143	18,822
	16,143	18,822	16,143	18,822
Interest income -				
Fellow subsidiary	6,323	10,609	6,323	10,609
Parent	-	6,232	-	6,232
	6,323	16,841	6,323	16,841
Rental and lease payments-				
Affiliated company	-	38,803	-	38,803
Premium income -				
Key management	3,055	2,042	2,903	2,042
Parent company	33,845	22,053	33,845	22,053
Fellow subsidiaries	427,769	547,207	427,769	547,207
Affiliates	254,231	69,188	210,107	69,188
	718,900	640,490	674,624	640,490
Claims expense -				
Parent company	13,011	650	13,011	650
Fellow subsidiaries	489,904	621,001	489,904	621,001
Affiliates	24,961	3,098	17,798	3,098
	527,876	624,749	520,713	624,749
Dividends declared -				
Key management	3,057	2,217	3,057	2,217
Parent company	200,458	157,360	200,458	157,360
	203,515	159,577	203,515	159,577
Key management compensation -				
Salaries and other short-term benefits	217,039	305,374	190,693	257,534
Post employment benefits	12,153	12,153	12,153	12,153
Directors emoluments				
Directors' emoluments (included	3,855	4,069	2,423	1,030
Directors' fees (included above)	3,855	4,069	2,423	1,030

9. Related Party Transactions and Balances (Continued)

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

	The Group		The Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Due from related parties -				
Subsidiary	-	-	96,856	80,449
Affiliated company	8,049	6,083	8,049	6,083
	8,049	6,083	104,905	86,532
Due from policyholders, brokers and agents -				
Fellow subsidiary	185,446	44,865	185,446	44,865
Parent company	60,537	-	60,537	-
Affiliated company	3,669	37,018	3,669	37,018
	249,652	81,883	249,652	81,883
Due to related party				
Parent	16,577	-	16,577	-
Affiliated company	13,337	-	-	-
	29,914	-	16,577	-
Investment securities -				
Shares in affiliated entities (Note 23)	560,362	433,591	560,362	433,591
Claims liabilities				
Parent company	7,989	8,292	7,989	8,292
Affiliated company	5,976	11,337	5,976	11,337
Fellow subsidiary	417,002	892,355	417,002	892,355
	430,967	911,984	430,967	911,984

Included in the investments of the Group are shares in related parties. At 31 December 2022, these shares represented 4.43% of the total assets (2021 – 3.47%).

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. Claims Expense

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Gross claims expense	2,513,917	3,062,047	2,449,038	2,566,366
Reinsurance share of claims (Note 4(b) (d))	(1,005,580)	(1,310,687)	(1,000,408)	(1,237,625)
Net claims expense	1,508,337	1,751,360	1,448,630	1,328,741

11. Investment Income

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Interest income				
Lease receivable	18,331	11,062	18,331	11,062
Loan due from fellow subsidiary	6,323	10,609	6,323	10,609
Loan due from parent	-	6,233	-	6,233
Cash and deposits and investment securities	163,808	140,080	144,118	103,138
	188,462	167,984	168,772	131,042
Bond premium amortisation	(1,557)	(965)	(1,660)	(976)
	186,905	167,019	167,112	130,066
Dividend income	16,143	18,822	16,143	18,822
Real estate investment income	-	11,119	-	11,119
Rental income from investment property	24,291	19,981	24,291	19,045
Revaluation gains on investment property (Note 25)	77,973	6,803	75,142	6,803
Unrealised fair value gains on equities	131,098	-	131,098	-
Loss allowance reversed on investments	-	2,782	-	-
	436,410	226,526	413,786	185,855

12. Other Income

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Foreign exchange gains	2,933	102,094	2,933	102,094
Gain on disposal of property, plant and equipment	321	6,271	321	5,633
Roadside assistance	-	36	-	-
Miscellaneous income	36,127	16,190	8,505	(9,429)
	39,381	124,591	11,759	98,298

13. Expenses by Nature

Management and other expenses by nature are as follows:

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Advertising costs	98,260	113,289	72,163	75,429
Asset tax	18,199	13,546	18,199	13,546
Audit fees	25,529	19,957	10,891	10,800
Bank charges and fees	16,929	17,269	16,929	14,399
Computer expenses	88,711	82,038	80,241	70,182
Directors fees	3,862	5,437	2,430	2,430
Depreciation and amortisation (Note (27,28,31)	151,735	157,030	100,384	98,573
ECL allowance	7,032	3,447	6,263	1,831
Insurance	11,216	7,006	9,767	5,104
Irrecoverable VAT	24,904	16,066	-	1,215
Other operating expenses	104,203	85,362	59,613	45,801
Professional fees	89,759	79,335	63,164	45,890
Printing and stationery	32,199	21,478	13,820	13,559
Registration fees	40,684	36,224	23,384	30,054
Rent	5,250	1,414	5,057	2,316
Repairs and maintenance	67,804	61,189	66,053	57,972
Roadside assistance	36,666	28,155	-	-
Security	5,873	12,222	5,873	4,667
Staff costs (Note 14)	1,116,420	927,913	895,592	709,040
Transportation expenses	8,627	4,753	8,362	4,754
Utilities	63,835	54,446	42,419	31,328
	2,017,697	1,747,576	1,500,604	1,238,890

14. Staff Costs

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Wages and salaries	865,897	726,755	676,086	555,826
Statutory contributions	76,789	59,420	63,419	50,390
Pension costs	18,081	14,980	17,913	14,620
Other	155,653	126,758	138,174	88,204
	1,116,420	927,913	895,592	709,040

15. Taxation

(a) The company's shares were listed on the Junior Market of the Jamaica Stock Exchange, effective 21 September 2011. Consequently, the company is entitled to a remission of tax for ten (10) years in the proportions set out below, provided the shares remain listed for at least 15 years:

Years 1 to 5	100%
Years 6 to 10	50%

The financial statements have been prepared on the basis that the company will have the full benefit of the tax remissions.

In the prior year, as a result of the above, the tax rate for the company up to the 21 September 2022 was 16.67% and 33.33% for the rest of the year.

(b) Taxation is based on the profit for the year adjusted for taxation purposes and represents income tax at 16.67% - 33 ⅓%:

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Current income tax	87,664	97,857	81,741	91,306
Deferred income tax (Note 32)	23,273	12,602	(1,283)	14,127
	110,937	110,459	80,458	105,433

(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	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Profit before tax	708,166	259,695	485,510	606,586

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Tax calculated at applicable tax rate	236,045	130,847	161,836	202,195
Adjusted for the effects of:				
Income tax remission	-	(102,978)	-	(102,978)
Income not subject to tax	(92,081)	(19,573)	(69,587)	-
Expenses not deductible for tax	20,437	11,391	8,154	7,231
(Utilised)/Unutilised tax losses	(49,192)	86,762	-	-
Net effect of other charges and allowances	(4,272)	4,010	(19,945)	(1,015)
	110,937	110,459	80,458	105,433

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.

	2022	2021
Net profit from continuing operations attributable to owners ($'000)	543,771	254,750
Weighted average number of ordinary shares in issue ('000)	1,031,250	1,031,250
Earnings per share ($)	0.53	0.25

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

Net profit

	2022 $'000	2021 $'000
Company	405,052	501,153
Subsidiaries	192,178	(351,917)
	597,230	149,236

Retained earnings.

	2022 $'000	2021 $'000
Company	2,354,354	2,153,512
Subsidiaries	(145,331)	(283,885)
	2,209,023	1,869,627

17. Dividends per Share

The dividends paid in 2022 and 2021 were as follows:

	2022 $'000	2021 $'000
Interim dividends: -		
24.298 cents per stock unit – December 2022	250,573	-
19.07 cents per stock unit – December 2021	-	196,701
	250,573	196,701

18. Cash and Cash Equivalents

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Cash and bank balances	666,352	1,312,639	332,429	675,772
Short-term deposits	119,952	131,544	25,271	8,850
	786,304	1,444,183	357,700	684,622

18. Cash and Cash Equivalents (Continued)

Short term deposits comprise term deposits and repurchase agreements with an average maturity of 90 days (2021 – 90 days) and include interest receivable of $2,673,000 (2021 – $245,000).

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

	The Group		The Company	
	2022	2021	2022 %	2021 %
US$	2.5	2.20	2.5	2.20

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

	The Group		The Company	
	2022 %	2021 %	2022 %	2021 %
US$	0.5	0.5	0.5	0.5
BB$	0.5	0.5	-	-
J$	1.0	1.0	1.0	1.0

19. Due from Reinsurers and Coinsurers

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Reinsurers' portion of unearned premium	1,262,926	996,977	1,166,412	937,670
Reinsurers' portion of claims liabilities	1,215,644	1,693,201	1,134,834	1,609,542
Other amounts recoverable from reinsurers and coinsurers	862,762	590,730	856,703	581,883
	3,341,332	3,280,908	3,157,949	3,129,095

20. Other Receivables

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Prepayments	73,689	99,609	70,336	93,144
Bond collateral recoverable	652,804	494,036	652,804	494,036
Other receivables	207,589	264,388	169,229	229,040
	934,082	858,033	892,369	816,220

Included in bond colllateral recoverable are amounts due from third parties that are fully collaterised.

21. Loans Receivables

	The Group	
	2022	2021
	$'000	$'000
Mortgage loan	136,226	244,188
Current portion of loan receivable	13,168	62,550
Non-current portion.	123,058	181,638
	136,226	244,188

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	
	2022 $'000	2021 $'000
Gross investment in finance leases		
Not later than one year	27,431	23,410
Later than one year and not later than five years	72,852	64,888
Later than five years	6,999	-
	107,282	88,298
Less: Unearned income	(40,970)	(20,978)
	66,312	67,320
Net investment in finance leases may be classified as follows:		
Note later than one year	14,097	14,336
Later than one year and not later than five years	45,619	52,984
Later than five years	6,596	-
	66,312	67,320

23. Investment Securities

	The Group		The Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Debt securities -				
At amortised cost:				
Government Jamaica Securities	31,717	31,717	31,717	31,717
Government of Trinidad and Tobago	813,791	308,669	-	-
Certificate of Deposits	1,111,627	1,639,725	1,020,637	1,193,956
United States Dollar Corporate Bonds	118,961	106,926	104,975	106,926
United States Dollar Long Term Deposits	294,858	230,061	294,858	230,061
Other Government Securities	329,803	302,683	329,803	306,786
	2,700,757	2,619,781	1,781,990	1,869,446
Interest receivable	44,085	30,319	44,085	26,216
Equity investment at fair value through profit or loss	165,395	-	165,395	-
Equity investments at fair value through OCI	419,489	451,567	414,660	447,709
	3,329,726	3,101,667	2,406,130	2,343,371

23. Investment Securities (Continued)

Weighted average effective interest rate:

	The Group		The Company	
	2022	2021	2022	2021
	%	%	%	%
Government of Jamaica Securities	6.19	4.11	6.19	4.11
Government of Trinidad and Tobago	3	5.25	1	-
Certificate of Deposits	6.55	3.45	6.55	4.05
United States Long Term Deposits	3,95	3.11	3.95	3.33
United States Dollar Corporate Bonds	7.0	7.00	7.0	7.0
Other Government Securities	4.63	4.43	4.63	4.38

Included in investments are Government of Jamaica securities valued at $18,000,000 and a Certificate of Deposit for $30,000,000.00 (2021 - $48,000,000) 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 2022 and 2021 includes investment in affiliated companies (Note 9).

24. Investment in Subsidiaries

	The Company	
	2022	2021
	$'000	$'000
General Accident Insurance (Trinidad and Tobago) Limited (75% - 2021 65%), 491,910– (2021 - 426,322 Ordinary shares)	441,624	393,012
General Accident Insurance (Barbados) Limited (80%) 2,400,000 Ordinary shares	165,893	165,893
	607,517	558,905

25. Investment Property

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
At 1 January	328,149	315,048	265,000	255,938
Additions	2,976	2,259	2,976	2,259
Revaluation (credited to profit or loss) (Note 11)	77,973	6,803	75,024	6,803
Translation differences	(1,591)	4,039	-	-
At 31 December	407,507	328,149	343,000	265,000

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

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Rental income	25,279	19,976	24,291	19,045
Direct costs	(5,647)	(11,732)	(5,647)	(11,732)

The properties of the Group were valued at current market value as at November 2021 by Bhanmati Seecharan in Trinidad and in December 2022 by NAI Jamaica Langford and Brown in 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 have 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	
	2022	2021
	$'000	$'000
At 1 January	189,912	212,329
Revaluation (charged to other comprehensive income)	-	(22,417)
Closing	189,912	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.

There was no rental income from the real estate investment for the year (2021 - $11,119,000). In 2021 the property resulting in a total loss. The Trust has received insurance proceeds and the property is being reinstated with a completion date scheduled for September 2023.

The classification of this investment was reassessed, and management has determined that a classification of fair value through profit or loss is most appropriate. 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	518,693	200,997	28,405	19,043	767,138
Transfer	33,531		-	(33,531)	-
Additions	24,414	80,136	9,155	13,429	127,134
Disposals	-	(3,318)	(4,165)	-	(7,483)
Translation differences	25,334	8,783	2,130	1,059	37,306
At 31 December 2021	601,972	286,598	35,525	-	924,095
Transfers	-	(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
Depreciation -					
At 1 January 2021	43,004	58,958	20,252	-	122,214
Charge for the year	21,201	35,072	3,764	-	60,037
Relieved on disposal	-	-	(3,560)	-	(3,560)
Translation differences	337	2,028	2,131	-	4,496
At 31 December 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
31 December 2022	625,732	205,202	9,306	-	840,240
31 December 2021	537,430	190,540	12,938	-	740,908

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	153,642	153,648	28,309	335,599
Additions	24,391	42,111	3,613	70,115
Disposal	-	(3,317)	(4,166)	(7,483)
At 31 December 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
Depreciation -				
At 1 January 2021	44,373	63,526	20,151	128,050
Charge for the year	9,172	26,424	3,672	39,268
Disposal	-	(1,327)	(3,560)	(4,887)
At 31 December 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
Disposals	-	(163)	(2,400)	(2,563)
At 31 December 2022	67,363	88,917	3,654	159,934
Net Book Value -				
31 December 2022	224,723	115,529	5,059	345,311
31 December 2021	124,488	103,819	7,493	235,800

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	27,506	233,110
Additions	-	-	-	-	479	479
Translation differences	-	-	-	-	1,254	1,254
At 31 December 2021	38,221	12,070	142,826	12,487	29,239	234,843
Addition	-	-	-	-	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
Amortisation -						
At 1 January 2021	15,288	3,018	-	4,125	17,073	39,504
Charge for the year	7,644	1,509		3,122	2,231	14,506
Translation differences	-	-	-	-	819	819
At 31 December 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
Net Book Value -						
31 December 2022	7,644	6,035	142,826	2,118	7,807	166,430
31 December 2021	15,289	7,543	142,826	5,240	9,116	180,014

28. Intangible Assets (Continued)

	The Company		
	Website	Computer Software	Total
	$'000	$'000	$'000
At Cost -			
At 31 December and 31 December 2022	12,487	5,560	18,047
Amortisation			
At 1 January 2021	4,125	3,127	7,252
Charge for the year	3,122	1,050	4,172
At 31 December 2021	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
Net Book Value -			
31 December 2022	2,119	713	2,832
31 December 2021	5,240	1,383	6,623

29. Due to Reinsurers and Coinsurers

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Local reinsurers	661,843	208,215	236,351	140,947
Overseas reinsurers	740,760	857,294	1,051,449	842,388
	1,402,603	1,065,509	1,287,800	983,335

30. Other Liabilities

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Statutory contributions payable	26,920	15,957	24,246	9,399
Accrued expenses	173,803	124,184	134,859	95,799
Sales and premium tax payable	191,868	211,692	187,984	203,649
Other payables	-	190,747	48,444	94,053
Deferred consideration	-	7,064	-	7,064
	392,591	549,644	395,533	409,964

31. 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 2021	263,031	197,357
Disposal (termination)	(1,382)	(1,382)
Additions	15,023	9,685
Translation	3,125	-
1 January 2022	279,797	205,660
Disposal (termination)	(33,414)	(6,260)
Additions	42,209	6,351
Translation	(1,102)	-
31 December 2022	287,490	205,751
Accumulated Depreciation		
1 January 2021	114,829	84,578
Charge for the year	82,178	55,133
Disposal(termination)	(307)	(307)
Translation difference	933	-
1 January 2022	197,633	139,404
Charge for the year	74,401	47,657
Disposal(termination)	(33,414)	(6,345)
Translation difference	(890)	-
31 December 2022	237,730	180,716
Net Book Value		
31 December 2021	82,164	66,256
31 December 2022	49,760	25,035

31. Leases (Continued)

Amounts recognised in the statement of financial position

	The Group		The Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Right-of-use assets				
Motor Vehicles	14,902	31,159	14,902	31,159
Land and buildings	34,858	51,005	10,133	35,097
	49,760	82,164	25,035	66,256
Lease liabilities				
Current	41,467	54,040	27,669	60,546
Non-current	12,454	49,167	529	24,740
	53,921	103,207	28,198	85,286

(b) Lease liabilities

	The Group		The Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
1 January	103,207	162,521	85,286	126,779
Additions	41,724	8,590	6,351	9,685
Lease payments	(94,190)	(82,921)	(67,921)	(62,600)
Interest on lease liability	6,812	7,402	4,817	7,076
Termination	-	-	-	(1,095)
Foreign exchange translation	(3,632)	7,615	(335)	5,441
31 December	53,921	103,207	28,198	85,286

(c) Amounts recognised in profit or loss

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

	The Group		The Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Depreciation charge of right-of-use assets				
Motor vehicles	16,257	16,526	16,257	16,526
Land and buildings	58,144	65,652	31,401	38,606
	74,401	82,178	47,657	55,132
Interest expense	2,503	7,401	4,817	7,076

32. 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	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Deferred income tax assets	4,895	3,772	4,895	3,772
Deferred income tax liabilities	(78,820)	(54,424)	(26,657)	(26,817)
Net liabilities	(73,925)	(50,652)	(21,762)	(23,045)

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

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
At the beginning of the year	(50,652)	(38,050)	(23,045)	(8,918)
Profit or loss (Note 15)	(23,273)	(12,602)	1,283	(14,127)
At end of year	(73,925)	(50,652)	(21,762)	(23,045)

32. Deferred Income Taxes (Continued)

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

	The Group		The Company	
	2022	2021	2022	2021
Deferred income tax assets	$'000	$'000	$'000	$'000
Accrued vacation	4,895	3,772	4,895	3,772
	4,895	3,772	4,895	3,772

	The Group		The Company	
	2022	2021	2022	2021
Deferred income tax liabilities	$'000	$'000	$'000	$'000
Unrealised foreign exchange gains	-	3,885	-	3,885
Accelerated depreciation	736	12,794	736	12,794
Intangible assets	52,163	27,607	-	-
Interest receivable	25,921	10,138	25,921	10,138
	78,820	54,424	26,657	26,817

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

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Accelerated depreciation	(12,058)	14,672	(12,058)	14,672
Unrealised foreign exchange gains	(3,885)	106	(3,885)	106
Intangible assets	24,556	(1,525)	-	-
Accrued vacation	(1,123)	(605)	(1,123)	(605)
Interest receivable	15,783	(46)	15,783	(46)
	23,273	12,602	(1,283)	14,127

33. Insurance Reserves

(a) These reserves are as follows:

	The Group		The Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Gross -				
Unearned premiums	3,122,310	2,705,681	2,455,410	2,226,796
Claims liabilities	4,090,419	4,838,990	3,069,017	3,403,453
Unexpired risk reserve	-	31,662	-	-
Unearned commission	273,388	235,275	262,584	225,970
	7,486,117	7,811,608	5,787,011	5,856,219
Recoverable from reinsurers -				
Reinsurers' portion of unearned premiums	(1,262,926)	(996,977)	(1,166,412)	(937,670)
Reinsurers' portion of claims liabilities	(1,215,644)	(1,693,201)	(1,134,834)	(1,609,542)
	(2,478,570)	(2,690,178)	(2,301,246)	(2,547,212)
Net -				
Unearned premiums	1,859,384	1,708,704	1,288,998	1,289,126
Claims liabilities	2,874,775	3,145,789	1,934,183	1,793,911
Unexpired risk reserve	-	31,662		-
Unearned commission	273,388	235,270	262,584	225,970
	5,007,547	5,121,425	3,485,765	3,309,007

(b) Claims liabilities comprise:

	The Group		The Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Gross -				
Outstanding claims	3,101,998	3,442,824	2,332,973	2,767,597
IBNR	968,048	1,375,793	715,671	615,483
Unallocated loss adjustment expense	20,373	20,373	20,373	20,373
	4,090,419	4,838,990	3,069,017	3,403,453
Recoverable from reinsurers -				
Outstanding claims	898,133	1,326,485	821,137	1,252,472
IBNR	317,511	366,716	313,696	357,070
	1,215,644	1,693,201	1,134,833	1,609,542
Net -				
Outstanding claims	2,203,865	2,116,339	1,511,836	1,515,125
IBNR	650,537	1,009,077	401,975	258,413
Unallocated loss adjustment expense	20,373	20,373	20,373	20,373
	2,874,775	3,145,789	1,934,184	1,793,911

33. Insurance Reserves (Continued)

An actuarial valuation was performed to value the policy and claims liabilities of the Group as at 31 December 2022 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 2022 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 17 March 2023 for the Company, the actuary found that the amount of policy and claims liabilities represented in the statement of financial position at 31 December 2022 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.

The movement in claims outstanding was as follows:

			The Company	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Net reserves for claims outstanding at beginning of year –				
Gross reserves for claims outstanding	4,838,990	3,996,187	3,403,453	2,638,999
Reinsurance ceded	(1,693,201)	(960,838)	(1,609,543)	(829,802)
	3,145,789	3,035,349	1,793,910	1,809,197
Movement during the year –				
Claims incurred, including IBNR	1,213,301	1,895,641	1,588,904	1,313,454
Claims paid	(2,513,917)	(3,113,029)	(2,449,038)	(2,566,366)
Recovery from reinsurers	1,005,580	1,310,687	1,000,408	1,237,625
Translation differences on foreign currency claims	24,022	17,141	-	-
	(271,014)	110,440	140,274	(15,287)
Net reserves for claims outstanding at end of year	2,874,775	3,145,789	1,934,184	1,793,910
Reinsurance ceded	1,215,644	1,693,201	1,134,833	1,609,543
Gross reserves for claims outstanding at end of year	4,090,419	4,838,990	3,069,017	3,403,453

33. Insurance Reserves (Continued)

Significant delays occur in the notification of claims and a substantial measure of experience and judgement is involved in assessing outstanding liabilities, the ultimate cost of which cannot be known with certainty as at the reporting date. The reserve for claims outstanding is determined on the basis of information currently available; however, it is inherent in the nature of the business written that the ultimate liabilities may vary as a result of subsequent developments.

(c) The movements in unearned premiums for the group and company are as follows:

The Group

	2022			2021		
	Gross $'000	Reinsurance $'000	Net $'000	Gross $'000	Reinsurance $'000	Net $'000
Balance at 1 January	2,705,681	(996,977)	1,708,704	2,402,954	(925,356)	1,477,598
Premiums written during the year	15,114,209	(11,343,818)	3,770,391	13,959,807	(10,488,851)	3,470,956
Premiums earned during the year	(14,697,580)	11,077,869	(3,619,711)	(13,657,080)	10,417,230	(3,239,850)
	416,629	(265,949)	150,680	302,727	(71,621)	231,106
Balance at 31 December	3,122,310	(1,262,926)	1,859,384	2,705,681	(996,977)	1,708,704

The movement in unearned premiums for the company is as follows:

The Company

	2022			2021		
	Gross $'000	Reinsurance $'000	Net $'000	Gross $'000	Reinsurance $'000	Net $'000
Balance at 1 January	2,226,796	(937,670)	1,289,126	2,172,550	(907,621)	1,264,929
Premiums written during the year	13,842,123	(11,152,059)	2,690,064	12,974,308	(10,327,323)	2,646,985
Premiums earned during the year	(13,613,509)	10,923,317	(2,690,192)	(12,920,062)	10,297,274	(2,622,788)
	228,614	(228,742)	(128)	54,246	(30,049)	24,197
Balance at 31 December	2,455,410	(1,166,412)	1,288,998	2,226,796	(937,670)	1,289,126

33. Insurance Reserves (Continued)

The gross unearned premium reserve by class of business is as follows:

	The Group		The Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Fire, consequential loss and liability	836,684	678,534	800,279	638,324
Motor	2,113,251	1,857,681	1,546,663	1,429,033
Other	172,375	169,471	108,468	159,439
	3,122,310	2,705,686	2,455,410	2,226,796

34. Share Capital

	2022	2021
	$'000	$'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

35. Capital Reserves

	2022	2021
	$'000	$'000
At beginning of and end of year	161,354	146,384

The capital reserves at year end represent realised surpluses.

36. Property Revaluation Reserve

This represented the unrealised surplus on the revaluation of real estate investment.

37. Fair Value Reserve

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

38. Non-Controlling Interest

	2022 $'000	2021 $'000
Beginning of year	292,481	398,489
Net transactions with NCI		
Purchase of additional shares GENACTT (ii)	(63,582)	-
NCI share of total comprehensive income	48,915	(106,008)
	277,814	292,481

(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) Limited)

(a) Summarised Statement of Financial Position

	2022 $'000	2021 $'000
Assets	2,313,440	2,297,978
Liabilities	(1,678,446)	(1,910,513)
Net Assets	634,994	387,465

(b) Summarised Statement of Comprehensive Income

	2022 $'000	2021 $'000
Revenue	984,115	687,882
Profit/(Loss) before taxation	250,513	(237,829)
Taxation	(5,923)	(6,550)
Profit/(Loss) after tax	244,620	(244,379)
Other comprehensive income	(7,541)	(6,206)
Total Comprehensive Income	237,079	(250,585)
Total comprehensive income allocated to non-controlling interest	54,620	(87,704)

38. Non-Controlling Interest (Continued)

General Accident Insurance Company (Trinidad) Limited

(c) Summarised Statement of Cash Flows

	2022 $'000	2021 $'000
Cash flows from operating activities		
Cash generated from operations	(80,998)	(190,931)
Income taxes	(7,380)	(10,694)
Net cash used in operating activities	(88,378)	(201,625)
Net cash generated from investing activities	(119,971)	790,787
Net cash used in financing activities	(17,139)	(164,935)
Net (decrease)/increase in cash and cash equivalents	(225,488)	424,227
Cash and cash equivalents at acquisition date	579,415	152,566
Exchange gains on cash and cash equivalents	(8,771)	2,623
	345,156	579,416

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

General Accident Insurance Company (Barbados) Limited

(a) Summarised Statement of Financial Position

	2022 $'000	2021 $'000
	$'000	$'000
Assets	475,624	444,439
Liabilities	(415,178)	(355,738)
Net Assets	60,446	88,701

(b) Summarised Statement of Comprehensive Income

	2022 $'000	2021 $'000
Revenue	394,766	361,396
Loss before taxation	(18,733)	(99,909)
Taxation	-	-
Loss after tax	(18,733)	(99,909)
Other comprehensive income	(9,523)	8,390
Total Comprehensive Income	(28,256)	(91,519)
Total comprehensive income allocated to non-controlling interest	(5,705)	(18,304)

38. Non-Controlling Interest (Continued)

General Accident Insurance Company (Barbados) Limited

(c) Summarised Statement of Cash Flows

	2022 $'000	2021 $'000
Cash flows from operating activities		
Cash generated from operations	(17,128)	55,577
Income taxes	-	-
Net cash (used in)/generated from operating activities	(17,128)	55,577
Net cash generated from/(used in) investing activities	3,247	(44,669)
Net cash used in financing activities	(8,839)	(8,842)
Net (decrease)/increase in cash and cash equivalents	(22,720)	2,066
Cash and cash equivalents at acquisition date	180,145	150,032
Exchange gains on cash and cash equivalents	913	28,047
	158,338	180,145

39. 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 2018, indicated that the scheme was adequately funded at that date.

Pension contributions for the period totalled $18,081,000 (2021 – $14,980,000) and are included in staff costs (Note 14).

40. 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 the aggregate, will have a material effect on the Group.

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 15, 2023, 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, 2022.	**For** ☐ **Against** ☐
2.	To authorize 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 Jennifer Scott as a Director of the Board of the Company.	**For** ☐ **Against** ☐
3. (b)	To re-appoint Nicholas Scott as a Director of the Board of the Company.	**For** ☐ **Against** ☐
3. (c)	To re-appoint Brian Jardim 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 2022, being $250,573,125.12 or 24.298 cent per ordinary share, as the final dividend for the year.	**For** ☐ **Against** ☐

Signed this ____________ **day of** ____________ **2023:**

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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