THE NEW INDIA ASSURANCE COMPANY (TRINIDAD AND TOBAGO) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2024

THE NEW INDIA ASSURANCE COMPANY (TRINIDAD AND TOBAGO) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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Statement of Management Responsibilities

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of The New India Assurance Company (Trinidad and Tobago) Limited (the Company) which comprise the statement of financial position as at 31 December 2024, the statements of income and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of material accounting policy information and other explanatory information;

- Ensuring that the Company keeps proper accounting records;

- Selecting appropriate accounting policies and applying them in a consistent manner;

- Implementing, monitoring and evaluating the system of internal control that assures security of the Company's assets, detection/prevention of fraud, and the achievement of the Company's operational efficiencies;

- Ensuring that the system of internal control operated effectively during the reporting period;

- Producing reliable financial reporting that comply with laws and regulations, including the Insurance and Companies Acts; and

- Using reasonable and prudent judgement in the determination of estimates.

In preparing these financial statements, management authorized the International Financial Reporting Standard as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Company will not remain a going concern for the next twelve months from the reporting date, or up to the date the accompanying financial statements have been authorized for issue, if later. Management affirms that it has carried out its responsibilities as outlined above.

Managing Director	Assistant General Manager
26 March 2025	26 March 2025

Office: 1(868) 229 1773
66 Alfredo Street, Woodbrook
Port of Spain, Trinidad WI

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF THE NEW INDIA ASSURANCE COMPANY (TRINIDAD AND TOBAGO) LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The New India Assurance Company (Trinidad and Tobago) Limited ("the Company"), which comprise the statement of financial position as at 31 December 2024, the statement of income, statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' ("IESBA") International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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

Other Matter

The financial statements of the Company for the year ended December 31, 2023, were audited by another firm of accountants who expressed an unmodified opinion on those statements on May 13, 2024

Report on the Audit of the Financial Statements
(Continued)

Responsibilities of Management and the Audit Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Report on the Audit of the Financial Statements
(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements
(Continued)

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

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

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

- We communicate with the Audit Committee 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.

S N GOLDING FINANCIAL
SERVICES LIMITED

Port of Spain
TRINIDAD
26 March 2025

THE NEW INDIA ASSURANCE COMPANY (TRINIDAD AND TOBAGO) LIMITED

Statement of Financial Position
As at 31 December 2024
(Expressed in thousands of Trinidad and Tobago dollars)

	Notes	2024 $	2023 $
Assets			
Cash and cash equivalents	4	35,910	31,900
Other financial assets	6	23,661	32,504
Investment securities	5	266,254	245,616
Reinsurance contract	12	79,010	66,796
Taxation recoverable		12,466	11,586
Deferred tax asset	7	-	-
Property and equipment	8	42,560	43,020
Total assets		**459,861**	**431,422**
Equity and liabilities			
Equity			
Stated capital	9	17,618	17,618
Catastrophe reserve		5,774	4,447
Fair value reserve		8,317	17,474
Retained earnings		166,912	175,305
Total equity		**198,621**	**214,844**
Liabilities			
Insurance contracts	11	226,103	180,868
Deferred tax liability	7	4,398	4,291
Taxation payable		-	1,145
Other financial liabilities	10	30,739	30,274
Total liabilities		**261,240**	**216,578**
Total equity and liabilities		**459,861**	**431,422**

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

These financial statements were approved by the Board of Directors and authorised for issue on March 26, 2025 and signed on its behalf by:

____________________ **Director** ____________________ **Director**

THE NEW INDIA ASSURANCE COMPANY (TRINIDAD AND TOBAGO) LIMITED

Statement of Income
For The Year Ended 31 December 2024
(Expressed in thousands of Trinidad and Tobago dollars)

	Notes	2024 $	2023 $
Insurance revenue	13	170,931	141,682
Insurance service expense	13	(136,074)	(109,043)
Insurance service result before reinsurance contracts held		**34,857**	**32,639**
Allocation of reinsurance premiums	13	(74,992)	(66,122)
Amounts recovered from reinsurers for incurred claims and commission	13	31,482	34,972
Net expense from reinsurance contracts held		**(43,510)**	**(31,150)**
Net insurance service result		**(8,653)**	**1,489**
Investment income from financial assets not measured at fair value through profit or loss	14(a)	9,078	8,999
Investment income from financial assets measured at fair value through OCI	14(b)	1,578	1,841
Net realized losses on financial assets measured at fair value through OCI	14(c)	(38)	(294)
Net impaired losses on financial assets		(1,200)	(1,800)
Net investment income		**9,418**	**8,746**
Finance expenses from insurance contracts issued		3,881	3,276
Finance income from reinsurance contracts held		(388)	(324)
Net insurance finance expenses		3,493	2,952
Expenses other than for insurance service		(8,939)	(7,620)
Other income		756	–
(Loss) profit before tax		(3,925)	5,567
Taxation expense	7	(1,061)	(3,149)
Net (loss) profit after taxation		**(4,986)**	**2,418**

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

THE NEW INDIA ASSURANCE COMPANY (TRINIDAD AND TOBAGO) LIMITED

Statement of Other Comprehensive Income
For the Year Ended 31 December 2024
(Expressed in thousands of Trinidad and Tobago dollars)

	2024 $	2023 $
Other Comprehensive Income		
Items that may be reclassified subsequently to profit or loss		
Change in fair value of debt instruments	(2,023)	749
Net changes in allowance for expected credit losses of debt instruments	(1,800)	1,800
Exchange differences on translating foreign operations	(338)	(198)
	(4,161)	**2,351**
Items that may not be reclassified subsequently to profit or loss		
Change in fair value of equity instruments	(5,334)	(9,380)
Realised gain on equity instruments	-	4,336
	(5,334)	**(5,044)**
Total other comprehensive loss	**(9,495)**	**(2,693)**
Total comprehensive income (loss)	**(14,481)**	**(275)**

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

THE NEW INDIA ASSURANCE COMPANY (TRINIDAD AND TOBAGO) LIMITED

Statement of Changes in Equity
For the Year Ended 31 December 2024
(Expressed in thousands of Trinidad and Tobago dollars)

	Share Capital $	Catastrophe Reserve $	Fair Value Reserve $	Retained Earnings $	Total $
Balance at 1 January 2024	**17,618**	**4,447**	**17,474**	**173,305**	**214,844**
Net loss for the year	-	-	-	(4,986)	(4,986)
Other comprehensive income					
Foreign currency translation differences	-	-	-	(338)	(338)
Net changes in allowance for expected credit losses of debt instruments at FVOCI	-	-	(1,800)	-	(1,800)
Net changes in fair value reserves	-	-	(7,357)	-	(7,357)
Total other comprehensive income (loss)	-	-	(9,157)	(338)	(9,495)
Other transactions recorded directly in equity					
Catastrophe Reserve	-	1,327	-	(1,327)	-
Dividends paid (See Note 9)	-	-	-	(1,742)	(1,742)
Balance at December 31, 2024	**17,618**	**5,774**	**8,317**	**166,912**	**198,621**
Balance at 1 January 2023	**17,618**	**3,041**	**24,305**	**173,638**	**218,602**
Net profit for the year	-	-	-	2,418	2,418
Other comprehensive income					
Foreign currency translation differences	-	-	-	(198)	(198)
Realised gain on equity instruments	-	-	-	4,336	4,336
Net changes in fair value reserves	-	-	(6,831)	-	(6,831)
Total other comprehensive income (loss)	-	-	(6,831)	6,556	(275)
Other transactions recorded directly in equity					
Transfer to Catastrophe Reserve	-	1,406	-	(1,406)	-
Dividends paid (See Note 9)	-	-	-	(3,484)	(3,484)
Total other transactions	-	1,406	-	(4,890)	(3,484)
Balance at December 31, 2023	**17,618**	**4,447**	**17,474**	**175,305**	**214,844**

The accompanying notes form an integral part of these financial statements

THE NEW INDIA ASSURANCE COMPANY (TRINIDAD AND TOBAGO) LIMITED

Statement of Cash Flows
For the Year Ended 31 December 2024
(Expressed in thousands of Trinidad and Tobago dollars)

	Notes	2024 $	2023 $
OPERATING ACTIVITIES			
Premium received from policyholders/agents/brokers	11	185,658	155,212
Payments to the re-insurers, net of commissions	12	(60,700)	(55,675)
Payment of direct claims	11	(52,668)	(47,980)
Payments of commission and brokerage		(28,591)	(24,563)
Payments of other operating expenses		(25,288)	(20,637)
Corporation taxes paid (net)		(2,977)	(3,949)
Other receipts (payments)		11,539	(7,165)
Net cash from (used in) operating activities		**26,973**	**(4,757)**
INVESTING ACTIVITIES			
Purchase of property and equipment	8	(1,131)	(1,347)
Proceeds from disposal of property and equipment		340	3
Purchase of investments		(38,352)	(55,054)
Sale of investments		7,316	50,643
Rents/interests/dividends received		11,457	10,715
Net cash flows (used in) from investing activities		**(20,370)**	**4,960**
FINANCING ACTIVITIES			
Interest and dividends paid		(1,775)	(3,434)
Payments for lease liability	10	(818)	(741)
Net cash flows used in financing activities		**(2,593)**	**(4,175)**
Net increase (decrease) in cash and cash equivalents		4,010	(3,972)
Cash and cash equivalents at the beginning of the year		31,900	35,872
Cash and cash equivalents at the end of the year	4	**35,910**	**31,900**

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

1. Incorporation and Principal Activity

The New India Assurance Company (Trinidad and Tobago) Limited (the Company) is incorporated in the Republic of Trinidad and Tobago and is a subsidiary of The New India Assurance Company Limited, Mumbai, India (the ultimate parent). The Company carries on general insurance business in Trinidad and Tobago, Dominica, St. Lucia, St. Maarten, and Guyana. The Company also maintains a run-off portfolio in the island of Barbados. The registered office and principal place of business is located at 6A Victoria Avenue, Port of Spain.

2. Summary of Material Accounting Policy Information

(a) Basis of preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB). These financial statements have been prepared on the historical cost basis except for investments measured at fair value through other comprehensive.

Items included in these financial statements are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). Each territory determines its own functional currency which is translated into Trinidad and Tobago dollars at year-end.

These financial statements are presented in Trinidad and Tobago dollars which is the Company’s presentation currency. All financial information presented in Trinidad and Tobago dollars has been rounded to the nearest thousand. Some financial information in the prior year have been updated to conform with current year’s presentation.

2. Summary of Material Accounting Policy Information (continued)

(a) *Changes in accounting policies and disclosures*

i. ***New and amended standards and interpretations***

Certain new, revised and amended standards and interpretations came into effect during the current financial year. The Company has assessed them and has adopted those which are relevant to its financial statements:

- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback (effective 1 January 2024)
- Amendments to IAS 1- Classification of Liabilities as Current or Noncurrent and Non-current Liabilities with Covenants (effective 1 January 2024)
- Amendments to IAS 7 and IFRS 7 - Disclosures: Supplier Finance Arrangements (effective 1 January 2024)

ii. ***New, revised and amended standards and interpretations not yet effective***

Certain new, revised and amended standards and interpretations have been issued which are not yet effective for the current year and which the Company has not early adopted. The Company has assessed the relevance of all such new standards, amendments and interpretations. These amendments are not expected to have a material impact on Company's financial statements.

- Amendments to IAS 21– Lack of Exchangeability (effective 1 January 2025)
- Amendments to IFRS 9 and IFRS 7- Classification and Measurement of Financial Instruments (effective 1 January 2026)
- Amendments to IFRS 18 - Presentation and Disclosure in Financial Statements (effective 1 January 2027)
- Amendments to IFRS 19- Disclosures of Subsidiaries without Public Accountability (effective 1 January 2027)

2. Summary of Material Accounting Policy Information (continued)

(c) Insurance and Reinsurance Contracts classification

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

The Company also holds reinsurance contract in the normal course of business to transfer insurance risk to other entities.

The Company does not issue any contracts with direct participating features.

(d) Insurance and reinsurance contracts accounting treatment

Separating components from insurance and reinsurance contracts

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

Level of aggregation

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

2. Summary of Material Accounting Policy Information (continued)

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

Level of aggregation (continued)

However, the Company makes an evaluation of whether a series of contracts need to be treated together as one unit based on reasonable and supportable information, or whether a single contract contains components that need to be separated and treated as if they were stand-alone contracts. IFRS 17 also requires that no group for level of aggregation purposes may contain contracts issued more than one year apart.

The portfolios of insurance contacts are divided into:

- A group of contracts that are onerous at initial recognition (if any)
- A group of contracts that, at initial recognition, have no significant possibility of becoming onerous subsequently (if any)
- A group of the remaining contracts in the portfolio (if any)

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

- Pricing information
- Results of similar contracts it has recognised
- Environmental factors, e.g., a change in market experience or regulations
- The date the Company recognises an onerous group of underlying insurance contracts if the Company entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

2. Summary of Material Accounting Policy Information (continued)

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

Recognition

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

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

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

- The beginning of the coverage period of the group of reinsurance contracts held. However, the Company delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held.
  and

- The date the Company recognises an onerous group of underlying insurance contracts if the Company entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

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

2. Summary of Material Accounting Policy Information (continued)

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

Contract boundary

The Company includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay the premiums, or in which the Company has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

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

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

2. Summary of Material Accounting Policy Information (continued)

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

Contract boundary (continued)

Measurement - Premium Allocation Approach:

Component	**Adopted Approach**
Premium Allocation Approach-eligibility	Coverage period for all insurance contracts issued and reinsurance held with the exception of contractor all risk policies is one year or less and so qualifies automatically for PAA. The contractor all risk insurance policy has coverage period greater than one year. However, there is no material difference in the measurement of the liability for remaining coverage between PAA and the general model, therefore, these qualify for PAA.
Insurance acquisition cashflow	For all insurance contracts, acquisition cashflow is expensed as incurred.
Liabilities/assets for remaining coverage (LFRC/AFRC)	For all insurance contacts no allowances made for accretion of interest on LFRC/AFRC as premium are received /paid within one year of coverage period.
Liabilities/assets for incurred claims (LFIC/AFIC)	No adjustment is made for time value of money where incurred claims are expected to be paid out/ recovered from the reinsurer in less than one year.
Insurance finance income and expenses	For all insurance contracts, the change in LFIC/AFIC as a result of changes in discount rate will be captured within profit & loss account.

2. Summary of Material Accounting Policy Information (continued)

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

Initial measurement – Insurance Contracts

The Company applies the premium allocation approach (PAA) to all the insurance contracts that it issues and reinsurance contracts that it holds, as the coverage period of each contract in the group is one year or less, including insurance contract services arising from all premiums within the contract boundary.

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

Initial measurement – Reinsurance Contracts

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

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

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

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

2. Summary of Material Accounting Policy Information (continued)

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

Subsequent measurement – Insurance Contracts

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

- Plus premiums received in the period
- Minus the amount recognised as insurance revenue for the services provided in the period.

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

Subsequent measurement – Reinsurance Contracts

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

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

2. Summary of Material Accounting Policy Information (continued)

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

Insurance acquisition cash flows

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

The Company chooses to expense insurance acquisition cash flows as they occur.

Insurance contracts – modification and derecognition

The Company derecognises insurance contracts when:

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

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

Presentation

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

2. Summary of Material Accounting Policy Information (continued)

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

Presentation (continued)

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

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

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

Insurance revenue

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

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

Loss components

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

2. Summary of Material Accounting Policy Information (continued)

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

Loss-recovery components

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

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

Insurance finance income & expense

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

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

The Company does not disaggregate insurance finance income or expenses on insurance contracts issued and reinsurance contract held between profit or loss and OCI. All amounts are presented within the statement of income.

Net income or expense from reinsurance contracts held

The Company presents separately on the face of the statement of profit or loss and other comprehensive income, the amounts expected to be recovered from reinsurers, and an allocation of the reinsurance premiums paid. The Company treats reinsurance cash flows that are contingent on claims on the underlying contracts as part of the claims that are expected to be reimbursed under the reinsurance contract held, and excludes investment components and commissions from an allocation of reinsurance premiums presented on the face of the statement of profit or loss and other comprehensive income.

2. Summary of Material Accounting Policy Information (continued)

(e) Financial Instruments

Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

Financial instruments are initially recognised on the trade date measured at their fair value. Except for financial assets and financial liabilities recorded at FVPL, transaction costs are added to this amount.

Measurement categories

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms. The categories include the following:

- Amortised cost,
- Fair Value through other Comprehensive Income (FVOCI),

Debt instruments measured at amortised cost

Debt instruments are held at amortised cost if both of the following conditions are met:

- The instruments are held within a business model with the objective of holding the instrument to collect the contractual cash flows
- The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

2. Summary of Material Accounting Policy Information (continued)

(e) Financial Instruments (continued)

The details of these conditions are outlined below.

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company holds financial assets to generate returns and provide a capital base to provide for settlement of claims as they arise. The Company considers the timing, amount, and volatility of cash flow requirements to support insurance liability portfolios in determining the business model for the assets as well as the potential to maximise return for shareholders and future business development.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios that is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of asset sales are also important aspects of the Company’s assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case’ scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

2. Summary of Material Accounting Policy Information (continued)

(e) Financial Instruments (continued)

The SPPI (Solely Payments of Principal) Test

As a second step of its classification process the Company assesses the contractual terms to identify whether they meet the SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount). The most significant elements of interest within a debt arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

Debt instruments measured at fair value through other comprehensive income.

The Company applies the new category under IFRS 9 for debt instruments measured at FVOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is both collecting contractual cash flows and selling financial assets
- The contractual terms of the financial asset meet the SPPI test

These instruments largely comprise debt instruments that had previously been classified as available-for-sale under IAS 39. Debt instruments in this category are those that are intended to be held to collect contractual cash flows and which may be sold in response to needs for liquidity or in response to changes in market conditions.

Equity instruments at FVOCI

Upon initial recognition, the Company elects to classify all of its equity investments as equity instruments at FVOCI when they meet the definition of equity are not held for trading.

Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in profit or loss as other operating income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

2. Summary of Material Accounting Policy Information (continued)

(e) Financial Instruments (continued)

Subsequent measurement

Debt instruments at amortised cost
After initial measurement, debt instruments are measured at amortised cost, using the effective interest rate (EIR) method, less allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. ECLs are recognised in the statement of income when the investments are impaired.

Debt instruments at fair value through other comprehensive income
FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and foreign exchange gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost.

Where the Company holds more than one investment in the same security, they are deemed to be disposed of on a first–in first–out basis. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss.

Reclassification of financial assets and liabilities
The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line.

2. Summary of Material Accounting Policy Information (continued)

(e) Financial Instruments (continued)

Derecognition

Derecognition other than for substantial modification
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired

or

- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

  (a) the Company has transferred substantially all the risks and rewards of the asset; or
  (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all of the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

2. Summary of Material Accounting Policy Information (continued)

(e) Financial Instruments (continued)

Derecognition (continued)

Derecognition due to substantial modification of terms and conditions

The Company derecognises a financial asset when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new instrument, with the difference recognised as a derecognition gain or loss. In the case of debt instruments at amortised cost, the newly recognised debt instruments are classified as Stage 1 for ECL measurement purposes.

When assessing whether or not to derecognise an instrument, amongst others, the Company considers the following factors:

- Change in currency of the debt instrument
- Introduction of an equity feature
- Change in counterparty
- If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss.

Impairment of financial assets

The Company recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the appropriate effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

2. Summary of Material Accounting Policy Information (continued)

(e) Financial Instruments (continued)

Derecognition (continued)

Impairment of financial assets (continued)
The Company considers a financial asset to be in default (credit impaired) when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The calculation of ECLs
The Company calculates ECLs based on scenarios to measure the expected cash shortfalls, discounted at an appropriate EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the entity expects to receive.

When estimating the ECLs, the Company considers four scenarios (a base case, an upside, a mild downside and a more extreme downside).

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- PD The *Probability of Default* is an estimate of the likelihood of default over a given time horizon. It is estimated with consideration of economic scenarios and forward-looking information.

- EAD The *Exposure at Default* is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, and accrued interest from missed payments.

- LGD The *Loss Given Default* is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive. It is usually expressed as a percentage of the EAD.

2. Summary of Material Accounting Policy Information (continued)

(e) *Financial Instruments* (continued)

The calculation of ECLs (continued)

The Company allocates its assets subject to ECL calculations to one of these categories, determined as follows:

- 12mECL The 12mECL is calculated as the portion of long term ECLs (LTECLs) that represent the ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an appropriate EIR. This calculation is made for each of the four scenarios, as explained above.

- LTECL When an instrument has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected losses are discounted by an appropriate EIR.

- Impairment For debt instruments considered credit-impaired, the Company recognises the lifetime expected credit losses for these instruments. The method is similar to that for LTECL assets, with the PD set at 100%.

Debt instruments measured at fair value through other comprehensive income

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI with a corresponding charge to profit or loss. The accumulated gain recognised in OCI is recycled to the profit or loss upon derecognition of the assets.

2. Summary of Material Accounting Policy Information (continued)

(e) Financial Instruments (continued)

Forward looking information

In its ECL models, the Company relies on a broad range of forward-looking information including the use of macro-economic information.

Write-offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense. There were no write-offs over the periods reported in these financial statements.

(f) Property and equipment

All property and equipment, except land are stated at historical cost less accumulated depreciation and impairment losses. Land is stated at historical cost less impairment losses. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of income during the financial period in which they are incurred.

Depreciation is provided at rates sufficient to write-off the cost of the assets over their estimated useful lives.

The rate and methods used are as follows:

Building	2% on cost
Leasehold improvements	10% on cost
Motor vehicles	12.5% on cost
Office equipment	10% – 33% on cost

The asset's residual value, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each statement of financial position date. Land is not depreciated.

2. Summary of Material Accounting Policy Information (continued)

(g) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Property and equipment	3-10 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

2. Summary of Material Accounting Policy Information (continued)

(g) Leases (continued)

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of Low- value assets

The Company applies the short-term lease recognition to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are low value. Lease payments on short term leases and leases of low value are recognised as expenses on a straight-line basis over the lease term.

(h) Cash and cash equivalents

Cash and cash equivalents are short-term, highly liquid investments readily convertible to known amounts of cash on hand and at bank with original contractual maturities of three months or less and subject to insignificant risks of change in value. As all funds are deemed liquid and held with reputable financial institutions, the Company considers the risk of default to be low and has taken the position of nil expected credit loss (ECL) on these balances.

2. Summary of Material Accounting Policy Information (continued)

(i) Foreign currency

(i) Transactions and balances

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to Trinidad and Tobago dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of income. There are no non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency.

(ii) Foreign operations

The assets and liabilities of foreign operations are translated to Trinidad and Tobago dollars at exchange rates at the reporting date. Income and expenses are translated using the average rates for the year.

(j) Determination of Fair value

All unrealized gains and losses arising from the revaluation of financial instruments measured at FVOCI are recognized as part of shareholders equity in the fair value reserve.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments − Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

2. Summary of Material Accounting Policy Information (continued)

(j) Determination of Fair value (continued)

Level 2 financial instruments − Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments − Those that include one or more unobservable input that is significant to the measurement as whole.

The fair value of financial instruments is generally measured on an individual basis. However, in cases where the Company manages a group of financial assets and liabilities on the basis of its net market or credit risk exposure, the fair value of the group of financial instruments is measured on a net basis, however the underlying financial assets and liabilities are presented separately in the financial statements, unless they satisfy the IFRS offsetting criteria.

The Company periodically reviews its valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments, when necessary, based on the facts at the end of the reporting period.

(k) Catastrophe reserve

As required by Section 44 of the Insurance Act, 2018 (as amended) of Trinidad and Tobago, on an annual basis, the Company determine an amount that is transferred to a catastrophe reserve. This is treated as an appropriation of retained earnings and is included as a separate component of equity.

2. Summary of Material Accounting Policy Information (continued)

(l) Claims

Liability adequacy test

In accordance with IFRS 17, reserving for liabilities existing as at the reporting date from property and casualty lines of business has been tested for adequacy by independent actuarial consultants using the Bornhuetter-Fergusson model.

The Bornhuetter-Fergusson model can be summarised as follows:

- This valuation method makes an independent estimate of the gross ultimate claims to a corresponding premium for each underwriting year based on expectations of claims arising from the gross premiums written in that year;
- It estimates a claim run-off pattern of how claims emerge year by year until all is known about the total ultimate claim;
- From the independent estimate of gross ultimate claims, the portion that relates to past periods is removed and the resultant balance is the gross claims yet to emerge.

The independent actuaries concluded in their report dated 13 March 2025 that the carrying amounts of the insurance liabilities of the general insurance as at 31 December 2024, in respect of the liability for incurred claims and IBNR claims were adequate.

(m) Provision for other insurance financial liabilities

A provision is recognised when the Company has a present legal or constructive obligation, as a result of past events, which it is probable, will result in an outflow of resources and when a reliable estimate of the amount of the obligation can be made.

(n) Salvage and subrogation reimbursements

Some insurance contracts permit the Company to sell (usually damaged) property acquired in settling a claim (salvage). The Company may also have the right to pursue third parties for payment of some or all costs (subrogation). Both, salvage and subrogation reimbursements are recognised on a cash basis and credited to claims.

2. Summary of Material Accounting Policy Information (continued)

(o) Employee benefits

The directors have agreed to pay a gratuity to managerial employees on retirement after ten years or more of service. For non-managerial employees, a discretionary gratuity on retirement after ten years or more of service will be paid. The liability arising is adequately provided for in these financial statements.

(p) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled to in exchange for those goods or services.

Premium income
Premiums written are recognized on policy inception and earned on a pro rata basis over the term of the related policy coverage.

Reinsurance commission
Reinsurance commission is recognised as revenue in the period in which it is received unless these relate to service to be provided in future periods. If the fees are for services to be provided in future periods, these are deferred and recognized in the income statement as the service is provided over the term of the contract. Initiation and other front-end fees are also deferred and recognized over the term of the contract.

The effective interest rate method
Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised and financial instruments designated at FVOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

2. Summary of Material Accounting Policy Information (continued)

(p) Revenue recognition (continued)

Investment income

Interest income comprises amounts calculated using the effective interest method and other methods. These are disclosed separately in Note 18.

In its *Interest income calculated using the effective interest method* the Company only includes interest on financial instruments at amortised cost or FVOCI.

Other interest income includes interest on all financial assets measured at FVPL, using the contractual interest rate. Investment income also includes dividends, which are recognized when approved.

The Company calculates interest income on financial assets, other than those considered credit-impaired, by applying the EIR to the gross carrying amount of the financial asset.

Realised gains and losses recorded in the statement of income

Realised gains and losses on the sale of property and equipment and FVOCI financial assets are calculated as the difference between net sales proceeds and the original cost. Realised gains and losses are recognized in the statement of income when the sale transaction occurs.

Unrealized gains and losses recorded in the statement of other comprehensive income

All unrealized gains and losses on financial assets are calculated as the difference between the fair value movements in the FVOCI financial assets. Unrealized gains and losses are recognized in the statement of other comprehensive income.

Other income and expenditure

Other income and expenditure items are accounted for on the accrual basis.

2. **Summary of Material Accounting Policy Information** (continued)

(p) *Revenue recognition* (continued)

Operating expenses

Operating expenses are bifurcated into insurance service expenses representing those are directly attributable to underwriting of insurance contracts and other than insurance service expense representing those expenses that are not directly attributable to the underwriting of insurance contracts. Further insurance service expenses are apportioned to the various business segments on the basis of weighted gross premium income written for each class of business.

(q) *Income Taxes*

Current Income Tax

Tax on income comprises current tax from business inside and outside of Trinidad and Tobago and the change in deferred tax. Current tax comprises tax payable calculated on the basis of the expected taxable income for the year, using the tax rate enacted by the statement of financial position date, business levy and green fund levy, charged on worldwide income, and any adjustment of tax payable for the previous years.

Deferred tax

Deferred Tax is provided using the balance sheet liability method on all temporary differences between the carrying amounts for financial reporting purposes and the amounts used for taxation purposes, except differences relating to the initial recognition of assets or liabilities which affect neither accounting nor taxable income/(loss).

Deferred tax is calculated on the basis of the tax rate that is expected to apply to the period when the asset is realised or the liability is settled. The effect on the deferred tax of any changes in the tax rate is charged to the statement of income, except to the extent that it relates to items previously charged or credited directly to equity.

Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Premium taxes in overseas territories are accounted as expense and premium income recognised as gross income.

3. Use of Estimates, Assumptions and Judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses and contingent assets and liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed below:

- *Determining fair values*
  Fair value reflects the present value of future cash flows associated with a financial asset or liability where an active market exists. Observable market prices or rates are used to determine fair value. For financial instruments with no active market or a lack of price transparency, fair values are estimated using calculation techniques based on factors such as discount rates, credit risk and liquidity. The assumptions and judgements applied here affect the derived fair value of the instruments.

3. Use of Estimates, Assumptions and Judgements (continued)

- *Impairment of financial assets*
  The identification of impairment and the determination of recoverable amounts is an uncertain process involving various assumptions and factors, including the financial condition of the counter party, expected future cash flows, observable market prices and expected net selling prices.

  The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgment and estimates include:

  - The Company's internal credit grading model, which assigns PDs to the individual grades;
  - The Company's criteria for assessing if there has been a significant increase in credit risk and if so allowances for financial instruments should be measured on a LTECL basis and the qualitative assessment;
  - The segmentation of financial instruments when their ECL is assessed on a collective basis;
  - Development of ECL models, including the various formulas and the choice of inputs;
  - Determination of associations between macroeconomic scenarios and economic inputs;
  - Determination of association between macroeconomic scenarios and economic inputs, such unemployment levels and collateral values and effect on PDs, EADs and LGDs; and
  - Selection of forward -looking macroeconomic scenarios and their probability weighting, to derive the economic inputs into the ECL models.

- *Litigation*
  There are certain legal proceedings outstanding against the Company. Appropriate provision has been made in these financial statements to reflect the loss that in management's opinion is likely to occur.

- *Leases*
  Determining the lease term of contracts with renewal and termination options – Company as lessee.

3. Use of Estimates, Assumptions and Judgements (continued)

- *Leases* (continued)

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The Company included the renewal period as part of the lease term for leases of properties with shorter non-cancellable period (i.e., 3 to 6 years). The Company typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Estimating the incremental borrowing rate
If the Company cannot readily determine the interest rate implicit in the lease, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company ‘would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

3. Use of Estimates, Assumptions and Judgements (continued)

- *Employee benefits*
  The Company estimates the liability towards the gratuity payable to employees depending on their salary and years of service in the Company.

- *Deferred taxes*
  Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the timing and the level of future profits together with future tax planning strategies.

- *Insurance and reinsurance contracts*

  The Company applies the PAA to simplify the measurement of insurance contracts. When measuring liabilities for remaining coverage, the PAA is broadly similar to the Company's previous accounting treatment under IFRS 4. However, when measuring liabilities for incurred claims, the Company now discounts cash flows that are expected to occur more than one year after the date on which the claims are incurred and includes an explicit risk adjustment for non-financial risk.

  Liability for remaining coverage

  <u>Insurance acquisition cash flows</u>
  The Company is eligible and chooses to recognise insurance acquisition cash flows as an expense immediately as incurred. This is because all insurance contracts issued have a coverage period of one year or less.

  The effect of electing to recognise insurance acquisition cash flows as an expense when incurred for a group of insurance contracts is to increase the liability for remaining coverage and reduce the likelihood of any subsequent onerous contract loss. There would be an increased charge to profit or loss on incurring the expense, offset by an increase in profit released over the coverage period.

3. Use of Estimates, Assumptions and Judgements (continued)

- *Insurance and reinsurance contracts* (continued)

  Time value of money

  For the marine and personal insurance product lines, the Company adjusts the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk using discount rates that reflect the characteristics of the cash flows of the group of insurance contracts at initial recognition.

  Liability for incurred claims

  The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Bornheutter-Ferguson methods.

  The main assumption underlying these techniques is that a Company's past claims development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses, average costs per claim (including claims handling costs), and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years, but can also be further analysed by geographical area, as well as by significant business lines and claim types. Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.

  Some of the insurance contracts that have been written in the property line of business permit the Company to sell property acquired in settling a claim. The Company also has the right to pursue third parties for payment of some or all costs.

(Expressed in thousands of Trinidad and Tobago Dollars)

3. **Use of Estimates, Assumptions and Judgements** (continued)

- *Insurance and reinsurance contracts* (continued)

Liability for incurred claims (continued)

Estimates of salvage recoveries and subrogation reimbursements are considered as an allowance in the measurement of ultimate claims costs. Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency exchange rates.

Discount rates

Insurance contract liabilities are calculated by discounting expected future cash flows at a risk-free rate, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the Central Bank of Trinidad and Tobago (CBTT)yield curve. The illiquidity premium is determined by reference to observable market rates.

Discount rates applied for discounting of future cash flows for the General insurance contracts are listed below:

Particulars	Year 1	Year 3	Year 5	Year 7
2024	5.00%	5.00%	5.90%	6.30%
2023	3.00%	4.30%	5.40%	5.90%

Reasonable approximation rate of discount at 2% has been applied for discounting of cashflow in respect of general insurance contracts prior to year 2023.

Risk adjustment for non-financial risk

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

- The Company has estimated the risk adjustment using a confidence level (probability of sufficiency) approach at the 70th percentile. That is, the Company has assessed its indifference to uncertainty for all product lines (as an indication of the compensation that it requires for bearing non-financial risk) as being equivalent to the 70th percentile confidence level less the mean of an estimated probability distribution of the future cash flows. The Company has estimated the probability distribution of the future cash flows, and the additional amount above the expected present value of future cash flows required to meet the target percentiles.

(Expressed in thousands of Trinidad and Tobago Dollars)

	2024 $	2023 $
4. Cash and Cash Equivalents		
Cash on hand	9	9
Cash at bank	35,228	31,181
Cash with investment broker	673	710
	35,910	**31,900**
5. Investments Securities		
Measured at fair value through other comprehensive income		
Government debt instruments	86,641	72,808
Corporate debt instruments	56,347	55,285
Quoted shares	32,286	37,481
Mutual funds	15,514	15,328
	190,788	**180,902**
Measured at amortised cost		
Government debt instruments	34,313	34,313
Deposits	23,736	18,187
Repurchase agreements	17,417	12,214
	75,466	**64,714**
Total investment securities	**266,254**	**245,616**

Bonds and securities pledged with the Inspector of Financial Institutions amounted to $34,313 at 31 December 2024 (2023: $34,313).

In addition, $13,302 (2023: $20,447) of term deposits and repurchase agreements totalling $41,154 (2023: $30,400) at 31 December 2024 are pledged with the Inspector of Financial Institutions.

(Expressed in thousands of Trinidad and Tobago Dollars)

	2024 $	2023 $
6. Other Financial Assets		
Accounts receivables – Agents and Brokers	20,838	23,534
Income receivable	2,434	2,518
Prepayments	8	7
Amounts due from reinsurers		
- New India, Mumbai	-	551
- Other reinsurers	-	555
Other receivables	381	5,339
	23,661	**32,504**

7. Taxation

(i) Deferred tax asset

	2024 $	2023 $
The deferred tax asset is attributable to:		
Gratuity provision	-	(297)
Statutory losses	-	297
	-	**-**

(ii) The movement in the deferred tax asset is as follows:

	2024 $	2023 $
Balance at beginning of year	-	927
Gratuity provision	-	(630)
Statutory losses	-	(297)
	-	-

(iii) Deferred tax liability

	2024 $	2023 $
The deferred tax liability is attributable to:		
Property, plant and equipment	(4,398)	(4,291)
	(4,398)	**(4,291)**

(iv) The movement in the deferred tax liability is as follows:

	2024 $	2023 $
Balance at the beginning of the year	(4,291)	(4,048)
Property, plant and equipment	(107)	(243)
	(4,398)	**(4,291)**

(Expressed in thousands of Trinidad and Tobago Dollars)

7. Taxation (continued)

(v) Taxation expense

The following is a break-down of taxation expense:

	2024 $	2023 $
Current year – Provision of taxation	726	1,709
Deferred tax expense relating to the origination/reversal of temporary differences	108	1,169
Prior year adjustment to corporation tax	227	271
	1,061	**3,149**

The following is a reconciliation between tax and accounting profit multiplied by the applicable tax rate:

	2024 $	2023 $
Profit before tax	(3,851)	5,567
Tax at the applicable rate	1,028	2,760
Net tax effect of items disallowed for tax purposes	(194)	(681)
Prior year under provision deferred tax	-	800
Prior year under provision tax	227	270
	1,061	**3,149**

(Expressed in thousands of Trinidad and Tobago Dollars)

8. Property and Equipment

	Land & Building $	Right-of-use Asset $	Leasehold Improvements $	Office Equipment & Motor Vehicles $	Work in Progress	Total $
Cost						
At 1 January 2024	45,028	2,724	421	8,230	1,583	57,986
Additions during	-	429	-	501	200	1,130
Write-off during	-	94	-	(342)	277	29
At 31 December 2024	**45,028**	**3,247**	**421**	**8,389**	**2,060**	**59,145**
Depreciation						
At 1 January 2024	7,047	1,060	347	6,512	–	14,966
Charge	641	641	34	452	-	1,768
Write-off	-	1	-	(150)	-	(149)
At 31 December 2024	**7,688**	**1,702**	**381**	**6,814**	**-**	**16,585**
Net written down value at 31 December 2024	**37,340**	**1,545**	**40**	**1,575**	**2,060**	**42,560**
Cost						
At 1 January 2023	45,028	2,743	421	7,844	625	56,661
Additions	–	303	–	390	958	1,651
Write-off	–	(322)	–	(4)	–	(326)
At 31 December 2023	**45,028**	**2,724**	**421**	**8,230**	**1,583**	**57,986**
Depreciation						
At 1 January 2023	6,406	769	305	6,043	–	13,523
Charge	641	605	42	470	–	1,758
Write-off	–	(314)	–	(1)	–	(315)
At 31 December 2023	**7,047**	**1,060**	**347**	**6,512**	**–**	**14,966**
Net written down value at 31 December 2023	**37,981**	**1,664**	**74**	**1,718**	**1,583**	**43,020**

(Expressed in thousands of Trinidad and Tobago Dollars)

	2024 $	2023 $
9 (a) Stated Capital		
Authorised		
22,000,000 shares of no-par value		
Issued and fully paid		
17,418,946 shares of no-par value	**17,618**	**17,618**

(b) Dividends paid and proposed	**$**	**$**
Declared and/or paid during the year		
Equity dividends on ordinary shares:		
Final dividend for 2023: $0.10 (2022: $0.20)	1,742	3,484
Proposed:		
Dividend proposed for 2024: $Nil (2023: $0.10)	-	1,742

10. Other Financial Liabilities

Sundry creditors and accruals	4,898	5,599
Lease liability	1,626	1,782
Amounts due to reinsurers:		
New India, Mumbai	560	-
Other reinsurers	17,928	17,480
Employee benefits obligation	5,727	5,413
	30,739	**30,274**

(Expressed in thousands of Trinidad and Tobago Dollars)

10. Other Financial Liabilities (continued)

The Company has lease contracts for various items of property used in its operations. Leases of property generally have lease terms between 3 and 5 years.

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Office premises $	Residential accommodation $	Total $
Lease liabilities as at 1 January 2024	1,576	205	1,781
Additions	523		523
Accretion of interest	130	9	139
Payments	(656)	(162)	(818)
Lease liabilities as at 31 December 2024	1,573	52	1,625

	Office premises $	Residential accommodation $	Total $
Lease liabilities as at 1 January 2023	1,999	52	2,051
Additions	–	303	303
Accretion of interest	156	12	168
Payments	(579)	(162)	(741)
Lease liabilities as at 31 December 2023	1,576	205	1,781

	2024 $	2023 $
Maturity analysis:		
Current	783	742
Non-current	842	1,040
Short term lease expense	512	512

Refer to Note 8 for the carrying amounts of right-of-use assets recognised and the movements during the year.

(Expressed in thousands of Trinidad and Tobago Dollars)

11. Insurance Contracts Liabilities

	2024				
	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component $	Loss component $	Present value of future cash flows $	Risk adjustment for non-financial risk $	Total $
Opening Insurance Contract Liabilities	80,871	–	90,526	9,471	180,868
Net balance as at January 1	**80,871**	**–**	**90,526**	**9,471**	**180,868**
Insurance revenue from PAA contracts	(170,931)	–	–	–	(170,931)
Insurance service expense					
Incurred Claims	–	–	19,833	–	19,833
Changes that relate to past service – adjustments to the LIC	–	–	63,790	3,004	66,794
Other directly attributable expenses	–	–	20,857	–	20,857
Insurance acquisition	28,590	–	–	–	28,590
Total Insurance service expense	**28,590**	**–**	**104,480**	**3,004**	**136,074**
Insurance service result	**(142,341)**	**–**	**104,480**	**3,004**	**(34,857)**
Finance income from insurance contracts issued	–	–	(3,881)	–	(3,881)
Total amounts recognised in comprehensive income	**(142,341)**	**–**	**100,599**	**3,004**	**(38,738)**
Cash flows					
Premiums received	185,658	–	–	–	185,658
Claims paid	–	–	(52,668)	–	(52,668)
Insurance acquisition cash flows	(28,590)	–	–	–	(28,590)
Other directly attributable expenses paid	–	–	(20,857)	–	(20,857)
Total cash flows	**157,068**	**–**	**(73,525)**	**–**	**83,543**
Exchange rate adjustment	15	–	397	18	429
Closing insurance contract liabilities	**95,613**	**–**	**117,997**	**12,493**	**226,103**
Net balance as at December 31	**95,613**	**–**	**117,997**	**12,493**	**226,103**

(Expressed in thousands of Trinidad and Tobago Dollars)

11. Insurance Contracts (continued)

	2023				
	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component $	Loss component $	Present value of future cash flows $	Risk adjustment for non-financial risk $	Total $
Opening Insurance Contract Liabilities	67,462	–	80,142	4,918	152,523
Net balance as at January 1	**67,462**	**–**	**80,142**	**4,918**	**152,523**
Insurance revenue from PAA contracts	(141,682)	–	–	–	(141,682)
Insurance service expense					–
Incurred Claims	–	–	61,898	–	61,898
Changes that relate to past service – adjustments to the LIC	–	–	215	4,588	4,803
Other directly attributable expenses	–	–	17,780	–	17,780
Insurance acquisition	24,562				24,562
Total Insurance service expense	**24,562**	**–**	**79,893**	**4,588**	**109,043**
Insurance service result	**(117,120)**	**–**	**79,893**	**4,588**	**(32,639)**
Finance income from insurance contracts issued	–	–	(3,276)	–	(3,276)
Total amounts recognised in income	**(117,120)**	**–**	**76,617**	**4,588**	**(35,915)**
Cash flows					
Premiums received	155,212	–	–	–	155,212
Claims paid	–	–	(47,980)	–	(47,980)
Insurance acquisition cash flows	(24,562)	–	–	–	(24,562)
Other directly attributable expenses paid	–	–	(17,780)	–	(17,780)
Total cash flows	**130,650**	**–**	**(65,760)**	**–**	**64,890**
Exchange rate adjustment	(121)	–	(473)	(35)	(629)
Net balance as at December 31	**80,871**	**–**	**90,526**	**9,471**	**180,868**

(Expressed in thousands of Trinidad and Tobago Dollars)

11. Insurance Contracts Liabilities (continued)

Insurance contracts liabilities can be analysed as follows:

11 (a) Fire Insurance

	2024				
	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component $	Loss component $	Present value of future cash flows $	Risk adjustment for non-financial risk $	Total $
Opening Insurance Contract Liabilities	34,936	–	19,243	2,382	56,561
Net balance as at January 1	**34,936**	**–**	**19,243**	**2,382**	**56,561**
Insurance revenue from contracts measured under the PAA	(69,374)	–	–	–	(69,374)
Insurance service expense					
Incurred Claims	–	–	3,460	–	3,460
Changes that relate to past service – adjustments to the LIC	–	–	13,415	1,273	14,688
Other directly attributable expenses	–	–	4,946	–	4,946
Insurance acquisition expenses	11,390	–	–	–	11,389
Total Insurance service expense	**11,390**	**–**	**21,821**	**1,273**	**34,484**
Insurance service result	**(57,984)**	**–**	**21,821**	**1,273**	**(34,890)**
Finance income from insurance contracts issued	–	–	(645)	–	(645)
Total amounts recognized in comprehensive income	**(57,984)**	**–**	**21,176**	**1,273**	**(35,535)**
Cash flows					
Premiums received	70,096	–	–	–	70,096
Claims paid	–	–	(4,945)	–	(4,945)
Insurance acquisition cash flows	(11,390)	–	–	–	(11,390)
Other directly attributable expenses paid	–	–	(4,950)	–	(4,950)
Total cash flows	**58,706**	–	**(9,895)**	**–**	**48,811**
Exchange rate adjustment	17	–	11	1	29
Closing insurance contracts liabilities	35,675	–	30,535	3,656	69,866
Net balance as at December 31	**35,675**	**–**	**30,535**	**3,656**	**69,866**

(Expressed in thousands of Trinidad and Tobago Dollars)

11. Insurance Contracts Liabilities (continued)

Insurance contracts liabilities can be analysed as follows: (continued)

11 (a) Fire Insurance (continued)

2023

	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component $	**Loss component $**	**Present value of future cash flows $**	**Risk adjustment for non-financial risk $**	**Total $**
Opening Insurance Contract Liabilities	31,730	–	6,606	392	38,728
Net balance as at January 1	**31,730**	**–**	**6,606**	**392**	**38,728**
Insurance revenue from PAA contracts	(63,802)	–	–	–	(63,802)
Insurance service expense					
Incurred claims	–	–	21,113	–	21,113
Changes that relate to past service – adjustments to the LIC	–	–	(475)	2,361	1,886
Other directly attributable expenses	–	–	4,986	–	4,986
Insurance acquisition expenses	10,967		–	–	10,967
Total Insurance service expense	**10,967**	**–**	**25,624**	**2,361**	**38,952**
Insurance service result	**(52,835)**	**–**	**25,624**	**2,361**	**(24,850)**
Finance income from insurance contracts issued	–	–	(668)	–	(668)
Total amounts recognized in income	**(52,835)**	**–**	**24,956**	**2,361**	**(25,518)**
Cash flows					
Premiums received	67,079	–	–	–	67,079
Claims paid	–	–	(7,344)	–	(7,344)
Insurance acquisition cash flows	(10,967)	–	–	–	(10,967)
Other directly attributable expenses paid	–	–	(4,986)	–	(4,986)
Total cash flows	**56,112**	**–**	**(12,330)**	**–**	**43,782**
Exchange rate adjustment	(71)	–	11	(371)	(432)
Net balance as at December 31	**34,936**	**–**	**19,243**	**2,382**	**56,561**

(Expressed in thousands of Trinidad and Tobago Dollars)

11. Insurance Contracts Liabilities(continued)

Insurance contracts liabilities can be analysed as follows: (continued)

11 (b) Property Insurance other than fire

	2024				
	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component $	Loss component $	Present value of future cash flows $	Risk adjustment for non-financial risk $	Total $
Opening Insurance Contract Liabilities	**614**	**–**	**359**	**31**	**1,004**
Net balance as at January 1	**614**	**–**	**359**	**31**	**1,004**
Insurance revenue from contracts measured under the PAA	(1,149)	–	–	–	(1,149)
Insurance service expense					
Incurred Claims			(240)		(240)
Changes that relate to past service – adjustments to the LIC	–	–	149	2	151
Other directly attributable expenses	–	–	131	–	131
Insurance acquisition expenses	165	–	–	–	165
Total Insurance service expense	**165**	**–**	**40**	**2**	**207**
Insurance service result	**(984)**	**–**	**40**	**2**	**(942)**
Finance income from insurance contracts issued	–	–	9	–	9
Total amounts recognized in comprehensive income	**(984)**	**–**	**49**	**2**	**(933)**
Cash flows					
Premiums received	1,232	–	–	–	1,232
Claims paid	–	–	(68)	–	(68)
Insurance acquisition cash flows	(165)	–	–	–	(165)
Other directly attributable expenses paid	–	–	(131)	–	(131)
Total cash flows	**1,067**	**–**	**(199)**	**–**	**868**
Exchange rate adjustment	–	–	80	–	80
Closing Insurance Contract Liabilities	**697**	**–**	**289**	**33**	**1,019**
Net balance as at December 31	**697**	**–**	**289**	**33**	**1,019**

(Expressed in thousands of Trinidad and Tobago Dollars)

11. Insurance Contracts Liabilities (continued)

Insurance contracts liabilities can be analysed as follows: (continued)

11 (b) Property Insurance other than fire (continued)

	2023				
	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component $	Loss component $	Present value of future cash flows $	Risk adjustment for non-financial risk $	Total $
Opening Insurance Contract Liabilities	663	–	278	14	955
Net balance as at January 1	**663**	**–**	**278**	**14**	**955**
Insurance revenue from PAA contracts	(1,138)	–	–	–	(1,138)
Insurance service expense					
Incurred claims	–	–	344	–	344
Changes that relate to past service – adjustments to the LIC	–	–	(82)	36	(46)
Other directly attributable expenses	–	–	122	–	122
Insurance acquisition expenses	146	–	–	–	146
Total Insurance service expense	**146**	**–**	**384**	**36**	**566**
Insurance service result	**(992)**	**–**	**384**	**36**	**(572)**
Finance income from insurance contracts issued	–	–	(24)	–	(24)
Total amounts recognized in income	**(992)**	**–**	**360**	**36**	**(596)**
Cash flows					
Premiums received	1,090	–	–	–	1,090
Claims paid	–	–	(160)	–	(160)
Insurance acquisition cash flows	(146)	–	–	–	(146)
Other directly attributable expenses paid	–	–	(122)		(122)
Total cash flows	**944**	**–**	**(282)**	**–**	**662**
Exchange rate adjustment	(1)	–	3	(19)	(18)
Net balance as at December 31	**614**	**–**	**359**	**31**	**1,004**

(Expressed in thousands of Trinidad and Tobago Dollars)

11. Insurance Contracts Liabilities (continued)

Insurance contracts liabilities can be analysed as follows: (continued)

11 (c) Motor vehicle

	2024				
	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component $	Loss component $	Present value of future cash flows $	Risk adjustment for non-financial risk $	Total $
Opening Insurance Contract Liabilities	41,055	–	65,221	6,154	112,430
Net balance as at January 1	**41,055**	**–**	**65,221**	**6,154**	**112,430**
Insurance revenue from contracts measured under the PAA	(91,246)	–	–	–	(91,246)
Insurance service expense					
Incurred claims	–	–	14,706	–	14,706
Changes that relate to past service – adjustments to the LIC	–	–	45,697	965	46,662
Other directly attributable expenses	–	–	14,714	–	14,714
Insurance acquisition expenses	15,922	–	–	–	15,922
Total Insurance service expense	**15,922**	**–**	**75,117**	**965**	**92,004**
Insurance service result	**(75,324)**	**–**	**75,117**	**965**	**758**
Finance income from insurance contracts issued	–	–	(2,637)	–	(2,637)
Total amounts recognized in comprehensive income	**(75,324)**	**–**	**72,480**	**965**	**(1,879)**
Cash flows					
Premiums received	104,259	–	–	–	104,259
Claims paid	–	–	(45,790)	–	(45,790)
Insurance acquisition cash flows	(15,922)	–	–	–	(15,922)
Other directly attributable expenses paid	–	–	(14,714)	–	(14,714)
Total cash flows	**88,337**	**–**	**(60,504)**	**–**	**27,833**
Exchange rate adjustment	(3)	–	310	17	324
Closing Insurance Contract Liabilities	**54,065**	**–**	**77,507**	**7,136**	**138,708**
Net balance as at December 31	**54,065**	**–**	**77,507**	**7,136**	**138,708**

Notes to The Financial Statements
For the Year Ended 31 December 2024
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11. Insurance Contracts (continued)

Insurance contracts liabilities can be analysed as follows: (continued)

11 (c) Motor vehicle (continued)

2023

	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component $	Loss component $	Present value of future cash flows $	Risk adjustment for non-financial risk $	Total $
Opening Insurance Contract Liabilities	32,652	–	68,089	4,188	104,929
Net balance as at January 1	**32,652**	**–**	**68,089**	**4,188**	**104,929**
Insurance revenue from PAA contracts	(71,397)	–	–	–	(71,397)
Insurance service expense					
Incurred claims	–	–	39,965	–	39,965
Changes that relate to past service – adjustments to the LIC	–	–	(978)	1,302	324
Other directly attributable expenses	–	–	11,870	–	11,870
Insurance acquisition expenses	12,618	–	–	–	12,618
Total Insurance service expense	**12,618**	**–**	**50,857**	**1,302**	**64,777**
Insurance service result	**(58,779)**	**–**	**50,887**	**1,302**	**(6,620)**
Finance income from insurance contracts issued	–	–	(2,168)	–	(2,168)
Total amounts recognized in income	**(58,779)**	**–**	**48,689**	**1,302**	**(8,788)**
Cash flows					
Premiums received	79,844	–	–	–	79,844
Claims paid	–	–	(39,102)	–	(39,102)
Insurance acquisition cash flows	(12,618)	–	–	–	(12,618)
Other directly attributable expenses paid	–	–	(11,870)	–	(11,870)
Total cash flows	**67,226**	**–**	**(50,972)**	**–**	**16,254**
Exchange rate adjustment	(44)	–	(586)	665	35
Net balance as at December 31	**41,055**	**–**	**65,220**	**6,155**	**112,430**

(Expressed in thousands of Trinidad and Tobago Dollars)

11. Insurance Contracts (continued)

Insurance contracts liabilities can be analysed as follows: (continued)

11 (d) Liability and workmen's compensation

	2024				
	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component $	Loss component $	Present value of future cash flows $	Risk adjustment for non-financial risk $	Total $
Opening Insurance Contract Liabilities	3,246	–	5,423	865	9,534
Net balance as at January 1	**3,246**	**–**	**5,423**	**865**	**9,534**
Insurance revenue from PAA contracts	(7,381)	–	–	–	(7,381)
Insurance service expense					
Incurred claims	–	–	1,977	–	1,977
Changes that relate to past service – adjustments to the LIC	–	–	4,371	784	5,155
Other directly attributable expenses	–	–	913	–	913
Insurance acquisition expenses	954	–	–	–	954
Total Insurance service expense	**954**	**–**	**7,261**	**784**	**8,999**
Insurance service result	**(6,427)**	**–**	**7,261**	**784**	**1,618**
Finance income from insurance contracts issued	–	–	(624)	–	(624)
Total amounts recognized in income	**(6,427)**	**–**	**6,637**	**784**	**994**
Cash flows					
Premiums received	8,628	–	–	–	8,628
Claims paid	–	–	(1,747)	–	(1,747)
Insurance acquisition cash flows	(954)	–	–	–	(954)
Other directly attributable expenses paid	–	–	(913)	–	(913)
Total cash flows	**7,674**	**–**	**(2,661)**	**–**	**5,014**
Exchange rate adjustment	3	–	1	–	4
Net balance as at December 31	**4,496**	**–**	**9,401**	**1,649**	**15,546**

(Expressed in thousands of Trinidad and Tobago Dollars)

11. Insurance Contracts (continued)

Insurance contracts liabilities can be analysed as follows: (continued)

11 (d) Liability and workmen's compensation (continued)

	2023				
	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component $	Loss component $	Present value of future cash flows $	Risk adjustment for non-financial risk $	Total $
Opening Insurance Contract Liabilities	1,885	–	4,868	306	7,059
Net balance as at January 1	**1,885**	**–**	**4,868**	**306**	**7,059**
Insurance revenue from PAA contracts	(3,887)	–	–	–	(3,887)
Insurance service expense					
Incurred claims	–	–	436	–	436
Changes that relate to past service – adjustments to the LIC	–	–	1,614	849	2,463
Other directly attributable expenses	–	–	585	–	585
Insurance acquisition expenses	614	–	–	–	614
Total Insurance service expense	**614**	**–**	**2,635**	**849**	**4,098**
Insurance service result	**(3,273)**	**–**	**2,635**	**849**	**211**
Finance income from insurance contracts issued	–	–	(393)	–	(393)
Total amounts recognized in income	**(3,273)**	**–**	**2,242**	**849**	**(182)**
Cash flows					
Premiums received	5,251	–	–	–	5,251
Claims paid	–	–	(1,191)	–	(1,191)
Insurance acquisition cash flows	(614)	–	–	–	(614)
Other directly attributable expenses paid	–	–	(585)	–	(585)
Total cash flows	**4,637**	**–**	**(1,776)**	**–**	**2,860**
Exchange rate adjustment	(1)	–	89	(290)	(203)
Net balance as at December 31	**3,246**	**–**	**5,423**	**865**	**9,534**

(Expressed in thousands of Trinidad and Tobago Dollars)

11. Insurance Contracts (continued)

Insurance contracts liabilities can be analysed as follows: (continued)

11 (e) Miscellaneous

	2024				
	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component $	**Loss component $**	**Present value of future cash flows $**	**Risk adjustment for non-financial risk $**	**Total $**
Opening Insurance Contract Liabilities	1,020	–	281	38	1,339
Net balance as at January 1	**1,020**	**–**	**281**	**38**	**1,339**
Insurance revenue from PAA contracts	(1,780)	–	–	–	(1,780)
Insurance service expense					
Incurred claims	–	–	(71)	–	(71)
Changes that relate to past service – adjustments to the LIC	–	–	158	(21)	137
Other directly attributable expenses	–	–	153	–	153
Insurance acquisition expenses	160	–	–	–	160
Total Insurance service expense	**160**	**–**	**240**	**(21)**	**379**
Insurance service result	**(1,620)**	**–**	**240**	**(21)**	**(1,401)**
Finance income from insurance contracts issued	–	–	16	–	16
Total amounts recognized in income	**(1,620)**	**–**	**256**	**(21)**	**(1,385)**
Cash flows					
Premiums received	1,443	–	–	–	1,443
Claims paid	–	–	(117)	–	(117)
Insurance acquisition cash flows	(160)	–	–	–	(160)
Other directly attributable expenses paid	–	–	(153)	–	(153)
Total cash flows	**1,283**	**–**	**(270)**	–	**1,013**
Exchange rate adjustment	1	–	(4)	–	(3)
Net balance as at December 31	**684**	**–**	**263**	**17**	**964**

(Expressed in thousands of Trinidad and Tobago Dollars)

11. Insurance Contracts (continued)

Insurance contracts liabilities can be analysed as follows: (continued)

11 (e) Miscellaneous (continued)

2023

	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component $	**Loss component $**	**Present value of future cash flows $**	**Risk adjustment for non-financial risk $**	**Total $**
Opening Insurance Contract Liabilities	532	–	301	18	851
Net balance as at January 1	**532**	**–**	**301**	**18**	**851**
Insurance revenue from PAA contracts	(1,459)	–	–	–	(1,459)
Insurance service expense					
Incurred claims	–	–	39	–	39
Changes that relate to past service – adjustments to the LIC	–	–	136	40	176
Other directly attributable expenses	–	–	217	–	217
Insurance acquisition expenses	217	–	–	–	217
Total Insurance service expense	**217**	**–**	**392**	**40**	**649**
Insurance service result	**(1,242)**	**–**	**392**	**40**	**(810)**
Finance income from insurance contracts issued	–	–	(24)	–	(24)
Total amounts recognized in income	**(1,242)**	**–**	**368**	**40**	**(834)**
Cash flows					
Premiums received	1,948	–	–	–	1,948
Claims paid	–	–	(183)	–	(183)
Insurance acquisition cash flows	(217)	–	–	–	(217)
Other directly attributable expenses paid	–	–	(217)	–	(217)
Total cash flows	**1,731**	**–**	**(400)**	**–**	**1,331**
Exchange rate adjustment	(1)	–	12	(20)	(9)
Net balance as at December 31	**1,020**	**–**	**281**	**38**	**1,339**

(Expressed in thousands of Trinidad and Tobago Dollars)

11. Insurance Contracts Liabilities (continued)

11 (d) Claims development table (Gross undiscounted liabilities excluding IBNR)

Business class: Fire

Loss year		Development year $ 1	2	3	4	5	6	7	Total
2018	Paid	1,915	4,175	71	23	60	1	7	6,252
	O/s	7,283	641	266	81	56	4	11	8,342
2019	Paid	1,409	1,041	370	41	175	1		3,037
	O/s	1,615	1,197	474	450	20	20		3,776
2020	Paid	1,031	810	78	0	1			1,920
	O/s	3,927	2,621	2,634	2,562	2,570			14,314
2021	Paid	1,210	1,751	185	22				3,168
	O/s	2,276	58	45	60				2,439
2022	Paid	442	3,038	215					3,695
	O/s	2,214	324	96					2,634
2023	Paid	3,927	728						4,655
	O/s	14,953	14,308						29,261
2024	Paid	3,970							3,970
	O/s	3,726							3,726
Gross estimates of the undiscounted amount of the claims									20,791
Effect of discounting									1,313
Total gross liabilities for incurred claims									19,478

Business class: Motor

Loss year		Development year $ 1	2	3	4	5	6	7	Total
2018	Paid	18,678	6,395	1,369	1,054	3,048	2,125	2,489	35,158
	O/s	7,068	5,402	8,461	10,026	7,413	5,103	17,283	60,756
2019	Paid	16,301	5,677	2,540	4,176	1,773	1,908		32,375
	O/s	8,212	10,189	10,249	6,311	6,306	4,779		46,046
2020	Paid	13,400	3,997	2,823	1,478	1,252			22,950
	O/s	7,181	7,120	5,688	4,316	2,819			27,124
2021	Paid	13,608	7,784	1,837	1,762				24,991
	O/s	9,680	7,008	4,520	5,521				26,729
2022	Paid	17,525	10,060	2,005					29,590
	O/s	9,306	6,681	5,976					21,963
2023	Paid	19,678	9,921						29,599
	O/s	10,810	11,013						21,823
2024	Paid	26,447							26,447
	O/s	16,438							16,438
Gross estimates of the undiscounted amount of the claims									63,829
Effect of discounting									6,428
Total gross liabilities for incurred claims									57,401

(Expressed in thousands of Trinidad and Tobago Dollars)

11. Insurance Contracts Liabilities (continued)

11 (d) Claims development table (Gross undiscounted liabilities excluding IBNR) (continued)

Business class: Miscellaneous

Loss year		Development year $ 1	2	3	4	5	6	7	Total
2018	Paid	592	480	29	59	9	7	335	1,511
	O/s	709	487	85	244	241	252	2,213	4,231
2019	Paid	220	198	34	180	443	202		1,277
	O/s	558	402	373	322	357	194		2,206
2020	Paid	319	151	19	98	450			1,037
	O/s	536	478	437	304	379			2,134
2021	Paid	250	260	151	216				877
	O/s	789	987	625	361				2,762
2022	Paid	304	283	363					950
	O/s	322	659	508					1,489
2023	Paid	149	196						345
	O/s	347	578						925
2024	Paid	169							169
	O/s	810							810
Gross estimates of the undiscounted amount of the claims									5,042
Effect of discounting									1,040
Total gross liabilities for incurred claims									4,002

11 (e) Claims development table (Net claims excluding IBNR)

Business class: Fire

Loss year		Development year $ 1	2	3	4	5	6	7	Total
2018	Paid	1,093	890	13	5	18	0	7.12	2,026.12
	O/s	1,690	156	100	27	21	1	3	1,998
2019	Paid	539	386	51	14	88	0		1,078
	O/s	548	464	232	221	10	10		1,485
2020	Paid	357	345	6	0	0			708
	O/s	701	144	140	136	136			1,257
2021	Paid	512	573	34	4				1,123
	O/s	714	16	15	22				767
2022	Paid	103	878	72					1,053
	O/s	569	90	19					678
2023	Paid	443	133						576
	O/s	690	657						1,347
2024	Paid	1,022							1,022
	O/s	856							856

Net estimates of the undiscounted amount of the claims	1,703
Effect of discounting	1.27
Total Net liabilities for incurred claims	1,702

(Expressed in thousands of Trinidad and Tobago Dollars)

11. Insurance Contracts Liabilities (continued)

11 (e) Claims development table (Net claims excluding IBNR) (continued)

Business class: Motor

Loss year		Development year $ 1	2	3	4	5	6	7	Total
2018	Paid	18,677	6,390	1,369	1,054	3,041	1,788	1,573	33,892
	O/s	7,013	5,192	7,628	7,529	5,247	2,990	6,058	41,657
2019	Paid	16,301	5,440	2,540	3,403	1,773	1,605		31,062
	O/s	7,867	8,692	8,543	5,481	4,861	3,125		38,569
2020	Paid	13,400	4,329	2,614	1,463	1,176			22,982
	O/s	7,179	6,741	4,392	3,207	2,333			23,852
2021	Paid	13,614	7,751	1,837	1,446				24,648
	O/s	9,029	5,709	3,942	4,196				22,876
2022	Paid	17,471	10,035	1,994					29,500
	O/s	9,306	6,547	5,530					21,383
2023	Paid	19,678	9,770						29,448
	O/s	10,108	9,292						19,400
2024	Paid	26,482							26,482
	O/s	16,183							16,183
Net estimates of the undiscounted amount of the claims									46,717
Effect of discounting									6.44
Total Net liabilities for incurred claims									46,711

Business class: Miscellaneous

Loss year		Development year $ 1	2	3	4	5	6	7	Total
2018	Paid	176	99	4	55	9	7	335	685
	O/s	300	362	82	134	136	410	1,482	2,906
2019	Paid	42	73	30	180	418	202		945
	O/s	297	383	354	322	210	194		1,760
2020	Paid	126	148	19	94	449			836
	O/s	489	389	383	126	97			1,484
2021	Paid	120	167	151	184				622
	O/s	516	806	597	348				2,267
2022	Paid	214	117	357					688
	O/s	278	612	454					1,344
2023	Paid	36	186						222
	O/s	114	506						620
2024	Paid	106							106
	O/s	667							667
Net estimates of the undiscounted amount of the claims									3,748
Effect of discounting									1025.077
Total Net liabilities for incurred claims									2,723

(Expressed in thousands of Trinidad and Tobago Dollars)

12. Reinsurance Contract Assets

	.2024			
	Asset for remaining coverage	**Liability for incurred claims**		
		Present value of future cash flows	**Risk adjustment for non-financial risk**	**Total**
	$	**$**	**$**	**$**
Opening Reinsurance Contract Assets	(28,431)	(35,713)	(2,652)	(66,796)
Net balance as at January 1	**(28,431)**	**(35,712)**	**(2,652)**	**(66,796)**
Net (income)/expenses from Reinsurance contracts held				
Reinsurance expenses from PAA Contracts	74,992	-	-	74,992
Reinsurance commission received	(14,420)	-	-	(14,420)
Other directly attributable expenses				
Claims recovered	-	(6,013)	-	(6,013)
Changes that relate to past service – adjustments to incurred claims	-	(10,282)	-	(10,282)
Changes that relate to future services – changes in cash flows				
Effect of changes in the risk of reinsurers non-performance	-	-	(767)	(767)
Net (income)/expenses from Reinsurance contracts held	**60,572**	**(16,295)**	**(767)**	**43,510**
Finance expenses from insurance contracts issued	-	388	-	388
Total amounts recognized in income	**60,572**	**(15,907)**	**(767)**	**43,898**
Cash flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	(60,700)	-	-	(60,700)
Recoveries from reinsurance	-	4,979	-	4,979
Total cash flows	**(60,700)**	**4,979**	**-**	**(55,721)**
Exchange rate adjustment	(13)	(362)	(16)	(391)
Net balance as at December 31	**(28,572)**	**(47,003)**	**(3,435)**	**(79,010)**

(Expressed in thousands of Trinidad and Tobago Dollars)

12. Reinsurance Contract Assets (continued)

	2023			
		Liability for incurred claims		
	Asset for remaining coverage	Present value of future cash flows	Risk adjustment for non-financial risk	Total
	$	$	$	$
Opening Reinsurance Contract Assets	(25,268)	(23,861)	(1,269)	(50,398)
Net balance as at January 1	**(25,268)**	**(23,861)**	**(1,269)**	**(50,398)**
Net (income) expenses from Reinsurance contracts held				
Reinsurance expenses from PAA Contracts	66,122	–	–	66,122
Reinsurance commission received	(13,668)	–	–	(13,668)
Other directly attributable expenses	–	–	–	–
Claims recovered	–	(20,354)	–	(20,354)
Changes that relate to past service – adjustments to incurred claims	–	459	–	459
Changes that relate to future services – changes in cash flows	–	–	–	–
Effect of changes in the risk of reinsurers non-performance	–	–	(1,410)	(1,410)
Net (income) expenses from Reinsurance contracts held	**52,454**	**(19,895)**	**(1,410)**	**31,149**
Finance expenses from insurance contracts issued	–	324	–	324
Total amounts recognized in income	**52,454**	**(19,571)**	**(1,410)**	**31,473**
Cash flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	(55,675)	–	–	(55,675)
Recoveries from reinsurance	–	7,326	–	7,326
Total cash flows	**(55,675)**	**7,326**	**–**	**(48,349)**
Exchange rate adjustment	58	393	27	478
Net balance as at December 31	**(28,431)**	**(35,713)**	**(2,652)**	**(66,796)**

(Expressed in thousands of Trinidad and Tobago Dollars)

12. Reinsurance Contract Assets (continued)

12 (a) Fire insurance

	2024			
	Asset for remaining coverage	Liability for incurred claims: Present value of future cash flows	Liability for incurred claims: Risk adjustment for non-financial risk	Total
	$	$	$	$
Opening Reinsurance Contract Assets	(26,692)	(18,198)	(2,254)	(47,144)
Net balance as at January 1	**(26,692)**	**(18,198)**	**(2,254)**	**(47,144)**
Net income (expenses) from Reinsurance contracts held				
Reinsurance expenses from PAA contracts	63,519	-	-	63,519
Reinsurance commission received	(13,325)	-	-	(13,325)
Other directly attributable expenses	-	-	-	-
Claims recovered	-	(5,105)	-	(5,105)
Changes that relate to past service - adjustments to incurred claims	-	(8,858)	-	(8,858)
Changes that relate to future services - changes in cash flows	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	(1,167)	(1,167)
Net income (expenses) from Reinsurance contracts held	**50,194**	**(13,963)**	**(1,167)**	**35,064**
Finance expenses from insurance contracts issued	-	559	-	559
Total amounts recognised in income	**50,194**	**(13,404)**	**(1,167)**	**35,623**
Cash flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	(50,459)	-	-	(50,459)
Recoveries from reinsurance	-	3,707	-	3,707
Total cash flows	**(50,459)**	**3,707**	**-**	**(46,752)**
Exchange rate adjustment	(13)	(473)	25	(461)
Net balance as at December 31	**(26,970)**	**(28,368)**	**(3,396)**	**(58,734)**

(Expressed in thousands of Trinidad and Tobago Dollars)

12. Reinsurance Contract Assets (continued)

12 (a) Fire insurance (continued)

2023

	Asset for remaining coverage	Liability for incurred claims: Present value of future cash flows	Liability for incurred claims: Risk adjustment for non-financial risk	Total
	$	**$**	**$**	**$**
Opening Reinsurance Contract Assets	(23,943)	(5,440)	(325)	(29,708)
Net balance as at January 1	**(23,943)**	**(5,440)**	**(325)**	**(29,708)**
Net income (expenses) from Reinsurance contracts held				
Reinsurance expenses from PAA contracts	57,517	–	–	57,517
Reinsurance commission received	(12,680)	–	–	(12,680)
Other directly attributable expenses	–	–	–	–
Claims recovered	–	(19,350)	–	(19,350)
Changes that relate to past service - adjustments to incurred claims	–	59	–	59
Changes that relate to future services - changes in cash flows	–	–	–	–
Effect of changes in the risk of reinsurers non-performance	–	–	(2,032)	(2,032)
Net income (expenses) from Reinsurance contracts held	**44,837**	**(19,291)**	**(2,032)**	**23,514**
Finance expenses from insurance contracts issued	–	565	–	565
Total amounts recognised in income	**44,837**	**(18,726)**	**(2,032)**	**24,079**
Cash flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	(47,642)	–	–	(47,642)
Recoveries from reinsurance	–	5,900	–	5,900
Total cash flows	**(47,642)**	**5,900**	**–**	**(41,742)**
Exchange rate adjustment	56	67	104	227
Net balance as at December 31	**(26,692)**	**(18,199)**	**(2,253)**	**(47,144)**

(Expressed in thousands of Trinidad and Tobago Dollars)

12. Reinsurance Contract Assets (continued)

12 (b) Property insurance other than fire

	2024			
		Liability for incurred claims		
	Asset for remaining coverage	Present value of future cash flows	Risk adjustment for non-financial risk	Total
	$	$	$	$
Opening Reinsurance Contract Assets	(524)	(267)	(21)	(812)
Net balance as at January 1	**(524)**	**(267)**	**(21)**	**(812)**
Net income (expenses) from Reinsurance contracts held				
Reinsurance expenses from PAA contracts	922	-	-	922
Reinsurance commission received	(468)	-	-	(468)
Other directly attributable expenses	-	-	-	-
Claims recovered	-	126	-	126
Changes that relate to past service – adjustments to incurred claims	-	(512)	-	(512)
Changes that relate to future services – changes in cash flows	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	(4)	(4)
Net income (expenses) from Reinsurance contracts held	**454**	**(386)**	**(4)**	**64**
Finance expenses from insurance contracts issued	-	(5)	-	(5)
Total amounts recognized in income	**454**	**(391)**	**(4)**	**59**
Cash flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	(444)	-	-	(444)
Recoveries from reinsurance	-	56	-	56
Total cash flows	**(444)**	**56**	**-**	**(388)**
Exchange rate adjustment	-	387	0	387
Net balance as at December 31	**(514)**	**(215)**	**(25)**	**(754)**

(Expressed in thousands of Trinidad and Tobago Dollars)

12. Reinsurance Contract Assets (continued)

12 (b) Property insurance other than fire (continued)

	2023			
		Liability for incurred claims		
	Asset for remaining coverage	Present value of future cash flows	Risk adjustment for non-financial risk	Total
	$	$	$	$
Opening Reinsurance Contract Assets	(492)	(196)	(11)	(699)
Net balance as at January 1	**(492)**	**(196)**	**(11)**	**(699)**
Net income (expenses) from Reinsurance contracts held				
Reinsurance expenses from PAA contracts	831	–	–	831
Reinsurance commission received	(427)	–	–	(427)
Other directly attributable expenses	–	–	–	–
Claims recovered	–	(260)	–	(260)
Changes that relate to past service – adjustments to incurred claims	–	53	–	53
Changes that relate to future services – changes in cash flows	–	–	–	–
Effect of changes in the risk of reinsurers non-performance	–	–	(22)	(22)
Net income (expenses) from Reinsurance contracts held	**404**	**(207)**	**(22)**	**175**
Finance expenses from insurance contracts issued	–	16	–	16
Total amounts recognized in income	**404**	**(191)**	**(22)**	**191**
Cash flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	(437)	–	–	(437)
Recoveries from reinsurance	–	120	–	120
Total cash flows	**(437)**	**120**	**–**	**(317)**
Exchange rate adjustment	1	(1)	13	13
Net balance as at December 31	**(524)**	**(268)**	**(20)**	**(812)**

(Expressed in thousands of Trinidad and Tobago Dollars)

12. Reinsurance Contract Assets (continued)

12 (c) Motor vehicle

	2024			
	Asset for remaining coverage	Liability for incurred claims: Present value of future cash flows	Liability for incurred claims: Risk adjustment for non-financial risk	Total
	$	$	$	$
Opening Reinsurance Contract Assets	(8)	(16,273)	(347)	(16,628)
Net balance as at January 1	**(8)**	**(16,273)**	**(347)**	**(16,628)**
Net income (expenses) from Reinsurance contracts held				
Reinsurance expenses from PAA contracts	8,268	-	-	8,268
Reinsurance commission received	(13)	-	-	(13)
Other directly attributable expenses	-	-	-	-
Claims recovered	-	(355)	-	(355)
Changes that relate to past service - adjustments to incurred claims	-	(1,332)	-	(1,332)
Changes that relate to future services - changes in cash flows	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	363	363
Net income (expenses) from Reinsurance contracts held	**8,255**	**(1,687)**	**363**	**6,931**
Finance expenses from insurance contracts issued		(153)		(153)
Total amounts recognised in income	**8,255**	**(1,840)**	**363**	**6,778**
Cash flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	(8,302)	-	-	(8,302)
Recoveries from reinsurance	-	1,174	-	1,174
Total cash flows	**(8,302)**	**1,174**	**-**	**(7,128)**
Exchange rate adjustment	-	(277)	(16)	(293)
Net balance as at December 31	**(55)**	**(17,216)**	**-**	**(17,271)**

(Expressed in thousands of Trinidad and Tobago Dollars)

12. Reinsurance Contract Assets (continued)

12 (c) Motor vehicle (continued)

2023

	Asset for remaining coverage	Liability for incurred claims: Present value of future cash flows	Liability for incurred claims: Risk adjustment for non-financial risk	Total
	$	$	$	$
Opening Reinsurance Contract Assets	–	(17,269)	(881)	(18,150)
Net balance as at January 1	**–**	**(17,269)**	**(881)**	**(18,150)**
Net income (expenses) from Reinsurance contracts held				
Reinsurance expenses from PAA contracts	6,210	–	–	6,210
Reinsurance commission received	(2)	–	–	(2)
Other directly attributable expenses	–	–	–	–
Claims recovered	–	(712)	–	(712)
Changes that relate to past service - adjustments to incurred claims	–	579	–	579
Changes that relate to future services - changes in cash flows	–	–	–	–
Effect of changes in the risk of reinsurers non-performance	–	–	705	705
Net income (expenses) from Reinsurance contracts held	**6,208**	**(133)**	**705**	**6,780**
Finance expenses from insurance contracts issued	–	(278)	–	(278)
Total amounts recognised in income	**6,208**	**(411)**	**705**	**6,501**
Cash flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	(6,215)	–	–	(6,215)
Recoveries from reinsurance	–	1,056	–	1,056
Total cash flows	**(6,215)**	**1,056**	**–**	**(5,159)**
Exchange rate adjustment	(1)	351	(171)	1879
Net balance as at December 31	**(8)**	**(16,273)**	**(347)**	**(16,628)**

(Expressed in thousands of Trinidad and Tobago Dollars)

12. Reinsurance Contract Assets (continued)

12 (d) Liability & Workmen's Compensation

	2024			
		Liability for incurred claims		
	Asset for remaining coverage	Present value of future cash flows	Risk adjustment for non-financial risk	Total
	$	$	$	$
Opening Reinsurance Contract Assets	(361)	(719)	–	(1,080)
Net balance as at January 1	**(361)**	**(719)**	**–**	**(1,080)**
Net income (expenses) from Reinsurance contracts held				
Reinsurance expenses from PAA contracts	730	-	-	730
Reinsurance commission received	(166)	-	-	(166)
Other directly attributable expenses	-	-	-	-
Claims recovered	-	(744)	-	(744)
Changes that relate to past service – adjustments to incurred claims	-	476	-	476
Changes that relate to future services – changes in cash flows	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	-	-
Net income (expenses) from Reinsurance contracts held	**564**	**(268)**	**-**	**296**
Finance expenses from insurance contracts issued				
Total amounts recognized in income	**564**	**(268)**	**-**	**296**
Cash flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	(549)	-	-	(549)
Recoveries from reinsurance	-	-	-	-
Total cash flows	**(549)**	**-**	**-**	**(549)**
Exchange rate adjustment	(1)			(1)
Net balance as at December 31	**(347)**	**(987)**	**-**	**(1,334)**

(Expressed in thousands of Trinidad and Tobago Dollars)

12 Reinsurance Contract Assets (continued)

12 (d) Liability & workmen's compensation (continued)

2023

	Asset for remaining coverage	Liability for incurred claims: Present value of future cash flows	Liability for incurred claims: Risk adjustment for non-financial risk	Total
	$	$	$	$
Opening Reinsurance Contract Assets	(405)	(677)	(35)	(1,117)
Net balance as at January 1	**(405)**	**(677)**	**(35)**	**(1,117)**
Net income (expenses) from Reinsurance contracts held				
Reinsurance expenses from PAA contracts	427	–	–	427
Reinsurance commission received	(70)	–	–	(70)
Other directly attributable expenses	–	–	–	–
Claims recovered	–	–	–	–
Changes that relate to past service – adjustments to incurred claims	–	(121)	–	(121)
Changes that relate to future services – changes in cash flows	–	–	–	–
Effect of changes in the risk of reinsurers non-performance	–	–	(4)	(4)
Net income (expenses) from Reinsurance contracts held	**357**	**(121)**	**(4)**	**232**
Finance expenses from insurance contracts issued	–	2	–	2
Total amounts recognized in income	**357**	**(119)**	**(4)**	**234**
Cash flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	(314)	–	–	(314)
Recoveries from reinsurance	–	93	–	93
Total cash flows	**(314)**	**93**	**–**	**(221)**
Exchange rate adjustment	1	(16)	39	24
Net balance as at December 31	**(361)**	**(719)**	**–**	**(1,080)**

(Expressed in thousands of Trinidad and Tobago Dollars)

12. Reinsurance Contract Assets (continued)

12 (e) Miscellaneous

	2024			
		Liability for incurred claims		
	Asset for remaining coverage	Present value of future cash flows	Risk adjustment for non-financial risk	Total
	$	$	$	$
Opening Reinsurance Contract Assets	(846)	(256)	(30)	(1,132)
Net balance as at January 1	**(846)**	**(255)**	**(30)**	**(1,132)**
Net income (expenses) from Reinsurance contracts held				
Reinsurance expenses from PAA contracts	1,554	-	-	1,554
Reinsurance commission received	(449)	-	-	(449)
Other directly attributable expenses	-	-	-	-
Claims recovered	-	65	-	65
Changes that relate to past service - adjustments to incurred claims	-	(55)	-	(55)
Changes that relate to future services - changes in cash flows	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	41	41
Net income (expenses) from Reinsurance contracts held	**1,105**	**10**	**41**	**1,156**
Finance expenses from insurance contracts issued	-	(14)	-	(14)
Total amounts recognised in income	**1,105**	**(4)**	**41**	**1,142**
Cash flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	(946)	-	-	(946)
Recoveries from reinsurance	-	42	-	42
Total cash flows	**(946)**	**42**	**-**	**(904)**
Exchange rate adjustment	-	2	(26)	(23)
Net balance as at December 31	**(687)**	**(215)**	**(15)**	**(917)**

(Expressed in thousands of Trinidad and Tobago Dollars)

12. Reinsurance Contract Assets (continued)

12 (e) Miscellaneous (continued)

	2023			
	Asset for remaining coverage	**Liability for incurred claims**		
		Present value of future cash flows	**Risk adjustment for non-financial risk**	**Total**
	$	**$**	**$**	**$**
Opening Reinsurance Contract Assets	(429)	(280)	(17)	(726)
Net balance as at January 1	**(429)**	**(280)**	**(17)**	**(726)**
Net income (expenses) from Reinsurance contracts held				
Reinsurance expenses from PAA contracts	1,137	–	–	1,137
Reinsurance commission received	(489)	–	–	(489)
Other directly attributable expenses	–	–	–	–
Claims recovered	–	(32)	–	(32)
Changes that relate to past service - adjustments to incurred claims	–	(111)	–	(111)
Changes that relate to future services - changes in cash flows	–	–	–	–
Effect of changes in the risk of reinsurers non-performance	–	–	(55)	(55)
Net income (expenses) from Reinsurance contracts held	**648**	**(143)**	**(55)**	**450**
Finance expenses from insurance contracts issued	–	19	–	19
Total amounts recognised in income	**648**	**(124)**	**(55)**	**469**
Cash flows				
Premiums paid net of ceding commissions and other directly attributable expenses paid	(1,066)	–	–	(1,066)
Recoveries from reinsurance	–	157	–	157
Total cash flows	**(1,066)**	**157**	**–**	**(909)**
Exchange rate adjustment	1	(9)	42	34
Net balance as at December 31	**(846)**	**(256)**	**(30)**	**(1,132)**

(Expressed in thousands of Trinidad and Tobago Dollars)

13. Insurance Service Result

	2024					
	Fire $	**Property other than fire** $	**Motor vehicle** $	**Liability& Workmen's compensation** $	**Miscell-aneous** $	**Total** $
Insurance contracts premium revenue	69,374	1,150	91,246	7,381	1,780	170,931
Insurance service expense						
Incurred claims	(3,460)	240	(14,706)	(1,977)	71	(19,832)
Changes that relate to past service – adjustments to the LIC	(14,689)	(151)	(46,662)	(5,155)	(137)	(66,794)
Losses on onerous contracts and reversal of those losses						
Insurance acquisition expenses	(11,389)	(165)	(15,922)	(954)	(160)	(28,590)
Other directly attributable expenses	(4,946)	(131)	(14,714)	(914)	(153)	(20,872)
Total insurance service expenses	**(34,484)**	**(207)**	**(92,004)**	**(8,999)**	**(379)**	**(136,074)**
Net income/(expenses) from Reinsurance contracts held						
Reinsurance expenses – contracts measured under PAA	(63,519)	(922)	(8,268)	(730)	(1553)	(74,992)
Reinsurance commission received	13,325	468	13	166	449	14,421
Effect of changes in the risk of reinsurers non-performance	1,167	4	(364)	-	(41)	766
Claims recovered	5,105	(73)	355	330	296	6,013
Changes that relate to past service – adjustments to incurred claims	8,858	512	1,332	(476)	55	10,281
Total net income (expenses) from Reinsurance contracts held	**(35,064)**	**(11)**	**(6,931)**	**(709)**	**(795)**	**(43,510)**
Total insurance service result	**(174)**	**932**	**(7,690)**	**(2,329)**	**607**	**(8,653)**

(Expressed in thousands of Trinidad and Tobago Dollars)

13. Insurance Service Result (continued)

	2023					
	Fire **$**	**Propert y other than fire** **$**	**Motor vehicle** **$**	**Liability& Workmen's compensatio n** **$**	**Miscell- aneous** **$**	**Total** **$**
Insurance contracts premium revenue	63,802	1,137	71,397	3,887	1,459	141,682
Insurance service expense						
Incurred claims	(21,113)	(344)	(39,965)	(436)	(39)	(61,897)
Changes that relate to past service – adjustments to the LIC	(1,885)	45	(324)	(2,463)	(176)	(4,803)
Losses on onerous contracts and reversal of those losses	–	–	–	–	–	–
Insurance acquisition expenses	(10,967)	(146)	(12,618)	(614)	(217)	(24,562)
Other directly attributable expenses	(4,986)	(122)	(11,870)	(585)	(217)	(17,780)
Total insurance service expenses	**(38,951)**	**(567)**	**(64,777)**	**(4,098)**	**(649)**	**(109,042)**
Net income (expenses) from Reinsurance contracts held						
Reinsurance expenses – contracts measured under PAA	(57,517)	(831)	(6,210)	(427)	(1,137)	(66,122)
Reinsurance commission received	12,680	427	2	70	489	13,668
Effect of changes in the risk of reinsurers non-performance	2,032	22	(705)	4	55	1,408
Claims recovered	19,350	260	712	–	32	20,354
Changes that relate to past service – adjustments to incurred claims	(59)	(53)	(579)	121	111	(459)
Total net income (expenses) from Reinsurance contracts held	**(23,514)**	**(175)**	**(6,780)**	**(232)**	**(450)**	**(31,151)**
Total insurance service result	**1,337**	**396**	**(160)**	**(443)**	**360**	**1,489**

(Expressed in thousands of Trinidad and Tobago Dollars)

14. Net Investment Income

	2024 $	2023 $
14 (a) Investment revenue calculated using the EIR		
Investment securities at amortised cost	2,977	2,785
Investment securities at FVOCI	6,101	6,214
	9,078	8,999
14 (b) Net expected credit loss expense		
Investment securities at FVOCI	(1,200)	(1,800)
14 (c) Other income		
Dividend income	1,578	1,841
Net realised losses	(38)	(293)
	1,540	1,548
Total investment income	**9,418**	**8,746**

15. Other Operating and Administrative Expenses

	2024	2023
Depreciation	1,768	1,758
Staff cost	11,227	10,330
Directors' fees	256	260
Credit loss expense	2,661	581
Legal and professional	3,825	3,621
Advertising	939	938
Foreign exchange gain/(loss)	249	(69)
Rates and taxes	566	489
Travelling and motor vehicle	1,307	1,166
Telephone and electricity	895	873
Printing and stationery	940	689
Miscellaneous	5,163	4,764
	29,796	**25,400**
Insurance service expenses (Note 13)	20,857	17,780
Other than insurance service expense	8,939	7,620
	29,796	**25,400**

16. Insurance Contracts Liabilities and Reinsurance Assets – Terms, Assumptions and Sensitivities

Terms and conditions

The major classes of general insurance written by the Company include motor, property, and other miscellaneous types of general insurance. Risks under these policies usually cover a 12-month duration.

For these insurance contracts, claims provisions (comprising provisions for claims reported by policyholders and claims incurred but not yet reported) are established to cover the ultimate cost of settling the liabilities in respect of claims that have occurred and are estimated based on known facts at the statement of financial position date.

The provisions are refined as part of a regular ongoing process and as claims experience develops, certain claims are settled, and further claims are reported. Outstanding claims provisions are not discounted for the time value of money.

Assumptions

The principal assumption underlying the estimates is the Company's past claims development experience. This includes assumptions in respect of average claim costs and claim numbers for each accident year. Claims provisions are separately analysed by geographical area and class of business. In addition, larger claims are usually separately assessed by loss adjusters. Judgement is used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates.

Sensitivities

The general insurance claims provision is sensitive to the above key assumptions. The sensitivity of certain assumptions like legislative change, uncertainty in the estimation process, etc., is not possible to quantify. Furthermore, because of delays that arise between occurrence of a claim and its subsequent notification and eventual settlement, the outstanding claim provisions are not known with certainty at the balance sheet date.

Consequently, the ultimate liabilities will vary as a result of subsequent developments. Differences resulting from reassessment of the ultimate liabilities are recognized in subsequent financial statements.

17. Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

With the exception of insurance contracts which are specifically excluded under IAS 32, the estimated fair values of certain financial instruments have been determined using available market information or other appropriate valuation methodologies that require judgement in interpreting market data and developing estimates. Consequently, estimates made do not necessarily reflect the amounts that the Company would realize in a current market exchange. The use of different assumptions and/or different methodologies may have a material effect on the fair values estimated.

The fair value information is based on information available to management as at the dates presented. Although management is not aware of any factors that would significantly affect the fair value amounts, such amounts have not been comprehensively revalued for the purposes of these financial statements since those dates and, therefore the current estimates of the fair value may be significantly different from the amounts presented herein.

(i) Short-term financial assets and liabilities

The carrying amount of short-term financial assets and liabilities comprising cash and short-term funds, trade and other receivables and trade and other payables are a reasonable estimate of their fair values because of the short maturity of these instruments.

(ii) Investments

The fair value of trading investments is based on market quotations when available. When market quotations are not readily available, fair values are based on discounted cash flows or estimated using quoted market prices of similar investments. In the absence of a market value, discounted cash flows will approximate fair value.

(Expressed in thousands of Trinidad and Tobago Dollars)

17. Fair Value (continued)

(iii) Carrying amounts and fair values

The following tables summarises the carrying amounts and the fair values of the Company's financial assets and liabilities.

2024 Assets	**Carrying values**	**Fair values**	**Unrecognized gain**
Financial assets at fair value through statement of other comprehensive income			
Equity	32,286	32,286	–
Debt instrument	142,988	142,988	–
Mutual fund	15,514	15,514	–
Financial assets at amortized cost			
Debt instrument	34,311	34,311	–
Deposits	23,736	23,736	–
Repurchase agreements	17,418	17,418	–
Cash and cash equivalent	35,910	35,910	–
Other financial assets	23,661	23,661	–
Total	**325,824**	**325,824**	**–**

2023 Assets	**Carrying values**	**Fair values**	**Unrecognized gain**
Financial assets at fair value through statement of other comprehensive income			
Equity	37,481	37,481	–
Debt instrument	128,093	128,093	–
Mutual fund	15,328	15,328	–
Financial assets at amortized cost			
Debt instrument	34,313	34,324	11
Deposits	18,187	18,187	–
Repurchase agreements	12,213	12,213	–
Cash and cash equivalent	31,900	31,900	–
Other financial assets	32,504	32,504	–
Total	**310,019**	**310,030**	**11**

(Expressed in thousands of Trinidad and Tobago Dollars)

17. Fair Value (continued)

(iii) Carrying amounts and fair values (continued)

For all other financial instruments, the carrying amount is a reasonable approximation of fair value.

iv) Determination of fair value and fair values hierarchy

The Company uses the hierarchy as mentioned in Note 2 (j) for determining and disclosing the fair value of non-financial assets and financial instruments by valuation techniques.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy.

31 December 2024	**Level 1**	**Level 2**	**Level 3**	**Total fair value**
Financial assets designated at fair value through the statement of Other comprehensive income				
Equities	31,966	-	320	32,286
Government & Corporate bonds	35,786	107,202	-	142,988
Assets at amortized cost for which fair values are disclosed.				
Government bonds	-	-	34,311	34,311
Deposits	-	23,736	-	23,736
Repurchase agreements		17,418		17,418
Total Investment	**67,752**	**148,356**	**34,631**	**250,739**

(Expressed in thousands of Trinidad and Tobago Dollars)

17. Fair Value (continued)

iv) Determination of fair value and fair values hierarchy (continued)

31 December 2023	**Level 1**	**Level 2**	**Level 3**	**Total fair value**
Financial assets designated at fair value through the statement of Other comprehensive income				
Equities	37,161	–	320	37,481
Government & Corporate bonds	29,795	113,626	–	143,421
Assets at amortized cost for which fair values are disclosed.				
Government bonds	–	–	34,324	34,324
Deposits	–	18,187	–	18,187
Repurchase agreements	–	12,213	–	12,213
Total Investment	**66,956**	**144,026**	**34,644**	**245,626**

Description of significant unobservable inputs to valuation

The Company uses the discounted cash flows method to determine the fair value of the Level 3 investment which comprises unquoted securities. The significant unobservable input is the rate of return. The impact to these financial statements of any changes in the rate of return assumption is not considered to be material.

Transfers between Level 1 and 2

At each reporting date the Company assesses the fair value hierarchy of its non-financial assets and financial instruments. A transfer between levels will occur when a non-financial asset and financial instrument no longer meets the criteria in which the financial instrument is classified.

There were no transfers of investment securities from level 1 to level 2 during the year (2023: there were no transfers from level 1 to level 2).

(Expressed in thousands of Trinidad and Tobago Dollars)

17. Fair Value (continued)

Reconciliation of movements in Level 3 financial instruments measured at fair value

For the year ended 31 December 2024, movement in level 3 financial instruments were as follows:

	2024	**2023**	**Movement**
Government bonds	34,311	34,326	(15)

	Opening balance	**Additions (Disposals)**	**Fair value movements**	**Closing balance**
Government bonds	34,326	(15)	-	34,311

18. Risk Management

a. Introduction and overview

The Company has exposure to the following risks from its use of financial instruments:

- Insurance risk
- Credit risk
- Liquidity risk
- Interest rate risk
- Currency risk
- Equity risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risks and the Company's management of capital. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

b. Insurance risk

The risk under an insurance contract is the risk that an insured event will occur including the uncertainty of the amount and timing of any resulting claim. The principal risk the Company faces under such contracts is that the actual claims and benefit payments exceed the premiums written or the carrying amount of insurance liabilities. This is influenced by the frequency of claims, severity of claims, actual benefits paid being greater than originally estimated and subsequent development of long-term claims.

18. Risk Management (continued)

b. ***Insurance risk*** (continued)

Management of insurance risk

The variability of risks is improved by careful selection and implementation of underwriting strategy and guidelines as well as the use of reinsurance arrangements. The majority of reinsurance business ceded is placed on a quota share basis with retention limits varying by product line.

Although the Company has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to reinsurance ceded, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements.

c. ***Credit risk***

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises on reinsurance assets, investment securities and insurance receivables.

Management of credit risk

Reinsurance

Reinsurance is placed with high rated counterparties and the concentration of risk is avoided by following policy guidelines in respect of counterparties' limits that are set each year and are subject to regular reviews. At each year-end, management performs assessment of creditworthiness of reinsurers to update reinsurance purchase strategy and ascertains suitable allowance for impairment of reinsurance assets.

Investment securities

The Company limits its exposure by setting maximum limits of portfolio securities with a single issuer or group of issuers. The Company also only makes use of institutions with high creditworthiness. At each year-end, management performed an assessment of ECL on the investment's securities.

(Expressed in thousands of Trinidad and Tobago Dollars)

18. Risk Management (continued)

c. ***Credit risk*** (continued)

Management of credit risk (continued)
Insurance receivables

The credit risk in respect of customer balances, incurred on non-payment of premiums or contributions will only persist during the grace period specified in the policy document on the expiry of which the policy is either repaid up or terminated. Commission paid to intermediaries is netted off against amounts receivable from them to reduce the risk of doubtful debts.

An estimate of the fair value of collateral and other security enhancements held against financial assets is nil.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2024 $	2023 $
Carrying amount		
Investment securities at FVOCI	158,502	143,421
Investment securities at amortised cost	75,466	64,714
Other financial assets	23,661	32,504
Reinsurance assets	79,010	66,796
Cash and cash equivalents	35,910	31,900
Total	**372,549**	**339,335**

The maturity analysis of financial assets at the reporting date:

Short term – maturity within year	127,688	132,062
Long term – maturity after one year	244,861	207,273
Total investments	**373,865**	**339,335**

(Expressed in thousands of Trinidad and Tobago Dollars)

18. Risk Management (continued)

c. Credit risk (continued)

The aging of insurance receivables at the reporting date was:

	Gross 2024	ECL 2024	Gross 2023	ECL 2023
	$	$	$	$
0 – 45 days	9,423	-	10,936	–
46 – 90 days	8,131	2,320	9,053	510
91 – 180 days	5,276	5,253	5,228	1,793
181 – 360 days	11,024	5,443	5,287	4,668
Over 360 days	15,636	15,636	19,964	19,964
	49,490	**28,652**	**50,468**	**26,935**

The movement in the allowance for expected credit loss in respect of receivables during the year was as follows:

	2024 $	2023 $
Balance at beginning of year	26,935	27,020
Expected credit loss	1,717	581
Write off during the year	-	(666)
Foreign exchange differences	-	-
Balance at end of year	**28,652**	**26,935**

d. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

Management of liquidity risk

The major liquidity risk confronting the Company is the daily calls on its available cash resources in respect of claims arising from insurance contracts and the maturity of investment securities. The Company sets limits on the minimum portion of maturing funds available to meet such calls and on the minimum level of borrowing facilities that should be in place to cover claims at unexpected levels of demand.

(Expressed in thousands of Trinidad and Tobago Dollars)

18. Risk Management (continued)

d. *Liquidity risk* (continued)

The table below summarizes the maturity profile of the Company's financial liability and insurance contract liabilities as at December 2024 and 2023. Other payable are based on contractual undiscounted repayment obligation over the remaining life of these liabilities. Whereas the insurance contract liabilities, reinsurance contract liabilities and lease liabilities are based on the estimates of the present value of future cashflow expected to be paid out in the period presented.

	2024 $	2023 $
Liabilities due within one year	260,399	215,538
Liabilities due after one year	842	1,040
Total liabilities	**261,241**	**216,578**

e. ***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. Interest rate risk arises on interest-bearing financial instruments recognized in the statement of financial position.

Management of interest rate risk

The investment committee comprises of three non-executive members and is responsible for reviewing the investment portfolio of the company and setting the general direction as to the types of investments that would comprise the company's portfolio. The aim is to balance the risk and returns with an objective of maximizing investment income.

18. Risk Management (continued)

(e) Management of interest rate risk (continued)

At the reporting date the interest rate profile of the interest-bearing financial instruments was:

	Carrying amount 2024 $	2023 $
Fixed rate instruments		
Term deposits	23,736	18,188
Investments	210,231	189,947
	233,967	208,135

Sensitivity analysis

A strengthening (weakening) of interest rates by 1% would have no significant impact on profit or loss. This analysis is based on interest rate variances that the Company considered to be reasonable at the reporting date. The analysis assumes that all other variables, such as foreign currency, remain constant and ignores any impact on forecasted sales and purchases. The analysis is performed consistently from year to year.

f. Foreign currency risk

Foreign 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. Currency risk arises on financial instruments that are denominated in a foreign currency, that is, in a currency other than the functional currency in which they are measured. The Company carries on general insurance business in Trinidad and Tobago (TT$), Dominica (EC$), St. Lucia (EC$), Barbados (BB$), Guyana (GY$) and St. Maarten (FLS$). The functional and presentation currency is Trinidad and Tobago dollars. Foreign currency risk arises in the other islands of operations.

(Expressed in thousands of Trinidad and Tobago Dollars)

18. Risk Management (continued)

(f) Foreign currency risk (continued)

The table below summarises the exposure to foreign currency exchange rate risk.

	31 December 2024				
	EC$	**FLS$**	**BD$**	**G$**	**Total**
Financial assets					
Cash and cash equivalents	5,540	2,675	183	1,403	9,801
Investments	43,726	4,603	555	1,665	50,549
Other financial assets	(29,688)	(5,087)	66	(2,217)	(36,925)
Reinsurance assets	15,226	1,568	7,226	4,834	28,853
Total financial assets	**34,804**	**3,759**	**8,030**	**5,685**	**52,278**
Financial liabilities					
Insurance contracts	(49,472)	(4,462)	(8,258)	(7,261)	(69,453)
Other financial liabilities	13,937	1,025	273	329	15,564
Total financial liabilities	**(35,535)**	**(3,437)**	**(7,985)**	**(6,932)**	**(53,889)**
Net exposure	**(731)**	**322**	**45**	**(1,247)**	**(1,611)**

(Expressed in thousands of Trinidad and Tobago Dollars)

18. Risk Management (continued)

f. Foreign currency risk (continued)

	31 December 2023				
	EC$	**FLS$**	**BD$**	**G$**	**Total**
Financial assets					
Cash and cash equivalents	7,927	3,533	125	2,297	13,882
Investments	43,587	4,581	570	1,659	50,397
Other financial assets	(9,804)	(2,771)	307	(2,335)	(14,603)
Reinsurance assets	11,583	1,912	7,153	5,718	26,366
Total financial assets	**53,293**	**7,255**	**8,155**	**7,339**	**76,042**
Financial liabilities					
Insurance contracts	(36,309)	(4,533)	(7,219)	(8,176)	(56,237)
Other financial liabilities	(10,583)	(2,489)	(1,079)	–	(14,151)
Total financial liabilities	**(46,892)**	**(7,022)**	**(8,298)**	**(8,176)**	(70,388)
Net exposure	**6,401**	**233**	**(143)**	**(837)**	**5,654**

Sensitivity analysis

A 5% strengthening (weakening) of the Trinidad and Tobago dollar against its significant foreign currency at year end would impact the profit or loss as follows:

	2024		**2023**	
	Increase	**Decrease**	**Increase**	**Decrease**
FLS dollar	25	(25)	16	(16)
GY dollar	40	(40)	33	(33)
EC dollar	86	(86)	414	(414)

(Expressed in thousands of Trinidad and Tobago Dollars)

18. Risk management (continued)

g. *Equity price risk*

Equity price risk is the risk that investments held in the portfolio will fluctuate due to changes in market price. The Company invests in financial instruments that are traded on registered exchanges. These securities are susceptible to market price risk arising from uncertainties about future prices of the instruments. A change of 5 percent (5%) on equity prices will result in a change $1,614 (2023: $1,874) on the fair value of the equity.

The table below summarises the Board's exposure to price risk by geographical concentrations:

	2024 $	2023 $
Trinidad and Tobago	31,405	36,593
Barbados	91	88
Jamaica	790	800
Total geographic concentration	**32,286**	**37,481**

19. Related Party Transactions

(a) *Identity of related party*

The Company has a related party relationship with its parent and with its directors and executive officers.

(b) *Related party transactions*

A number of transactions have been entered into with related parties in the normal course of business. These transactions were conducted at market rates, on commercial terms and condition.

Expenses	2024 $	2023 $
Management fees	500	500
Reinsurance premiums	4,701	2,197
Directors' fees (Note 15)	256	260

Amounts due from related parties are disclosed in Note 6.

(Expressed in thousands of Trinidad and Tobago Dollars)

19. Related Party Transactions (continued)

(c) Transactions with key management personnel

In addition to their salaries, the Company also provides non-cash benefits to executive officers. The key management personnel compensation is as follows:

	2024 $	2023 $
Short-term employee benefits	1,986	3,044

20. Capital Commitment

The Company has entered into an agreement for new software in financial year 2021 which is under the development stage. Estimated cost of the software, hardware and required licenses would be around $2,600. At the end of year 2024 the estimated outstanding amount payable would be $813 (2023: $1,290).

There were no additional capital commitments by the Company as at 31 December 2024.

21. Capital Management

When managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position, the objectives of the Company are:

- To comply with the capital requirements set by regulators;
- To safeguard the Company's ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business.

In each country in which the Company operates, the local insurance regulator indicates the required minimum amount and type of capital that must be held in addition to their insurance liabilities. The Company is subject to the insurance solvency regulations in all the territories in which it issues insurance contracts. The minimum required capital must be maintained at all times throughout the year. In 2024 and 2023, the Company complied with the externally imposed capital requirements and no changes were made to its capital base, objectives, policies and processes from the previous year.

22. Other Transactions

In year 2024, an amount of $1,327 (2023: $1,406) was transferred from retained earnings to catastrophe reserves as required by section 44 of Insurance Act, 2018 (as amended).

23. Subsequent Events

There were no other events occurring after the reporting date and before the date of approval of the financial statements by the Board of Directors which require adjustments or disclosure in these financial statements.