

Caricom General Insurance Company Inc.

ANNUAL REPORT 2017



L.A. ATHERLY AND COMPANY
CHARTERED ACCOUNTANTS

CARICOM GENERAL INSURANCE COMPANY INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2017

64 Brickdam, Stabroek
Georgetown
Guyana.

L.A. ATHERLY & COMPANY

CHARTERED ACCOUNTANTS

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GUYANA

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Fax #: 227-5686

April 27, 2018

REPORT OF THE AUDITOR TO THE SHAREHOLDERS OF CARICOM GENERAL INSURANCE COMPANY INC.

Opinion

I have audited the accompanying Financial Statements of Caricom General Insurance Company Inc. which comprise the Statement of Financial Position as at 31st December 2017 and the related statements of Comprehensive Income, Cash flow, Change in Equity and the accompanying explanatory notes including a summary of significant accounting policies for the year then ended as set out on Pages 1 to 40.

In my opinion, the financial statements give a true and fair view of the financial position of the company as of 31st December 2017, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for small and medium sized entities and comply with the requirements of the Companies Act 1991.

Basis of Opinion

I have conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the ethical requirements that are relevant to my audit of the financial statements in Guyana and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Going Concern

The company's financial statements have been prepared using the going concern basis of accounting. The use of this basis of accounting is appropriate unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. As part of my audit of the financial statements, I have concluded that management's use of the going concern basis of accounting in the preparation of the company's financial statements is appropriate.

Management has not identified a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern, and accordingly none is disclosed in the financial statements, we also have not identified such a material uncertainty.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards for Small and Medium Sized entities and the Companies Act 1991. This responsibility includes: implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

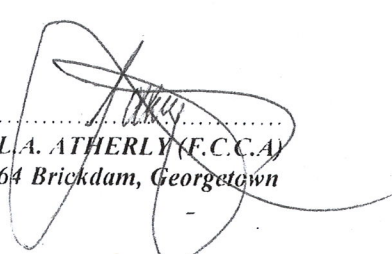
My objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement whether due to fraud or error and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 the International Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used with 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report.
- Evaluate the overall presentation, structure and contents 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. I am responsible for the direction, supervision and performance of the audit. I remain solely responsible for my audit opinion.

Report on other Legal and Regulatory Requirements

The financial statements comply with the requirements of the Companies Act 1991.



L.A. ATHERLY (F.C.C.A.)
64 Brickdam, Georgetown

CARICOM GENERAL INSURANCE COMPANY INC. ANNUAL REPORT 2017

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STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER 2017

		2017	2016
	NOTES	\$	\$
ASSETS			
Non-current assets			
Property, plant and equipment	12	<u>281,575,667</u>	<u>262,909,224</u>
Investments			
Shares & Bond - Associated Company	14 (a)	173,009,713	173,009,713
"Loans and receivables"	14 (b)	19,867,151	19,608,122
Statutory deposits	16	<u>76,446,946</u>	<u>75,852,321</u>
		<u>269,323,810</u>	<u>268,470,156</u>
Current assets			
Accounts receivable and prepayments	17	20,695,031	13,983,655
Deferred taxation		74,163,457	81,341,225
Tax Refundable		4,504,020	4,504,020
Cash at banks and in hand	18	<u>85,839,570</u>	<u>53,818,849</u>
		<u>185,202,078</u>	<u>153,647,749</u>
		<u>736,101,555</u>	<u>685,027,129</u>

EQUITY AND LIABILITIES

Capital and reserves

Share capital	19	550,000,000	500,000,000
Retained earnings	20	21,297,062	2,371,653
Revaluation Reserve		33,800,000	33,800,000
Policyholders' reserves	21	<u>91,448,657</u>	<u>91,470,260</u>
		<u>696,545,719</u>	<u>627,641,913</u>

Current liabilities

Taxation	13	6,753,858	3,511,135
Claims payable	22	4,821,397	10,971,819
Accounts payable	23	<u>27,980,580</u>	<u>42,902,262</u>
		<u>39,555,835</u>	<u>57,385,216</u>

736,101,555

685,027,129

The financial statements were approved by the Board of Directors on 30th April 2018.

Director



Company Secretary