



# **CARICOM GENERAL INSURANCE COMPANY, INC.**



## **ANNUAL REPORT 2021**





**NIGEL HINDS FINANCIAL SERVICES**  
**CERTIFIED PUBLIC ACCOUNTANTS**

**INDEPENDENT AUDITOR'S REPORT**

**To the Shareholders of Caricom General Insurance Company, Inc.**

**Opinion**

We have audited the financial statements of **Caricom General Insurance Company, Inc.**, which comprise the statement of financial position as at December 31, 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Caricom General Insurance Company, Inc.**, as at December 31, 2021, and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards and the Guyana Companies Act 1991 (amended in 1995).

**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 ethical requirements that are relevant to our audit of the financial statements in jurisdiction, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, 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.

Those charged with governance are 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Clifton Nigel Hinds, (CPA)



Date: March 29, 2022

## CARICOM GENERAL INSURANCE COMPANY INC. ANNUAL REPORT 2021

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STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2021

	NOTES	2021 \$	2020 \$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	11	234,007,972	234,528,199
Real Estate	12	-	54,272,917
Deferred taxation	10 (b)	66,396,354	70,791,197
		<u>300,404,325</u>	<u>359,592,313</u>
<b>Investments</b>			
Shares & Bond - Associated Company	14 (a)	173,009,713	173,009,713
Statutory Funds	16	147,549,170	87,899,443
		<u>320,558,883</u>	<u>260,909,156</u>
<b>Current assets</b>			
Accounts receivable and prepayments	17	61,564,453	71,950,656
Advance Taxation		-	360,357
Tax Refundable		167,901	167,901
Cash at banks, Non-Bank and in hand	18	210,586,572	176,805,980
		<u>272,318,926</u>	<u>249,284,894</u>
<b>Total Assets</b>		<u>893,282,135</u>	<u>869,786,362</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital	19	550,000,000	550,000,000
Deposit on Shares	19	6,485,092	-
Retained earnings	20	25,994,093	23,853,250
Revaluation Reserve	22	36,000,000	33,800,000
		<u>618,479,185</u>	<u>607,653,250</u>
<b>Non Current liabilities</b>			
Policyholders' Reserves	21 (a)	140,602,385	142,826,636
Reinsurance Reinstatement Reserve	21 (b)	120,435,919	106,817,203
<b>Current liabilities</b>			
Taxation	13	6,761,145	3,700,255
Accounts payable	23	7,003,501	8,789,017
		<u>274,802,950</u>	<u>262,133,112</u>
<b>Total Capital and Liabilities</b>		<u>893,282,135</u>	<u>869,786,362</u>

The financial statements were approved by the Board of Directors on March 24, 2022.

*Sandra S. S. S.*  
Director



*John M. P. P.*  
Company Secretary

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED DECEMBER 31, 2021**

<b>REVENUE</b>	<b>NOTES</b>	<b>2021 \$</b>	<b>2020 \$</b>
Insurance premiums	5	241,086,543	200,276,563
Reinsurance premiums	5	(27,210,786)	(26,251,149)
		<u>213,875,757</u>	<u>174,025,414</u>
Investment income	6	5,175,292	5,175,291
Other income	7	41,677,105	34,206,814
Real Estate Sale Expense		(28,272,917)	-
		<u>232,455,236</u>	<u>213,407,519</u>
<b>EXPENDITURE</b>			
Claims	8	73,560,611	74,218,179
Commission and sales expenses	9	3,265,593	3,169,658
Management expenses	10 (a)	140,540,949	127,584,500
Deferred Taxation for the year	10 (b)	4,394,843	1,505,951
Capital Gains Tax		285,300	-
		<u>222,047,296</u>	<u>206,478,287</u>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		<b>10,407,940</b>	<b>6,929,232</b>
Taxation	13	(8,267,097)	(5,206,206)
<b>PROFIT/(LOSS) AFTER TAXATION</b>		<u><b>2,140,843</b></u>	<u><b>1,723,026</b></u>



**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	G\$ 2021	G\$ 2020
<b><i>CASH FLOWS FROM OPERATING ACTIVITIES</i></b>		
Cash receipts from policy holders & customers	238,628,229	203,307,416
Reinsurance premiums paid	(24,745,496)	(24,147,068)
Claims paid	(25,118,419)	(28,722,340)
Cash paid to suppliers & employees	(147,497,764)	(128,136,716)
<b>Cash generated from operations</b>	<b>41,266,550</b>	<b>22,301,292</b>
Other income	1,466,431	1,996,882
Prior year adjustment	-	134,614
Interest & financial expenses	(162,825)	(94,330)
Taxes paid	(4,845,850)	(2,141,369)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>37,724,305</b>	<b>22,197,089</b>
<b><i>CASH FLOWS FROM INVESTING ACTIVITIES</i></b>		
Sale of fixed assets	16,999,950	-
Increase in Term Deposit	29,500,000.00	-
Trust company investment	(29,500,000.00)	-
Bank interest received (net of withholding tax)	711,647	4,466,660
<b>Net cash provided by/(used in) investing activities</b>	<b>17,711,597</b>	<b>4,466,660</b>
<b><i>CASH FLOWS FROM FINANCING ACTIVITIES</i></b>		
Statutory deposits (net of withholding tax)	1,365,599	(1,907,479)
Deposit on shares	6,485,092.06	-
<b>Net cash used in financing activities</b>	<b>7,850,692</b>	<b>(1,907,479)</b>
<b>Net increase in cash and cash equivalents</b>	<b>63,286,594</b>	<b>24,756,269</b>
Cash and cash equivalent at beginning of period	176,805,980	152,049,710
<b>Cash and cash equivalent at end of period</b>	<b>240,092,573</b>	<b>176,805,980</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Statement of Changes in Equity for Year 2021	Share Capital \$	Retained Earnings \$	Revaluation Reserves \$	Total \$
<b>Balance at January 1st 2021</b>	550,000,000	23,853,250	33,800,000	607,653,250
Increase In Reserve			2,200,000	2,200,000
Deposit on Shares	6,485,092	-		6,485,092
Surplus for the year after Taxation		2,140,843		2,140,843
Transfer from reserves	-	-	-	-
<b>Balance at December 31st 2021</b>	<b>556,485,092</b>	<b>25,994,093</b>	<b>36,000,000</b>	<b>618,479,185</b>

Statement of Changes in Equity for Year 2020	Share Capital \$	Retained Earnings \$	Revaluation Reserves \$	Total \$
<b>Balance at January 1st 2020</b>	550,000,000	22,130,224	33,800,000	605,930,224
Increase In Reserve				-
Deposit on Shares	-	-		-
Surplus for the year after Taxation		1,723,026		1,723,026
Transfer from reserves	-	-	-	-
<b>Balance at December 31st 2020</b>	<b>550,000,000</b>	<b>23,853,250</b>	<b>33,800,000</b>	<b>607,653,250</b>