Annual Report 2023

DEMERARA MUTUAL

I'm with Dem

I'm with Dem

Our Vision

To develop, promote and sustain
a customer-focused organisation.

Our Mission

To surpass our customers' expectations
by providing superior service through the
integration of people and technology.

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DEMERARA MUTUAL

Offices

HEAD OFFICE
61 & 62 Avenue of the Republic & Robb Street
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Fax: (592) 225 8994-5
corporate@demeraramutual.com

CLARKE'S AGENCY
61 & 62 Avenue of the Republic and Robb Street
Georgetown, Guyana
TEL: (592) 225-3844 – Ext 314
c_clarke @demeraramutual.com

LOT 2, ZESKENDEREN CENTRAL MAHAICONY,
East Coast Demerara, Guyana
TEL: (592) 221 2276/2061
FAX: (592) 221 2283
Mahaicony@demeraramutual.com

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m_blair@demeraramutual.com

LINDEN OFFICE
97/98 Republic Avenue
McKenzie, Linden, Guyana
TEL: (592) 444 4687/6087
linden@demeraramutual.com

BERBICE SALES OFFICE
Lot 4 Wapping Lane
New Amsterdam,
Berbice, Guyana
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FAX: (592) 333 4724
berbice@demeraramutual.com

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4-6 Groenveldt, Leonora.
West Coast Demerara, Guyana
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Leonora@demeraramutual.com

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GRENADA BRANCH OFFICE
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St. George's, Grenada
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FAX: (473) 440 4178
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St George's
Grenada
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w_roberts@demeraramutual.com

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st.lucia@demeraramutual.com

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s_charleskirton@demeraramutual.com

Offices

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e_gordon@demeraramutual.com

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bphillips@demeraramutual.com

DEMERARA FIRE AND GENERAL

Offices

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LOT 2-4 BLOCK R,
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Leonora, West Coast Demerara
TEL: (592) 701 6309
leonora@demeraramutual.com

Notice of Date of
Annual General Meeting

NOTICE IS HEREBY GIVEN pursuant to Regulation 35 of the Society's Regulations that the 131st Annual General Meeting of members will be held on the tarmac of the Demerara Mutual Life Assurance Society Ltd, 61/62 Avenue of the Republic & Robb Street, Georgetown, Guyana on Thursday, 30th January, 2025 at 4.00 p.m.

If any member desires to bring any matter before the meeting, he/she should, no later than fourteen (14) days before the 30th January 2025, deliver to the Society's Home Office, a statement in writing in the form of a motion setting forth specifically, such matter.

Whenever any member wishes to vote by proxy at any General Meeting, he/she shall, not less than twenty-four (24) hours before the time at which the Meeting is to take place, deliver or cause to be delivered at the Society's Home Office, a document signed by him/her, in the form (which can be obtained from the Company Secretary) appointing some other member of the Society as his/her proxy.

The Agenda for this meeting will be set out in the Notice to be published in the local Newspapers at least seven (7) days before the date of this Meeting.

Copies of the Financial Statements and the Reports of the Directors and Auditors for 2023 would be available at our Administrative Offices in Guyana, Grenada, St Lucia and St Vincent.

JAMES K. MORGAN
Company Secretary

Demerara Mutual Life Assurance Society Ltd.
61 - 62 Avenue of the Republic & Robb Street, Georgetown, Guyana
8th January 2025

Notice of
Annual General Meeting

NOTICE IS HEREBY GIVEN pursuant to Regulation 35 of the Society's Regulations that the 132th Annual General Meeting of members will be held on the tarmac of the Demerara Mutual Life Assurance Society Ltd, 61/62 Avenue of the Republic & Robb Street, Georgetown, Guyana on 30th January , 2025 at 4.00 p.m.

AGENDA

1. To receive and consider the Reports of the Directors, the Accounts for the year ended 31st December, 2023 and the report of the Auditors thereon.
2. To elect Directors.
3. To fix the remuneration of the Directors.
4. To elect Auditors and fix their remuneration.
5. To approve an appropriation for donations to charity and for educational purposes.

JAMES K. MORGAN
Company Secretary
Demerara Mutual Life Assurance Society Ltd.
61 - 62 Avenue of the Republic and Robb Street, Georgetown, Guyana
22nd January, 2025

I'm with Dem

Chairman's Report

Ronald Burch-Smith
Chairman

Fellow Policyholders and special invitees, I extend a warm welcome to you for attending this 132nd Annual General Meeting of the Demerara Mutual Life. I would first of all like to apologise to you for the late convening of this General Meeting. This was due to the many challenging changes that had to be made to the Society's financials of both years 2023 and 2022 as a result of the new requirements of the International Financial Reporting Standard (IFRS) 17.

I commence by reporting that I am pleased with the performance of the Society for the year 2023 and that the Society's financial results for the year ended 31st December 2023 was satisfactory. 2023 saw unique global challenges, including in Ukraine and the Middle East which caused worldwide social and economic disruption. . These adversely affect businesses globally and which chain effects resulted in significant price increases for goods and services.

Nevertheless, Demerara Mutual achieved its key objectives and exceeded its previous year financial performance. This was due to the commitment and resilience of the Management team and its support office and field staff in all the territories where we do business, namely, Guyana, Grenada, St Vincent and St Lucia.

ECONOMIC REVIEW

The global economy was also resilient, resulting in a 2023 projected growth rate of 3.0% compared to the 3.5% experienced in 2022.

The Guyana economy continued to maintain a high growth rate which was projected at 38.4% for 2023. The growth of the Guyana non-oil economy was projected at 11.7%. The Society continued to implement such necessary strategies to ensure it remained positioned to

Chairman's Report

maximize benefits from the growing insurance sector as a result of new infrastructural developments and major foreign investments.

FINANCIAL PERFORMANCE

The new IFRS 17 Accounting Standard took effect from year 2023. This has resulted in a new format for the presentation of our Annual financials which is for consideration at today's meeting. Our financials this year reflect the several changes which are in full compliance with these new accounting standards.

REVENUE

The total for 2023 was $1.965B compared to $1.566B in 2022. This was a 26 % increase. The contributions by territories were as follows, Guyana - $876M (44.6M%), Grenada - $683M (34.8%), St Lucia - $203.2M (10.3%) and St Vincent - $202.3M (10.3%).

Total Operating Expenses: This amounted to $327M compared to $446M in 2022, a 16 % decrease.

Investment income: was $549M, a 9 % increase compared to the $505M achieved in 2022.

Claims & Surrenders paid totaled $801M, a 16% decrease when compared to the $690M paid in 2022.

Surplus: The after tax surplus for the year was $450M compared to $77.5M in 2022, a 486% increase.

REGULATIONS

We continued to work with our Insurance Regulators in all the territories where we operate to ensure our compliance with all relevant laws and regulations. The Insurance industry continues to be highly regulated to ensure that the rights of you, the policyholders were in no way compromised and that we as an insurance company, complied with all required regulations. Our competent compliance staff members were very committed in ensuring our adherence to all regulations and that regulators were provided with all required information for their assessment to ensure that our Society was at all times in good standing.

The Anti-Money Laundering and Countering of Financing of Terrorism (AML/CFT) laws were critically important and we strived to fulfill our statutory obligations in the fight against money laundering.

The Society's policies and procedures were also regularly reviewed to ensure the observance of good governance practices, internal controls, and the management of risks. This was to assure policyholders of our prudent insurance management capabilities to maintain operation efficiency and financial growth and stability.

The Society has implemented a Quality Management System which now conforms to the ISO 9001:2015 Standard to validate the Society's compliance with international standards. In May of 2024 we received certification from The Global Compliance Service of the USA that our Quality Management System had met the ISO9001: 2015 standard. The achievement of this quality standard complements the Society's vision 'to develop, promote and sustain a customer-focused organization.

INFORMATION TECHNOLOGY

With the ongoing upgrading of our software we were able to provide our valued customers with real time services which kept improving.

Chairman's Report

We persisted to ensure that our policyholders could quickly access your policy information and make such necessary decisions to keep your insurance protection up to date.

We encouraged all policyholders to make full use of our user friendly website and other social media platforms to have answers to their insurance questions.

We maintained a well-trained IT Team, to enhance the security capabilities and to develop advanced security policies, and improve our intrusion detection and prevention capabilities. Network and infrastructure upgrades continued at all of our Branches to allow for more efficient and secure operations.

MARKETING

2023 was a good year as we sustained commitment to helping our customers secure their financial future and making our products more accessible and relevant having regard to constant economic changes. We recognized the new opportunities in Guyana for increased insurance sales notwithstanding the competitiveness of this sector in Guyana given the continued rapid growth of the oil and gas sector. Increased attention was given to sustain and enhance the quality of services we offered. This together with competitive rates and new products resulted in increased insurance sales and premium income.

The Society's individual life sales performance in 2023 totaled $1.5B which was a 9% increase over the previous year achievement of $1.4B. Guyana and Grenada were the highest contributors to premium income with contributions of 28% and 35% respectively. All the territories, namely Guyana, Grenada, St Vincent and St Lucia surpassed their targets for this year. The high performance of Guyana and Grenada was attributed to training and the experience of several of our most seasoned Sales Representatives. Recognition must be given to St. Vincent also for exceeding their performance by 13% and which accounted for their 17% contribution towards premium income. The best performing sales offices were the Roberts' Sales Agency which contributed 34% of total premium income and the Clarke's Branch which contributed 32% of new policies sold.

The Society's Group premiums from all product lines totaled $312.9M, representing a 32% increase when compared to the 2022 performance of $235M. There were significant increases to our Group Creditor and Group Health portfolios. Group pension contributions in 2023 totaled $ 641M compared to $651 in 2022, a 2 % decrease. The total value of pensions under management by the Society as at December 2023 was $ 5.8B.

The Society continued to invest in training programmes for our sales teams and support staff with an aim at ensuring that our policyholders were provided with the promised superior service. Also, our products were under constant review to ensure they met the needs of our customers.

CORPORATE GOVERNANCE

Your Board of Directors, all of whom are non-Executive Directors ensured that the Society functioned in a most transparent and efficient way and consistent with the principles of good governance. We assure of the Society's commitment to ensure at all times its accountability, compliance and timely disclosures of information to you, the policyholders.

Chairman's Report

FIRE COMPANY SUBSIDIARY

Demerara Fire & General Insurance Co Ltd, the Society's sole subsidiary, is now in its 30th year and growing. The 2023 achievements were due to the committed efforts of Management, the Sales Team and the support staff to whom we say thanks.

With improved technology now in place we were able to provide policyholders with a more efficient and reliable service. This resulted in increased general insurance sales and policy retention. We are pleased that many of our policyholders now regard Demerara Mutual as their one stop shop to satisfy their insurance needs. The support staff continued to work diligently to maintain our Fire Company's reputation for fast and efficient claim's settlements. .

Demerara Fire, generated a total revenue of $273.7M which was a 22% increase compared to the 2022 restated revenue of $226M. The year end after tax results was a ($6.6M) deficit compared to the previous year surplus of $21M. While the 2023 performance was satisfactory its positive result was negated due to a claim that was pending for several years. The full and final payment of $64M was made in year 2023 in settlement of this claim

FUTURE OUTLOOK

We are very confident of the future of Demerara Mutual, a Society with over 132 years of experience in the Life Assurance business and the oldest Life Assurance Company in Guyana. We are proud of this achievement. We are also very optimistic of sustained growth notwithstanding the global economic challenges that continued to prevail.

Our strategies have been tailored to ensure we capitalized on the potential for growth, increased revenue and higher profitability. We continued to place greater emphasis on Guyana's growing oil and gas sector given its opportunities for greater insurance sales. This requires the prudence you have come to expect from your Society.

Conclusion

Finally, I would like to thank you our policyholders for choosing Demerara Mutual and its Fire Company subsidiary as your provider to satisfy your insurance needs. We reassure of our commitment to ensure that you are provided with the best insurance coverage and services to satisfy your insurance needs.

To the Management team, office and field staff, my appreciation for your dedication and extending yourselves to ensure the effective and efficient management of the Society's operations for growth and profitability. Also, that policyholders were most satisfied with the insurance products and services provided.

To my fellow Directors, thanks for the continued invaluable support given to me during the year for the Society to maintain its superior position as a major insurance provider in all the territories where we operate.

Thank You.

Ronald Burch-Smith
CHAIRMAN

Chief Executive Officer's Report

Melissa De Santos
Chief Executive Officer

The Society's total revenue of $1.965B for the year 2023 was 26% above the previous year restated revenue of $1.566B. This was a good performance given the economic challenges due to the wars that persisted and also a very competitive insurance environment. Management and staff were, however, resilient and committed for the continued achievement of key strategic objectives for sustained growth. We also persisted to provide our policyholders not only with the best of service but with such products that would satisfy their insurance needs. We have received certification from Global Compliance Service on the 27th May 2024 for meeting the 9001- 2015 ISO standard in Quality Management Systems. This certification makes us proud given our efforts and commitment to provide our valued clients and policyholders with superior service.

I would like to thank the team – Management, staff and members of the sales force in each territory where we operate, namely Guyana, Grenada, St Vincent and St Lucia for their loyal support and hard work. They persisted and worked beyond their call of duty to deliver for attainment of set objectives.

MARKETING

Our Marketing Team has been very robust for greater market penetration. Their efforts resulted in the attainment of key premium income goals and the surpassing of previous

Chief Executive Officer's Report

year achievements in many instances. We commend them for their efforts.

The year 2023 ended on a high note with insurance premium income totalling $2B representing a 17% increase when compared to the corresponding year's achievement of $1.7B. Guyana and Grenada were the two main contributors to this premium income achievement. Both of these territories surpassed their annual targets as well as their previous year achievements.

This 2023 performance could be attributed to more training and the experience of the seasoned agents. A new sales office was opened in Leonora, West Coast Demerara in keeping with our promise to enhance our customers' experience and expand our distribution channels. Policyholders can look forward to our expansion to other regions.

The Roberts' Agency in Grenada achieved 130% of their annual sales quota followed by Clarke's Branch of Guyana achieving 97% of their annual sales quota.

St. Vincent topped this year for recruitment and we were able to contract eight new agents in 2023. All of our sales teams must be commended for their hard work to ensure the surpassing of our sales quotas for 2023.

Group Life premiums totaled $241.3M compared to $173.2M in 2022, representing a 40% increase. Group Health Premiums totaled

$71.6M, a 16% increase when compared to $61.8M in 2022. The total value of pensions under management by the Society increased to $5.8B as at December 2023 compared to $5.3M in 2022, a 10% increase.

We continued to focus on the recruiting of high-caliber Sales Representatives who in 2023 benefited from extensive training as we strengthened our Sales Teams. The Society continued to invest in technological advancements and strategic partnerships to enhance its operational efficiency and customer experience. Key initiatives included creating a "Green Environment" by digitizing our documents to reduce turnaround times and paper transactions. We successfully implemented a chat box feature to our webpage and social media pages which helped tremendously to ensure that all online customer interactions were addressed.

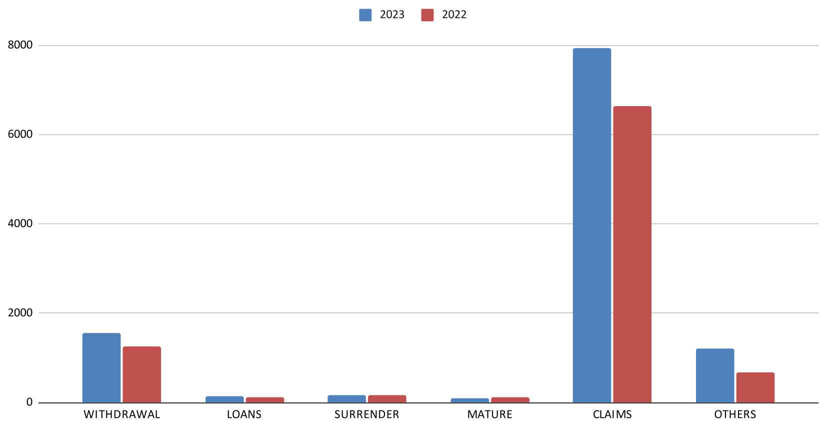
INSURANCE OPERATIONS

Customer satisfaction and ensuring that policyholders and clients were provided with the best possible insurance advice were key focuses of the Operational Team. This was rewarding as sales and policy retention increased and lapses and surrenders decreased. Claims were also addressed with due urgency, much to the satisfaction of the policyholders.

During the year we saw a 25% increase in policyholders' requests. when compared to 2022. These requests were made up of withdrawals, claims and refunds of premiums

Chief Executive Officer's Report

Transactions 2023 vs 2022



paid due to terminations. See graph below:

Customer feedback played a crucial role in building our loyalty brand and fulfilling requirements of the ISO 9001-2015 standard. We actively sought and listened to the opinions and experiences of walk-in customers and group clients to gain valuable insights of our services. We also conducted customer service surveys from Individual policyholders as well as Group Life Clients. The feedbacks received from individual customers were scored as follows:

Assessment Overall - 74%
Knowledge – 72%
Professionalism – 82%
Resolving Issues – 72%
Patience and Courtesy – 73%
Time to complete transactions – 72%

The Group portfolio had additions of three new group policies, two group health policies and one group life policy. In the Group Creditor life, we saw an increase in insurance coverage for loans granted to our young homeowners.

Below is a customer feedback chart for one of our prestigious clients pertaining to the services they were provided during the year 2023.

Group Life and Group Creditors premiums income for the year totaled $246.1M. This was an increase of 41% when compared to the $174.1M in 2022.

Group Pension premium income was $641M compared to $651M in 2022 a reduction by 2%. The reduction was due to employee separation from various pension plans and payment of termination benefits.

Group Health premium income was $71.6M compared to $62M in 2022. Claims paid totaled $46.2M.

Individual health premiums received total $128. 5M in comparison to $107.4M in 2022, an increase of 16%. Claims paid totaled $70.7M compared to $55.4M in 2022.

Chief Executive Officer's Report

CALL CENTRE

Our call centre continued to provide customer service and give guidance for self-service given our digital platform which could be used by policyholders to access information on their policies.

FINANCIAL PERFORMANCE

We continued in 2023 with efforts to increase revenue and careful management of expenses. Insurance Premium increased from $1.7B in 2022 to $2B in 2023.

Revenue: Total revenue was $1.965B compared to $1.566B in the previous year, a 26% increase.

Investments: Totaled $549 M compared to $505M, an increase of 9 %.

Total Operating Expenses: totaled $327M compared to $446M for the previous year, a 16% decrease.

Surplus: This was $450M compared to $77.5M 2022, an increase of 486%.

Valuation: The 2023 Valuation informed of a policy liability of $7,476,179,154.00 for the Society's long-term insurance business for year ended 31st December 2023.

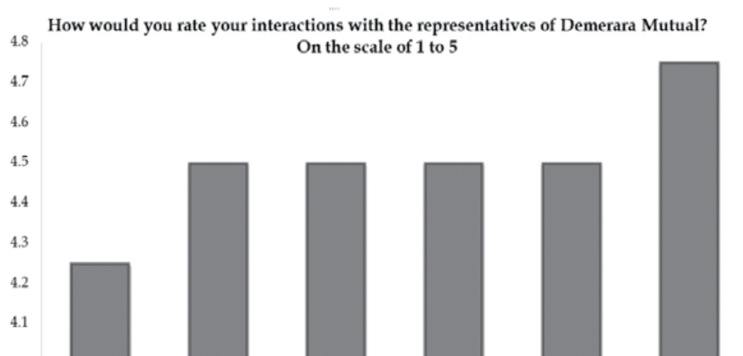
HUMAN RESOURCES

We deeply value our human resource asset and continued to invest in staff empowerment and skills development.

Increased benefits for greater staff retention and motivation in a very competitive human resource environment were also a priority for us in 2023. Effective January 2024 increased compensation packages were paid in all of the territories where we operate to ensure that our benefits were competitive.

The Human Resources Department focused much of its energies on supporting the objectives to improve efficiency and offer a high quality of service to our clients which enabled us to achieve the ISO 9001: 2015 certification.

Some key objectives were to support training



	Friendly	Helpful	Provided clear explanations	Competent	Professional	Responsive in a timely manner
Average Rating	4.25	4.5	4.5	4.5	4.5	4.75

Chief Executive Officer's Report

and development and ensuring that we had a high-performing and engaged workforce that was well equipped to deliver results. Employees from various departments were trained in the principles of life insurance, insurance operations and product knowledge to provide efficient service to our clients.

INFORMATION SYSTEM

We were able to enhance our information security capabilities from the numerous seminars and training sessions attended by our IT team. This helped the development of more robust security policies and greatly enhanced our Intrusion Detection and Prevention systems. Upgrades to our network infrastructure continued and new VPNs for more secure and efficient communications between branches were established. We also developed a new IT ticketing system to improve our service turnaround time.

REGULATORY/COMPLIANCE MATTERS

The Society continued to fulfill its regulatory obligations by complying with applicable laws, regulations, standards, and internal policies and procedures in the jurisdictions in which our businesses were located.

Adherence to AML/CFT legislation in all locations was integral to our regulatory obligations. In 2023, amendments were made to the AML/CFT legislation and guidelines issued in our home jurisdiction. We reviewed our compliance program to ensure that we met the new requirements.

The Society continued to strengthen compliance with insurance regulations and align its management systems with international standards that were relevant to our operations. We continued to enhance our risk and governance processes, demonstrating our commitment to managing risks and improving operating efficiency. To validate these efforts, the Quality Management System was implemented and which conformed to the ISO 9001:2015 Standard.

DEMERARA FIRE & GENERAL

The Society's sole subsidiary, The Demerara Fire & General Insurance Company limited further refined its products and services to meet the needs of policyholders.

Despite harsh market competition, our adaptability and commitment to ensure the growth of the Demerara Fire & General Insurance Company Limited continued. Our marketing strategies and quality customer service solidified our position as a one-stop shop for the general insurance needs of our clients.

There was continued expansion of our sales team to further empower to meet a broader customer base. We kept our promise of providing our valued policyholders with quality service through the ongoing education of our employees. Our service remained our greatest priority, and to this end, we have maintained the number one position as the most expedient and efficient for settlement of claims in the local insurance industry.

In 2023, the company generated total revenue of $273.7M, which was a 22% increase from the $226M earned in 2022. This growth

Chief Executive Officer's Report

was attributed to more advertising efforts, using both traditional and digital channels, as well as increased promotional and sales activities.

The after-tax profit was ($6.6M), a decrease over the restated previous year profit of $21M. This deficit was attributed directly to two significant claims paid during the reporting period.

Total expenses for the year was $195M compared to $116M in 2022, a 69% increase and which increase was due to $87.5M in claims paid.

Operating expenses totaled $54M compared to $58M in the previous year, a 6% decrease.

Investment income was $12.3M compared to $11M in the previous year, a 12% increase.

CONCLUSION

I express sincere appreciation to my very supportive team for their dedication and hard work in 2023. Our continued growth and success was possible because of their efforts.

To our policyholders, I thank you for believing in us and remaining true to the Demlife Family. You can be assured of our continued efforts to ensure that your insurance needs were satisfied.

I finally would like to thank our Chairman and the Board of Directors for their continued confidence in me for the day-to-day management of the Society. Their invaluable support was a great motivation and deeply appreciated.

I thank you all.

Melissa De Santos (Ms)
CHIEF EXECUTIVE OFFICER

Management Team

Melissa De Santos
Chief Executive Officer

Kezia Mc Donald-Eleazer
Finance Controller

James Morgan
Company Secretary

Sharmela Ramsammy
Manager
Sales and Marketing

Orlene Charles
Manager
Life Insurance Operations

Sean Seaton
Chief Risk
and Compliance Officer

Management Team

Asha Ojha
Manager
Fire and General

Mark Critchlow
Manager
Mortgage

Rayann Shury-Clarke
Manager
Business Development

Nadira Surujpaul
Internal Auditor

Timothy Indarsingh
Manager
Information Technology

Bernadette Giddings
Manager
Corporate Care

Lissette Nurse
Manager
Human Resources
& Corporate Services

"We remain committed to the well being of our policyholders by upholding the number one position for fast and efficient claim settlements in the local insurance industry.

Board of Directors

Ronald Burch-Smith
LL.B, MSc

Dr. Mahendra Carpen
M.B.B.A., D.M., F.A.C.P

Clifford Reis
C.C.H

Dr Arron Fraser
F.C.C.A, M.B.A, PhD

Maurice Solomon
F.C.C.A.

Deenawati Panday
L.L.B.

Carlton Joao
M.B.A.

Director's Report

The Directors have the pleasure to submit to you their report for the financial year ended 31st December 2023.

PRINCIPAL ACTIVITIES

The principal activities of the Society are the sale of long-term Life Assurance and Pension Schemes.

SUMMARY FINANCIAL RESULTS

A summary of the financial results for the year ended 31st December 2023 is as follows:

	2023	2022
	$	$
Insurance Revenue	1,990,431,592:	1,693,176,609:
Total Revenue	1,964,660,325:	1,566,189,902:
Net Profit/loss after taxation	632,085,474:	686,828,853:
Total Comprehensive income	(3,874,027,645:)	9,269,156,068:
Total Assets	47,712,214,677:	50,334,816,212:
Total Liabilities	14,171,372,532:	12,919,946,422:

DIRECTORATE

The Directors who retire by rotation are Dr Arron Fraser, Mr. Maurice Solomon and Mr. Carlton Joao. These Directors are eligible and offer themselves for election.

DIRECTORS' EMOLUMENTS

The emoluments paid to the Society's Directors' for the year 2023 were as follows:

	2023	2022
	G$	G$
Mr. Ronald Burch Smith	2,648,976:	2,648,976:
Mr. Clifford B. Reis, C.C.H.	1,655,592:	1,655,592:
Dr. L Chin	-	919,765:
Mr. Maurice Solomon	1,655,592:	1,655,592:
Ms. Deenawati Panday	1,655,592:	1,655,592:
Dr. Arron Fraser	1,655,592:	1,655,592:
Dr. Mahendra Carpen	1,655,592:	1,655,592:
Mr. Carlton Joao	1,655,592:	1,655,592:
	12,582,528:	13,502,293:

Director's Report

DIRECTORS' INTEREST

The Society's Directors are required to be members of the Society by having a participating life assurance policy with the Society. This requirement was met by all Directors. The sums assured of their respective in force life assurance policies are:

	Sums Assured
Mr. Ronald Burch Smith	500,000:
Mr. Clifford B. Reis	100,000:
Mr. Maurice Solomon	100,000:
Ms Deenawati Panday	500,000:
Dr Arron Fraser	500,000:
Dr Mahendra Carpen	1,000,000:
Mr Carlton Joao	1,000,000:

SERVICE CONTRACTS

Society's Directors have no interest in any of the Service Contracts executed by the Society.

CAPITAL EXPENDITURE

The capital investment for the year 2023 was $21,412,179:

AUDITORS

The retiring Auditors, TSD LAL & CO is eligible for election and expressed their willingness to be the Society's Auditors for the ensuing year.

VALUATION

The Society's policy liabilities for the long-term insurance business of the Society as at 31st December 2023 were valued as $7,476,179,154:

SUBSTANTIAL SHAREHOLDINGS

The Society is a substantial shareholder of Banks DIH Ltd. The total share investment which the Society and its subsidiary, the Demerara Fire & General Insurance Company, have in Banks DIH Ltd is 81.57M shares. This represents 9.6% of the shareholding of that Company.

By order of the Board.
JAMES K. MORGAN
Company Secretary

JAMES K. MORGAN
Company Secretary
Demerara Mutual Life Assurance Society Ltd.
61 - 62 Avenue of the Republic & Robb Street, Georgetown, Guyana

Corporate Governance

THE BOARD OF DIRECTORS

The members of the Society's Board of Directors are Mr. Ronald Burch–Smith (Chairman) Mr. Clifford B. Reis, C.C.H., Mr. Maurice Solomon, Ms Deenawati Panday, Dr. Arron Fraser, Dr. Mahendra Carpen and Mr Carlton Joao.

The Board of Directors of the Society provides oversight for the effective management of the Society's operations. It also overseas it's the risk management functions to ensure the effective governance of the Society. It is responsible for ensuring that the Company is being managed in keeping with the insurance regulations in all the territories where it operates. It also reviews the performance of the Society's operational activities on a regular basis and takes the necessary decisions for the Society's improved performance and efficiency.

FINANCE/MARKETING COMMITTEE

This Committee comprises Mr. Maurice Solomon (Chairman), Mr. Clifford B. Reis, Mr. Carlton Joao and Dr. Aaron Fraser. This committee reviews the Monthly and yearly financial statements of the Society and advising the Board of its recommendations for the improved financial performance of the Society. It also reviews the Annual Budget presented by Management and advises on necessary changes to be made before recommending approval by the Board. The Society's Monthly Financials are also reviewed by this committee and advises on actions to be taken for improved financial performance.

Its Marketing Responsibilities include review of the sales performance of the Society and functioning of the respective sales agencies to ensure that the levels of production were consistent with budget projections.

BUILDING COMMITTEE

The members of this committee are Mr. Carlton Joao (Chairman), Dr. Mahendra Carpen and Dr. Arron Fraser.

The Building Committee has responsibility for major building projects of the Society and ensuring that its properties are well maintained.

AUDIT COMMITTEE

The members of the Audit Committee are Dr. Arron Fraser (Chairman), Mr. Maurice Solomon and Mr. Clifford B. Reis.

The audit committee is responsible for the review of the Company's audit plans to ensure that they are appropriate, risk-based and addresses all the relevant activities of the Society. It also considers audit reports and ensures that the work of the internal and external auditors were well coordinated and efficiently executed.

Corporate Governance

HUMAN RESOURCE/DEATH CLAIMS COMMITTEE

This Committee comprises Directors, Ms. Deenawati Panday (Chairperson), Mr. Maurice Solomon and Dr. Mahendra Carpen.

This committee review of the Society's Human Resource structure to ensure adequacy to achieve the Society's objectives. It also ensures that policies and guidelines conform with local laws, regulations and policies and also to international standards pertaining to equal employment opportunities and working conditions.

RISK /INVESTMENT COMMITTE

The members of this Committee comprise Dr. Arron Fraser, Chairman, Mr. Clifford B Reis and Mr. Maurice Solomon. This Committee gives guidance on activities of the Society and the approaches to be taken by the Society regarding risk activities. It also considers the risk profile with regard to the corporate strategy and makes recommendations for necessary policy changes given any risk exposures that needed to be mitigated. It examines regularly the investment returns and policy of the Society and advised of necessary changes to ensure maximum returns from investments

Corporate Information

Demerara Mutual Life Assurance Society Limited
Incorporated by Ordinance 19 of 1891

REGISTERED OFFICES:
61 & 62 Avenue of the Republic
& Robb Street
Georgetown, Guyana
Tel. (592) 225-8991-3
Email: corporate@demeraramutual.com

REASSURERS:
Swiss Re Life & Health Canada
150 King St West, Suite 1000
Toronto, Ontario M5H 1J9, Canada

AUDITORS:
TSD LAL & CO.
CHARTERED ACCOUNTANTS
(An Independent Correspondent Firm of Deloitte Touché Tohmatsu)
77 Brickdam, Stabroek,
Georgetown, Guyana

ACTUARY:
Edward Kuo Consulting Actuary
Actuarial Perspective Inc
2 Robert Speek Parkway
Suite 750
Mississauga, Ontario
L4Z 1H8, Canada

BANKERS:
Guyana Bank for Trade & Industry Limited
47-48 Water Street
Georgetown, Guyana

Republic Bank (Guyana) Limited
38-40 Water Street
Georgetown, Guyana

Citizens Bank Guyana Inc.
231 -233 Camp Street
Georgetown, Guyana

Bank of Nova Scotia
104 Carmichael Street
North Cummingsburg
Georgetown, Guyana

ATTORNEYS-AT-LAW:
Messrs Cameron & Shepherd
2 Avenue of the Republic
Georgetown, Guyana

2023 Sales Awardees

CHARLES CLARKE
TOP PRODUCER - LIFE, TOP PRODUCER – FIRE
CHAIRMAN'S DIAMOND, CENTURION CLUB

MICHAEL BLAIR
TOP PRODUCER - MOTOR
CHAIRMAN'S DIAMOND
CENTURION CLUB

MARIA RODRIGUES
CHAIRMAN'S SILVER
FIFTY PLUS CLUB

AVANELLE TELFORD
CHAIRMAN'S SILVER
FIFTY PLUS CLUB

ALLISON ALLICOCK
CHAIRMAN'S BRONZE
FIFTY PLUS CLUB

TRAVERN SEYMOUR
CHAIRMAN'S BRONZE
FIFTY PLUS CLUB

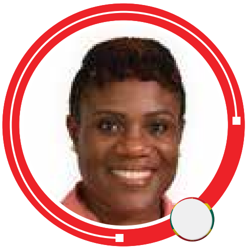
BEVERLEY PETERS
CHAIRMAN'S BRONZE
EIGHTY PLUS CLUB

RICHARD SEATON
CHAIRMAN'S BRONZE
CENTURION CLUB

The following agents are the 2023 Top Producers for the Society and are recognised for their sterling performance.

WILCOX ROBERTS
TOP PRODUCER - LIFE
CHAIRMAN'S DIAMOND, EIGHTY PLUS CLUB

SHORNA JAMES - ST. JOHN
CHAIRMAN'S DIAMOND
FIFTY PLUS CLUB



LYDIA BUBB-FRAME
CHAIRMAN'S GOLD
FIFTY PLUS CLUB

NATHALIE GIBBS
CHAIRMAN'S GOLD
FIFTY PLUS CLUB

LINTON PIERRE
ROOKIE AWARD

NATHALIE GIBBS
CHAIRMAN'S DIAMOND
FIFTY PLUS CLUB

Financial Statements

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DEMERARA MUTUAL LIFE ASSURANCE SOCIETY LIMITED AND SUBSIDIARY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Opinion

We have audited the financial statements of the Demerara Mutual Life Assurance Society Limited and Subsidiary, which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies set out on pages 31 to 91.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Demerara Mutual Life Assurance Society Limited and Subsidiary as at 31 December 2023, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

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 Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Guyana, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

The consolidated financial statements for the year ended 31 December 2023 have been restated to reflect the requirements of IFRS 17, which became effective on 1 January 2023 and was applied retrospectively.
We draw attention to Note 28 of the consolidated financial statements, which describes the impact of transition from IFRS 4 to IFRS 17. Our opinion is not modified in respect of this matter.

Other Information in the Annual Report

Management is responsible, for the other information. The other information comprises all the information included in the Group's 2023 annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. At the time of the audit report the other information was not available.

Responsibilities of Those Charged with Governance for the Financial Statements

The Directors/Management are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error. The Directors/Management are responsible for overseeing the financial reporting process.

In preparing the financial statements, the Directors/Management are responsible for assessing the Group'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 the directors either intend to liquidate the Group or cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements
The objectives of our audit 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the planning and performance of 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 omission, misrepresentations, or the override of internal controls,

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls,

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management,

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

- 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Group financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Financial Statements

Auditor's responsibilities for the audit of the financial statements – cont'd

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Report on Other Legal and Regulatory Requirements
The financial statements comply with the requirements of the Companies Act 1991. The Insurance Act 2016 came into effect in 2018. As explained in Note 31 , the Society has five (5) years to be fully compliant.

TSD Lal

TSD LAL & CO.
Chartered Accountants
Date: 16th December, 2024
77 Brickdam, Stabroek, Georgetown

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	COMPANY		GROUP	
		2023	2022 Restated	2023	2022 Restated
		G$	G$	G$	G$
Revenue					
Insurance revenue	5	1,311,733,547	987,469,954	1,558,517,496	1,188,917,694
Insurance service expenses	5	(982,126,840)	(718,429,577)	(1,123,169,036)	(776,933,800)
Insurance service result before reinsurance contracts held		329,606,707	269,040,377	435,348,460	411,983,894
Net expense from reinsurance contracts held	5	64,161,324	5,364,022	(21,089,865)	(72,174,283)
Insurance service result		393,768,031	274,404,399	414,258,595	339,809,611
Investment income	6	548,852,092	504,709,595	561,113,413	515,691,470
Net insurance financial result		942,620,123	779,113,994	975,372,008	855,501,081
Finance expenses from insurance contracts issued		(215,795,015)	(316,834,914)	(215,795,015)	(316,834,914)
Finance income from reinsurance contracts held		(38,508,288)	(16,956,621)	(38,508,288)	(16,956,621)
Net insurance finance expenses		(254,303,303)	(333,791,535)	(254,303,303)	(333,791,535)
Net insurance and investment result		688,316,819	445,322,459	721,068,704	521,709,546
Other income	6	104,074,686	94,010,353	118,736,005	107,642,624
Operating expenses	7	(326,920,880)	(445,559,795)	(380,884,424)	(503,132,991)
Profit before tax		**465,470,626**	**93,773,017**	**458,920,286**	**126,219,179**
Taxation	8	(14,983,292)	(16,316,461)	(14,983,292)	(27,735,855)
Profit for the year		450,487,334	77,456,556	443,936,994	98,483,324
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of defined benefit pension plan	27	(877,971,430)	1,257,453,014	(877,971,430)	1,257,453,014
Change in fair value of financial assets at FVOCI	16	(3,591,171,139)	7,966,405,223	(3,273,635,329)	8,184,411,850
Items that may be reclassified subsequently to profit or loss					
Currency translation differences		79,023,590	(32,158,725)	79,023,590	(32,158,725)
Others		65,604,000	-	65,603,995	-
Other comprehensive (loss)/income for the year		(4,324,514,979)	9,191,699,512	(4,006,979,174)	9,409,706,139
Total comprehensive (loss)/income for the year		(3,874,027,645)	9,269,156,068	(3,563,042,180)	9,508,189,463

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

DEMERARA MUTUAL LIFE ASSURANCE SOCIETY LIMITED AND SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Guarantee Capital	Retained earnings	Revaluation reserve	Investment reserve	Exchange difference reserve	Total
	G$	G$	G$	G$	G$	G$
COMPANY						
Balance at 1 January 2022 (as previously reported)	100,000	3,642,381,425	1,093,896,286	22,699,212,960	(1,034,233,229)	26,401,357,442
Initial application IFRS 17(note 28)	-	1,744,356,280	-	-	-	1,744,356,280
Balance at 1 January 2022 (restated)	100,000	5,386,737,705	1,093,896,286	22,699,212,960	(1,034,233,229)	28,145,713,722
Total comprehensive income/(loss) for the year	-	1,334,909,570	(9,830,309)	7,948,456,856	(4,380,049)	9,269,156,068
Balance at 31 December 2022	100,000	6,721,647,275	1,084,065,977	30,647,669,816	(1,038,613,278)	37,414,869,790
Total comprehensive income/(loss) for the year	-	(427,484,096)	22,332,936	(3,474,993,281)	6,116,796	(3,874,027,645)
Balance at 31 December 2023	100,000	6,294,163,179	1,106,398,913	27,172,676,535	(1,032,496,482)	33,540,842,145
GROUP						
Balance at 1 January 2022 (as previously reported)	100,000	3,845,365,240	1,163,351,163	23,049,614,580	(1,034,233,229)	27,024,197,754
Initial application IFRS 17(note 28)	-	1,744,356,280	-	-	-	1,744,356,280
Balance at 1 January 2022 (restated)	100,000	5,589,721,520	1,163,351,163	23,049,614,580	(1,034,233,229)	28,768,554,034
Other comprehensive income						
Total comprehensive income/(loss) for the year	-	1,355,936,338	(9,830,309)	8,166,463,483	(4,380,049)	9,508,189,463
Balance at 31 December 2022	100,000	6,945,657,858	1,153,520,854	31,216,078,063	(1,038,613,278)	38,276,743,497
Total comprehensive income/(loss) for the year	-	(434,034,441)	22,332,936	(3,157,457,471)	6,116,796	(3,563,042,180)
Balance at 31 December 2023	100,000	6,511,623,417	1,175,853,790	28,058,620,592	(1,032,496,482)	34,713,701,317

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

		COMPANY			GROUP		
	Notes	2023	2022 Restated	2021 Restated	2023	2022 Restated	2021 Restated
		G$	G$	G$	G$	G$	G$
ASSETS							
Cash and cash equivalents		4,605,869,563	3,689,471,381	3,505,219,366	4,726,922,485	3,772,114,717	3,577,884,207
Investment assets	9	33,443,646,967	36,414,314,860	28,640,665,740	34,659,558,873	37,292,612,174	29,283,387,336
Receivables and prepayments	10	153,961,966	204,261,858	114,340,082	164,700,307	208,766,134	119,205,151
Interest receivable	11	38,243,566	38,303,579	46,572,399	38,376,122	38,422,664	46,721,899
Inventories		3,992,317	5,173,941	4,324,337	4,729,626	5,957,781	5,008,531
Tax recoverable		6,675,235	727,259	1,481,991	29,439,352	16,971,199	17,725,931
Insurance contract assets	13	1,607,710,316	1,512,144,706	1,677,305,306	1,625,793,734	1,518,461,635	1,683,644,971
Reinsurance contract assets	13	49,218,889	17,696,533	4,302,453	97,893,920	62,165,981	46,450,467
Investment property	12	608,000,000	608,000,000	608,000,000	608,000,000	608,000,000	608,000,000
Property and equipment	14	1,897,716,016	1,873,738,560	1,910,778,286	1,996,995,809	1,974,567,090	2,014,269,031
Investment in subsidiary company		111,863,250	111,863,250	111,863,250	-	-	-
Intangible assets	17	-	-	17,655,460	8,766,953	13,150,430	35,189,367
Retirement benefit asset		5,185,316,592	5,859,120,285	4,448,002,681	5,185,316,592	5,859,120,285	4,448,002,681
Total assets		47,712,214,677	50,334,816,212	41,090,511,352	49,146,493,772	51,370,310,090	41,885,489,573
Liabilities							
Trade and other payables	19	253,622,724	268,759,098	111,338,785	303,690,074	296,252,230	137,997,847
Deposit administration fund	18	5,813,061,665	5,310,400,894	5,891,217,883	5,813,061,665	5,310,400,894	5,891,217,883
Insurance contract liabilities	13	7,476,565,774	6,641,209,278	6,252,471,253	7,687,918,347	6,787,336,317	6,397,950,100
Reinsurance liabilities	13	628,122,369	699,577,152	689,769,708	628,122,369	699,577,152	689,769,708
Total liabilities		14,171,372,532	12,919,946,422	12,944,797,630	14,432,792,455	13,093,566,593	13,116,935,539
Equity & liabilities							
Guarantee capital		100,000	100,000	100,000	100,000	100,000	100,000
Retained earnings		6,294,163,179	6,721,647,275	5,386,737,705	6,511,623,417	6,945,657,858	5,589,721,520
Exchange difference reserve		(1,032,496,482)	(1,038,613,278)	(1,034,233,229)	(1,032,496,482)	(1,038,613,278)	(1,034,233,229)
Investment reserve	16	27,172,676,535	30,647,669,816	22,699,212,960	28,058,620,592	31,216,078,063	23,049,614,580
Revaluation reserve		1,106,398,913	1,084,065,977	1,093,896,286	1,175,853,790	1,153,520,854	1,163,351,163
		33,540,842,145	37,414,869,790	28,145,713,722	34,713,701,317	38,276,743,497	28,768,554,034
		47,712,214,677	50,334,816,212	41,090,511,352	49,146,493,772	51,370,310,090	41,885,489,573

These financial statements were approved on **16th December 2024** on behalf of the board

.... Director
Mr. Maurice Solomon

.... Director
Mr. Carlton Joao

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	COMPANY		GROUP	
	2023	2022 Restated	2023	2022 Restated
	G$	G$	G$	G$
Cash flow from operating activities				
Profit before taxation	465,470,626	93,773,017	458,920,286	126,219,179
Adjustments for:				
Depreciation	39,249,188	40,091,613	41,734,419	44,233,082
Amortization	-	17,519,228	4,383,477	21,902,705
Investment income	(548,852,092)	(504,709,595)	(561,113,413)	(515,691,470)
Changes in insurance/reinsurance assets	(127,087,967)	151,766,520	(143,060,039)	149,467,822
Changes in insurance/reinsurance liabilities	763,901,713	398,545,469	829,127,247	399,193,661
Net cash inflow before changes in operating assets	592,681,468	196,986,252	629,991,977	225,324,979
(Increase) / decrease in receivables, prepayments, intangible assets & inventory	51,481,519	(90,635,146)	45,293,977	(90,374,002)
Decrease in accrued interest	60,013	8,268,820	46,542	8,299,235
Increase/(decrease)in deposit admin fund	502,660,771	(580,816,990)	502,660,771	(580,816,990)
Increase retirement obligation	(204,167,737)	(153,664,590)	(204,167,737)	(153,664,590)
(Increase) / decrease trade and other payables	(15,136,373)	157,420,310	7,437,845	158,254,382
Net cash provided by/(used in) operations	927,579,661	(462,441,344)	981,263,375	(432,976,986)
Taxes paid	(20,931,272)	(15,561,727)	(27,451,450)	(26,981,116)
Net cash provided by/(used in) operating activities	906,648,389	(478,003,071)	953,811,925	(459,958,102)
Investing activities				
Dividend and interest received	548,852,092	504,709,595	561,113,413	515,691,470
Proceeds on disposal of financial investments	532,232,323	536,938,529	532,232,323	536,938,529
Purchase of financial investments	(1,087,131,568)	(344,182,427)	(1,107,210,346)	(361,751,521)
Purchases of property & equipment	(63,226,644)	(3,051,886)	(64,163,137)	(4,531,141)
Net cash (used in)/provided by investing activities	(69,273,797)	694,413,811	(78,027,747)	686,347,337
Net increase in cash and cash equivalents	837,374,592	216,410,740	875,784,178	226,389,235
Effect of exchange rates	79,023,590	(32,158,725)	79,023,590	(32,158,725)
Net increase in cash and cash equivalents	916,398,182	184,252,015	954,807,768	194,230,510
Cash and cash equivalents at the beginning of period	3,689,471,381	3,505,219,366	3,772,114,717	3,577,884,207
Cash and cash equivalents at the end of period	4,605,869,563	3,689,471,381	4,726,922,485	3,772,114,717
Represented by:				
Cash at bank and on hand	4,605,869,563	3,689,471,381	4,726,922,485	3,772,114,717

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

NOTES ON THE ACCOUNTS

1 Incorporation and activities

Demerara Mutual Life Assurance Society Limited was incorporated by Ordinance 19 of 1891 and its major activity is the issuance of life assurance.

The wholly owned subsidiary, Demerara Fire and General Insurance Company Limited's major activities are fire, motor and general insurance. It was incorporated under the Companies Act Chapter 89:01 in the Co-operative Republic of Guyana on 27 November 1992 and continued under the Companies Act 1991 on April 29, 1997. It commenced operations on July 1, 1993.

The company's registered office is located at 61-62 Avenue of the Republic, Georgetown, Guyana.

No. of employees

The average number of employees of the Group was 111 (2022 - 112)

2 New and amended standards and interpretations

<u>**Amendments effective for the current year end**</u> **New and Amended Standards**	**Effective for annual periods beginning on or after**
IFRS 17 Insurance contracts	1 January 2023
Amendments to IAS 1 and IFRS Practice statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 8: Definition of Accounting Estimates	1 January 2023
Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The standard and amendments which had an impact on the financial statements are stated below:

<u>IFRS 17 Insurance Contracts</u>

IFRS 17 Insurance Contracts applies to: insurance contracts, including reinsurance contracts, issued by an entity with specified exceptions; reinsurance contracts held by an entity; and investment contracts with discretionary participation features issued by an entity that issues insurance contracts. An insurance contract is defined as 'a contract under which one party (the issuer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.

In the statement of financial position, an entity is required to measure profitable insurance contracts at the risk-adjusted present value of the future cash flows plus unearned profit for services to be provided under the contract.

IFRS 17 requires an entity to recognise profit from a group of insurance contracts over the period the entity provides services, and as the entity is released from risk. If a group of contracts is or becomes loss-making, the entity is required to recognise the loss immediately.

The Accounting Standard also requires insurance revenue, insurance service expenses, and insurance finance income or expenses to be presented separately.

Entities applying the temporary exemption for deferral of IFRS 9 would be required to apply IFRS 9 for annual periods beginning on or after January 1, 2023.

NOTES ON THE ACCOUNTS

2 New and amended standards and interpretations cont'd

Amendments effective for the current year end cont'd

Amendments to IAS 1 and IFRS Practice statement 2: Disclosure of Accounting Policies

The amendments replace the requirement for entities to disclose their significant accounting policies with the requirement to disclose their material accounting policy information. The amendments also include guidance to help entities apply the definition of material in making decisions about accounting policy disclosures.

Amendments to IAS 8: Definition of Accounting Estimates

The amendments introduced the definition of accounting estimates and included other amendments to help entities distinguish changes in accounting estimates from changes in accounting policies.

Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The amendments apply to transactions such as leases and decommissioning obligations.

Pronouncements effective in future periods available for early adoption

New and Amended Standards	Effective for annual periods beginning on or after
Amendments to IAS 1: Classification of Liabilities as Current |or Non-current, and Non-current Liabilities with Covenants	1 January 2024
Amendments to IFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to IAS 12: International Tax Reform—Pillar Two Model Rules	1 January 2024
IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information	1 January 2024
IFRS S2: Climate-related Disclosures	1 January 2024

The company has not opted for early adoption.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The Board proposed to defer the effective date to no earlier than 1 January 2024 (from 1 January 2023).

Amendments to IAS 1: Non-current Liabilities with Covenants

The amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The amendments also respond to stakeholders' concerns about the classification of such a liability as current or noncurrent.

NOTES ON THE ACCOUNTS

2 New and amended standards and interpretations cont'd

Pronouncements effective in future periods available for early adoption

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

Lease Liability in a Sale and Leaseback amends IFRS 16 by adding subsequent measurement requirements for sale and leaseback transactions.

Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements

Amendments require an entity to disclose qualitative and quantitative information about its supplier finance programs, such as terms and conditions – including, for example, extended payment terms and security or guarantees provided. Amongst other characteristics, IAS 7 explains that a supplier finance arrangement provides the entity with extended payment terms, or the entity's suppliers with early payment terms, compared to the related invoice payment due date.

Amendments to IAS 12: International Tax Reform— Pillar Two Model Rules

The amendments introduce an immediate temporary mandatory exception from accounting for deferred tax related to Globe top-up tax. However, companies will be required to provide new disclosures about their potential exposure to the top-up tax at the reporting date in periods in which a tax law is enacted but the top-up tax does not yet apply. The disclosure requirements apply from December 31, 2023. No disclosures are required in interim periods ending on or before December 31, 2023.

IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information

IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 Climate-related Disclosures

IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

NOTES ON THE ACCOUNTS

3 Summary of significant accounting Policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention as modified for the revaluation of property and equipment, investment property and investments and the accounting policies conform with International Financial Reporting Standards.

(b) Recognition of income and expenditure

Income and expenses except insurance contracts transactions are prepared on the accrual basis.

(c) Investment income

Investment income includes dividends and interest income. Interest income is calculated using the effective interest method for financial instruments at amortised cost. Dividends are income received from equity investments.

(d) Property and equipment and depreciation

Land and buildings held for use in the supply of services for administrative purposes are stated in the statement of financial position at their revalued amounts. The revalued amounts are the fair value at the time of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment. Land and buildings are revalued by independent professional valuer on triennial basis and whenever their carrying amounts are likely to differ materially from their revalued amounts. Any revaluation increase/decrease arising from the revalution of such land and building is recognized in other comprehensive income and accumlated in revaluation reserve.

Equipment fixtures and vehicles are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation provided on a reducing balance basis except for buildings which are depreciated on a straight line basis, at rates sufficient to write off the cost or valuation of assets over its estimated useful lives as stated below:

Furniture, fixtures and equipment	20% per annum
Motor vehicles	25% per annum
Computer appliances	50% per annum
Buildings	2% per annum

No depreciation is provided on Land.

The gain or loss arising on disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

(e) Foreign currency translation

Transactions in currencies other than Guyana Dollars are recorded at the rate of exchange prevailing on the dates of the transactions. At each reporting date monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing on that date.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at rates prevailing when the fair value was determined. Gains

NOTES ON THE ACCOUNTS

3 Summary of significant accounting policies cont'd

(e) Foreign currency translation cont'd

and losses arising on retranslation are included in the statement of profit or loss and other comprehensive income for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised in the statement of changes in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are expressed in Guyana dollars using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising, if any, are classified as equity and recognised in the group's exchange difference reserve. Such exchange differences are recognised in the profit or loss in the period in which the foreign operation is disposed of.

(f) Pension funding

The fair value of the Plan's assets and the present value of the obligation are actuarially calculated at each year end and disclosed on the statement of financial position.

The movement in assets and liabilities of the pension scheme is recognised through the statement of profit or loss and other comprehensive income.

(g) Deferred tax

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the reporting date.

(h) Consolidation

The consolidated accounts incorporate the accounts of Demerara Mutual Life Assurance Society Limited and its wholly owned subsidiary Demerara Fire and General Insurance Company Limited.

Where necessary, adjustments are made to the financial statements of the subsidiary Demerara Fire and General Insurance Company Limited to bring its accounting policies in the line with the company.

Investment in subsidiary is carried at historical cost on the company's statement of financial position.

(i) Intangible assets

Intangible assets are amortised over a period of five years.

(j) Commercial building

This is an investment properties, which is held to earn rentals and/or capital appreciation and is stated at its fair value at the statement of financial position date.

Gains or losses arising from changes in the fair value of investment properties are included in the statement of profit or loss and other comprehensive income for the period in which they arise.

3 Summary of significant accounting policies cont'd

All of the Company's property interests held under operating leases to earn rentals or for capital appreciation purpose are accounted for as investment properties and are measured using the fair value model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits are expected from the disposal.

(k) Inventory

Stocks are valued at lower of cost and net realizable value using average cost method and are held for internal use.

(l) Insurance and reinsurance contracts classification

The Group issues insurance contracts as part of its normal operations, assuming significant insurance risk from its policyholders.The Group exercises its judgment in evaluating whether a contract transfers insurance risk and determines the significance of the accepted insurance risk.

Reinsurance contracts are contracts that the Group holds under which it transfers significant insurance risk associated with underlying insurance contracts. A reinsurance contract essentially transfers a significant amount associated with underlying insurance contracts. A reinsurance contract essentially transfers a significant amount of risk when it assumes a majority of the insurance risk associated with the insured portion of the underlying insurance contracts.

Unless otherwise indicated, all references to insurance contracts and reinsurance contracts in these accounting policies pertain to insurance contracts issued or acquired and reinsurance contracts held ."

The Group issues life, health, annuity, fire, auto and liability insurance contracts. The Group has no contracts with direct participation feature.

(m) Insurance and reinsurance contracts

(i) Separating components from insurance and reinsurance contracts

The Company reviews its life insurance and reinsurance products to determine whether they include distinct non-insurance components that must be reported under a different IFRS standard than IFRS 17. The Group apply IFRS 17 to any residual parts of the (host) insurance contract after separating any distinct components. Presently, the Company does not have products with distinct components requiring separation. The Company issues life insurance products that provide an investment benefit payable to the policyholder. These benefits have been evaluated as meeting the criteria of a non-distinct investment component in IFRS 17. IFRS 17 defines investment components as the funds that an insurance contract obligates an insurer to reimburse to a policyholder under any circumstances, regardless of the occurrence of an insured event. Non-distinct investment components are not accounted for separately from the insurance contract However, the calculation of insurance revenue and insurance expenses does not account for the revenue and expenses associated with investment components. The company considers the investment benefits it offers non-distinct components, as it is unable to assess their value separately from the life insurance aspect of the agreement.

NOTES ON THE ACCOUNTS

3 Summary of significant accounting policies cont'd

(m) Insurance and reinsurance contracts cont'd

(ii) Level of aggregation

The level of aggregation for the Group is determined firstly by dividing the business written into portfolios of insurance contracts that are subject to similar risks.Each portfolio is further divided into groups of contracts that are (i) contracts that are onerous at initial recognition; (ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or (iii) a group of remaining contracts.

The Group evaluates whether a series of contracts can be treated together when assessing the level of aggregation. The Company also assesses whether an insurance contract includes any components that need to be separated.This assessment is done based on an appropriate level of reliable and substantiated information. This facilitates the allocation of contracts to the same group without the need for individual contract assessments.

The Company has defined portfolios of insurance and reinsurance contracts issued based on its product lines, participating individual life,non-participating individual life,group life,group creditor life,individual deferred annuity,payout annuity, Individual health,group health, contracts because the products are subject to similar risks and managed together. The expected profitability of these portfolios at inception is determined based on the current actuarial valuation models, which take into account both existing and new business. The portfolios of the Company's subsidiary were determined as fire, motor, and liability. It is assumed that no such contracts are onerous at initial recognition unless facts and circumstances indicate otherwise. If facts and circumstances indicate that some contracts are onerous, an additional assessment is performed to distinguish onerous contracts from non-onerous ones. When evaluating non-onerous contracts, the Group considers the likelihood of changes in the relevant facts and circumstances in future periods to determine if there is a significant chance of the contracts becoming onerous.

Portfolios of reinsurance contracts held are assessed for aggregation within a calendar year (annual cohorts) into groups of (i) contracts for which there is a net gain at initial recognition, (ii) contracts for which at initial recognition there is no significant possibility of a net gain arising subsequently, (iii) remaining contracts in the portfolio.

Transition approaches adopted by the Goup for IFRS 17 with respect to contracts aggregation requirements are included in note 28.

(iii) Recognition

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

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

A group of reinsurance contracts held is recognised from the earliest, of the beginning of the coverage period of the group of reinsurance contracts held. Proportionate or quota share reinsurance contracts recognition is the later of when any underlying insurance contract

NOTES ON THE ACCOUNTS

3 Summary of significant accounting policies cont'd

(m) Insurance and reinsurance contracts cont'd

(iii) Recognition cont'd

is initially recognized and the beginning of the coverage period of the group of reinsurance contracts held
The Group only recognizes a group of quota share reinsurance contracts once it has recognised at least one of the underlying insurance contracts."

(iv) Contract Boundary

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

A substantive obligation to provide services ends when:

- the Group has the practical ability to reassess the risks of the particular policyholder and can establish a price or level of benefits that fully reflects those reassessed risks; or
- the Group has the practical ability to reassess the risks of the portfolio that contains the contract and can set a price or level of benefits that fully reflect the risks of that portfolio and the pricing of the premiums up to the reassessment date does not consider risks related to periods after the reassessment date.

Cash flows are within the contract boundary for groups of reinsurance contracts held if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is required to pay amounts to the reinsurer or has substantive rights to receive services from the reinsurer."

A substantive right to receive services from the reinsurer ends when the reinsurer:

- has the practical ability to reassess the risks transferred to it and can set a price or level of benefits that fully reflects those reassessed risks; or
- has a substantive right to terminate the coverage

The contract boundary is reassessed at each reporting date to include the effect of changes in circumstances on the Group's substantive rights and obligations

(v) Initial measurement - Groups of contracts not measured under the PAA

Insurance contracts – Initial measurement

The company applies the General Measurement Model to its life segment, which comprises its life, health and annuity contracts.

On initial recognition, the Group measures a group of insurance contracts as the total of

(a) the fulfillment cash flows, which comprise unbiased and probability-weighted estimates of future cash flows, discounted to present value to reflect the time value of money and the associated financial risks, plus a risk adjustment for non-financial risk; and

NOTES ON THE ACCOUNTS

3 Summary of significant accounting policies cont'd

(m) Insurance and reinsurance contracts cont'd

(v) Initial measurement - Groups of contracts not measured under the PAA cont'd

(b) the CSM.

On initial recognition of a group of insurance contracts, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous) arising from the total of (a) the fulfilment cash flows, (b) any cash flows arising at that date and (c) any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group (including assets for insurance acquisition cash flows.

A negative CSM at the date of inception means the group of insurance contracts issued is onerous. For groups of contracts assessed as onerous, the Company has recognised 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 and the CSM of the group being zero.

The fulfillment cash flows are the current estimates of the future cash flows within the contract boundary of a Group of contracts that the Group expects to receive from premiums and pay for claims, benefits, and expenses. These estimates have been adjusted to reflect the timing and uncertainty of the amounts. Included in these estimates are also policy loans and bonuses for participating policies.

"The risk adjustment for non-financial risk for a group of insurance contracts is the compensation required for bearing uncertainty about the amount and timing of the cash flows that arises from non-financial risk. This amount is determined separately from the other estimates."

Reinsurance contracts held – initial measurement

The measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued, with the exception of the following:

- Measurement of the cash flows include an allowance on a probability-weighted basis for the effect of any non-performance by the reinsurers, including the effects of collateral and losses from disputes.
- The risk adjustment for non-financial risk represents the amount of risk being transferred to the reinsurer
- On initial recognition, both the net cost or net gain as a CSM and releases this to profit or loss as the reinsurer renders services .

However, if any net cost relates to events before initial recognition, then the Group recognises the cost immediately in profit or loss as an expense.

The CSM for reinsurance contacts is measured as the equal and opposite amount of the total of

(a) the fulfilment cash flows

(b) any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group

(c) any cash flows arising at that date and

(d) any income recognised in profit or loss because of onerous underlying contracts recognised at that date

NOTES ON THE ACCOUNTS

3 Summary of significant accounting policies cont'd

(m) Insurance and reinsurance contracts cont'd

(vi) Subsequent measurement - Groups of contracts not measured under the PAA

Insurance contracts – subsequent measurement

The carrying amount of a group of insurance contracts at the end of each reporting period as the sum of liability for remaining coverage and the liability for incurred claims.

(i) the liability for remaining coverage comprising fulfilment cash flows related to future service that will be provided under contracts and any remaining CSM at that date

(ii) the liability for incurred claims for the Company comprises of fulfilment cash flows related to past service such as cash flows for incurred claims and expenses that have not yet been paid

Fulfilment cash flows changes are recognised as follows:

- Changes relating to future services are adjusted against the CSM unless these changes relate to onerous contracts.
- Changes that relate to onerous contracts are recognised in the insurance service result in statement of profit or loss.
- Changes relating to current or past services recognised in the insurance service result in statement of profit or loss.
- Changes that in of the time value of money, financial risk and changes therein on estimated future cash flows are recognised as insurance finance income or expenses.

The changes in fulfilment cash flows relating to future service that adjust the CSM comprise of:

- Experience adjustments resulting from the difference between premium revenues (and any related cash flows such as insurance acquisition cash flows and insurance premium taxes) and the estimated amounts at the start of the period. The differences in premiums paid (or payable) for current or past services are immediately recognized in profit or loss. The differences in premiums received (or due) for future services are adjusted against the CSM.
- Changes in estimates of the present value of future cash flows in the liability for remaining coverage, except those relating to the time value of money and changes in financial risk.
- Differences between any investment component that is expected to become payable in the period plus any insurance finance income or expenses and the actual investment component that becomes payable in the period.
- Differences between expected loan repayable by policyholder during the period and the actual loan amount that becomes repayable during the period.
- Changes in the risk adjustment for non-financial risk that relate to future service.
- Differences between any investment component that is expected to become payable in the period plus any insurance finance income or expenses and the actual investment component that becomes payable in the period.

All the above adjustments to the CSM are measured at discount rates that reflect the characteristics of the cash flows of the group of insurance contracts at initial recognition except for changes in the risk adjustment

NOTES ON THE ACCOUNTS

3 Summary of significant accounting policies cont'd

(m) Insurance and reinsurance contracts cont'd

(vi) Subsequent measurement - Groups of contracts not measured under the PAA cont'd

Changes in fulfilment cash flows that relate to past or current services comprise: Changes in the fulfilment cash flows relating to the liability for remaining coverage and experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows)."

When a group of insurance contracts becomes onerous during the coverage period, the Company records a loss in profit or loss for the net outflow, resulting in the carrying value of the liability being equal to the fulfillment cash flows. The Company establishes a loss component for the liability for remaining coverage for such onerous group, which depicts the recognised losses."

Insurance contracts – subsequent measurement cont'd

For insurance contracts issued, at the end of each reporting period the carrying amount of the CSM is adjusted by the Group to reflect the effect of the following changes:

- The effect of any new contracts added to the group.
- Interest accreted on the carrying amount of the CSM.
- Changes in the FCF relating to future service are recognised by adjusting the CSM to the extent the CSM is available. When an increase in the FCF exceeds the carrying amount of the CSM, the excess is recognised in insurance service expenses and a loss component is recognised within the LRC. When changes in the FCF adjust the loss component within the LRC with correspondence to insurance service expenses.
- The effect of any currency exchange differences.

Following all of the aforementioned adjustments, the amount recognized as insurance revenue for services rendered during the specified period. The amount recognised as insurance revenue due to the transfer of insurance contract services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining coverage period.
The locked-in discount rate is the weighted average of the rates applicable at the date of initial recognition of contracts that joined a group over a 12-month period. The discount rate used for accretion of interest on the CSM is determined using the top down approach at inception."

Reinsurance contracts – subsequent measurement

To measure reinsurance contracts, the Company applies the same accounting policies as are applied to insurance contracts with the following modifications:"

- Changes in the fulfillment cash flows arising from the underlying ceded contracts are recognised in profit or loss.
- Changes in the fulfillment cash flows that result from changes in the risk of non-performance by the issuer of a reinsurance contract held are recognised in the profit or loss.
- Where a loss component has been set up subsequent to initial recognition of a group of underlying insurance contracts, the portion of income recognised from related reinsurance contracts held is disclosed as a loss-recovery component.

NOTES ON THE ACCOUNTS

3 Summary of significant accounting policies cont'd

(m) Insurance and reinsurance contracts cont'd

(vii) Insurance acquisiton cash flows

Reinsurance contracts – subsequent measurement cont'd

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

Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognised in the statement of financial position, a separate asset for insurance acquisition cash flows is recognised for each related group

The asset for insurance acquisition cash flow is derecognised when the insurance acquisition cash flows are included in the initial measurement of the CSM of the related group of insurance contracts.

(viii) Initial and subsequent measurement - Groups of contracts measured under the PAA

The Group uses the Premium Allocation Method to measure contracts with a one-year or less coverage period. This approach is used for non life segment which comprises motor, fire, and liability insurance contracts."

For insurance contracts issued, on initial recognition, liability for remaining coverage is measured at the amount of premiums received. The Group has chosen to expense insurance acquisition cash flows when they are incurred.

For reinsurance contracts held for these contracts, on initial recognition, the remaining coverage is measured at the amount of ceding premiums paid.

The carrying amount of a group of insurance and reinsurance contracts issued at the end of each reporting period is the sum of:

(a) Liability for remaining coverage; and

(b) Liability incurred claims, comprising the fulfilment cash flows related to past service allocated to the group at the reporting date relating to incurred claims.

Subsequently, for insurance contracts issued at each reporting date, the liability for remaining coverage is increased for premiums received in the period and decreased for the amounts of expected premiums received recognised as insurance revenue for the services provided in the period; and

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is increased for ceding premiums paid in the period and decreased for the amounts of ceding premiums recognised as reinsurance expenses for the services received in the period.

The Group does not adjust the liability for remaining coverage for insurance contracts issued and reinsurance contracts held for the effect of the time value of money as insurance premiums are due within the coverage of contracts, which is one year or less.

For contracts measured under the PAA, the liability incurred claims is measured similarly

NOTES ON THE ACCOUNTS

3 Summary of significant accounting policies cont'd

(m) Insurance and reinsurance contracts cont'd

(viii) Initial and subsequent measurement - Groups of contracts measured under the PAA cont'd

to the liability incurred claims measurement under the GMM. Future cash flows are adjusted for the time value of money.

The Group increases the carrying amount of the liability for remaining coverage to the extent that the current estimates of the fulfilment cash flows exceed the carrying amount of the liability for remaining coverage if facts and circumstances indicate that a group becomes onerous. The amount of such an increase is recognized in insurance service expenses as a loss.

Subsequently, the Group amortises the amount of the loss component within the liability for remaining coverage by decreasing insurance service expenses. The loss component amortisation is based on the passage of time over the remaining coverage period of contracts within an onerous group the loss component as required until the loss component is reduced to zero.

(ix) Derecognition

The Company derecognises insurance contracts when:

- The rights and obligations relating to the contract are distinguished i.e, discharged, cancelled or expired.
- The contract is modified such that the modification results in a change in the measurement model,or the applicable standard for measuring a contract component. In such cases, the Group derecognises the original contract and recognises the modified contract as a new contract.Changes in cash flows from contract modification that does not result in derecognition are treated as changes in estimates of fulfilment cash flows.

(x) Presentation

The Group 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. Any assets for insurance acquisition cash flows recognised before the corresponding insurance contracts are recognised are included in the carrying amount of the related portfolios of contracts.

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

Income and expenses from reinsurance contracts are presented separately from income and expenses from insurance contracts. Income and expenses from reinsurance contracts, other than insurance finance income or expenses, are presented on a net basis as 'net expense from reinsurance contracts held' in the insurance service result.

The Group 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.

3 Summary of significant accounting policies cont'd

(m) Insurance and reinsurance contracts cont'd

(x) Presentation cont'd

Insurance revenue

The Group's insurance revenue in the reporting period depicts the provision of services arising from a group of insurance contracts at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

For contracts not measured under PAA the insurance revenue is comprised of:

- CSM release.
- Changes in the risk adjustment for non-financial risk relating to current services.
- Claims and other insurance service expenses incurred in the year, measured at the amounts expected at the beginning of the year.
- Other amounts, including experience adjustments for premium receipts for current or past services and related cash flows such as insurance acquisition cash flows and premium-based taxes Insurance acquisition cash flow recovery is determined by allocating the portion of premiums related to the recovery of those cash flows based on the passage of time over the expected coverage of a group of contracts.

The Group recognises insurance revenue for groups of insurance contracts that are measured under the PAA based on the passage of time over the coverage period of the group of contracts.

Loss Component

For contracts not measured under the PAA, the Company establishes a loss component of the liability for remaining coverage for onerous groups of insurance contracts.

A loss component indicates the losses that are attributed to each group of onerous insurance contracts or contracts that were profitable at inception but have since become onerous.

The loss component is released based on a systematic allocation of the subsequent changes relating to future service in the fulfillment cash flows between the loss component and the liability for remaining coverage, excluding the loss component. Subsequent changes relate to the estimates of the present value of the future cash outflows plus the risk adjustment for non-financial risk at the beginning of each year (or on initial recognition if a group of contracts is initially recognised in the year).

The loss component is the basis for determining the amounts of fulfillment cash flows recognised as reversals of losses on onerous contracts in the profit or loss statement. These amounts are excluded from insurance revenue when they occur.

A loss-recovery component is established as an asset in the remaining coverage for a group of reinsurance contracts held depicting loss recovery when the Company recognises a loss component for the underlying insurance contracts at initial recognition or subsequently. The loss-recovery component determines the amounts that are

3 Summary of significant accounting policies cont'd

(m) Insurance and reinsurance contracts cont'd

(x) Presentation cont'd

Loss Component cont'd

subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts. Adjustments done to reflect changes in the loss component of the onerous group of underlying contracts cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Group expects to recover from the reinsurance contracts.

Insurance expense

Insurance service expenses exclude investment components and comprise the following:

- incurred claims and benefits
- other incurred directly attributable insurance service expenses
- amortisation of insurance acquisition cash flows
- changes to the liabilities for incurred claims that do not arise from the effects of the time value of money and financial risk
- losses/reversals on onerous groups of contracts

The amortisation of insurance acquisition cash flows is reflected in insurance service expenses for contracts not measured under PAA in the same amount as insurance acquisition cash flows recovery reflected within insurance revenue.

The expenses that do not meet the above categories are included in other operating expenses in the consolidated statement of profit or loss.

Finance income and expenses

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
- The effect of financial risk and changes in financial risk

The Company does not disaggregates insurance finance income or expenses between profit or loss and OCI for insurance contracts issued or related reinsurance contracts held

Net income/(expenses) from reinsurance contracts held

The group presents separately on the face of the statement of profit or loss and other comprehensive income an amount representing the groups of reinsurance contracts held on a net basis as net income/(expenses). This amount depicts the transfer of received services expected to be paid in exchange for those services and is measured using the same principles as the insurance contracts.

For contracts not measured under the PAA, net income/(expenses) from reinsurance contracts held comprise the following amounts relating to changes in the remaining coverage:

a. insurance claims and other expenses recovery in the period measured at the amounts expected to be incurred at the beginning of the period

NOTES ON THE ACCOUNTS

3 Summary of significant accounting policies cont'd

(m) Insurance and reinsurance contracts cont'd

(x) Presentation cont'd

Net income/(expenses) from reinsurance contracts held cont'd

b. changes in the risk adjustment for non-financial risk

c. amounts of the CSM recognised in profit or loss for the services received in the period; and

d. ceded premium experience adjustments relating to past and current service.

e. other incurred directly attributable insurance service expenses;

f. effect of changes in risk of reinsurer non-performance;

g. changes that relate to future service (i.e. changes do not adjust the CSM for the group of underlying insurance contracts

h. changes to incurred claims

For groups of reinsurance contracts held measured under the PAA, the Group recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

(n) Financial assets and Financial liabilities

(i) Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial instruments are initially recognised on the trade date measured at their fair value except for financial assets and financial liabilities recorded not measured at FVTPL, where transaction costs directly attributable to its acquisition or issue are added to this amount. Transaction costs of financial assets and financial liabilities measured at FVTPL are expensed in profit or loss.

(ii) Classification and subsequent measurement

Financial assets

Classification

The Group classifies its financial assets on initial recognition, as measured at amortised cost, fair value through profit or loss (FVTPL), or fair value through other comprehensive income (FVOCI), based on the business model for managing the assets and the assets' contractual terms.

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.The purpose of the SPPI (Solely Payment of Principal and Interest) test is to determine whether the fair value of the financial asset at the time of initial recognition changes over time, such as through principal repayments or the amortization of premiums or discounts.

The below summarizes the classifications use by the Group

NOTES ON THE ACCOUNTS

3 Summary of significant acco

(m) Insurance and reinsur

(x) Presentation cont'd

Net income/(expenses) fi

3 Summary of significant accounting policies cont'd

(n) Financial assets and Financial liabilities cont'd

Classification cont'd

Type of financial instruments	Classification	Reason
Cash and cash equivalents	AC	SPPI, hold to collect business model
Mortgages	AC	SPPI, hold to collect business model
Equity securities	FVOCI	Hold to collect and sell business model
Government bonds	AC	SPPI, hold to collect business model

<u>Financial assets measured at amortised cost.</u>

Financial assets 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 give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

<u>Financial assets measured at fair value through other comprehensive income</u>

Financial assets are measured as FVOCI when both of the following conditions are met:

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

These instruments comprise instruments that had previously been classified as available-for-sale under IAS 39.

Financial assets not meeting the above critiera for measurement as FVOCI or amortised cost are classified as fair value through profit or loss (FVTPL)

Subsequent measurement

Financial assets at amortised cost

After initial measurement, financial instruments are measured at amortised cost, using the effective interest rate (EIR) method, less allowance for impairment. Interest income, and impairment are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial assets at fair value through other comprehensive income

FVOCI financial instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Dividends are recognised as income in profit or loss. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

The Group 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.

Financial liabilities are measured at amortised cost.

(iii) Derecognition

A financial asset is derecognised when:

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

NOTES ON THE ACCOUNTS

3 Summary of significant accounting policies cont'd

(n Financial assets and liabilities cont'd

(iii) Derecognition cont'd

- When rights to receive cash flows from the asset are transferred or in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.
- When the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new instrument
- Financial liability are derecognised when its contractual obligations expire or are discharged or cancelled. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. Derecognition also occurs when the terms of the financial liability are altered and the cash flows of the modified liability are significantly different. In this scenario, a new financial liability is recognised at fair value based on the modified terms.

(o) Impairment of financial assets

After initial recognition, an expected credit loss (ECL) allowance is recognised for financial assets measured at amortised cost.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 default timing (a lifetime ECL). The Group's policy is to measure ECLs on such instruments on a 12-month basis. The Group considers a financial asset to be in default (credit impaired) when contractual payments are 90 days past due. However, where information from internal or external to the Group suggests that it is unlikely to obtain the outstanding contractual obligations, the Group may, in some circumstances, consider a financial asset to be in default. When there is no reasonable expectation of recouping the contractual cash flows, a financial asset is written off.

(p) Cash and cash equivalents

Cash and cash equivalents include cash balances and short-term funds held for the purpose of satisfying short-term financial obligations rather than for investment or other purposes. These are easily convertible into a known quantity of cash and have a maturity date of three (3) months or less.

(q) Taxation

Income tax expense represents the sum of the tax payable using varying bases for Guyana and the Caribbean Offices. For Guyana, corporation tax is based on its investment income from the statutory fund with expenses restricted to 12% of investment income.

(r) Impairment of tangible assets

At the end of the financial period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

NOTES ON THE ACCOUNTS

4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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.

A. Critical judgements in applying the group's accounting policies

The following are the critical judgments made in adopting the Group's accounting principles that will have the most significant effect on the amounts recognized in financial statements.

i) Classification of insurance and reinsurance contracts

Assessing whether the contract transfers significant insurance risk and whether a reinsurance contract held transfers significant risk.

ii) Separate components of insurance contracts

Determining whether it is required to consider an insurance contract as a single contract. The Group evaluates all provisions of the contracts it issues to ascertain whether the policyholder is obligated for any amounts, irrespective of the occurrence or non-occurrence of an insured event, a contract maturity, or contractual cancellation.

iii) Measurement of insurance and reinsurance contracts

Establishing techniques for assessing risk adjustments related to non-financial risk and the coverage units stipulated in a contract.

iv) Level of aggregation of insurance and reinsurance contracts

The procedure of identifying contract portfolios and classifying contracts into those that are onerous initial recognition and those that are unlikely to become onerous in the subsequent years.

v) Assessment of eligibility for PAA

The Group uses judgment to assess whether all contracts measured under the PAA approach have met the PAA method's eligibility requirements.

vi) Ultimate liability arising from claims made under insurance contract

The ultimate liability arising from claims made under insurance contract is likely to be different from initial estimates. Both the timing of settlement and the ultimate liability are subject to uncertainty.

v) Useful lives of property and equipment

Management reviews the estimated useful lives of property and equipment at the end of each year to determine whether the useful lives of these assets should remain the same.

NOTES ON THE ACCOUNTS

4 Critical accounting judgements and key sources of estimation uncertainty cont'd

B. Key sources of estimation uncertainty

i) Insurance and reinsurance contract assets and liabilities

The estimation of future cash flows involves inherent uncertainty and changes in the key assumptions for life contracts such as mortality,morbidity, longevity, discount rates, risk adjustment, health claims , expenses, lapse and surrender rates may change the fulfillment cash flows materially. Management's chosen assumptions, while compliant with IFRS 17, reflect significant subjectivity due to the absence of deep and liquid financial markets in the region. Information on assumptions used to in measuring insurance contracts are detailed in Note 26.

The lack of finalized regulatory guidance and market-standard assumptions in the Caribbean introduces variability in the interpretation and application of IFRS 17. Different, yet compliant, policy choices could have materially impacted financial results.

ii) Impairment losses on financial assets

The determination of inputs into the ECL measurement model, including critical assumptions in estimating the amount and schedule of future cash flows and the assimilation of forward-looking information.

NOTES ON THE ACCOUNTS

5 Insurance revenue and insurance service result

	2023		
	Contracts not measured under PAA	Contracts measured under PAA	Total
	Company	**Subsidiary**	**Group**
	G$	**G$**	**G$**
Insurance revenue			
Contracts not measured under the PAA			
Amounts relating to the changes in the LRC			
- Expected incurred claims and other expenses after loss component allocation	669,195,040	-	669,195,040
- Change in the risk adjustment for non-financial risk for the risk expired after loss component allocation	(312,091,092)	-	(312,091,092)
- CSM recognised in profit or loss for the services provided	255,739,936	-	255,739,936
-Other amounts including experience adjustments for premium receipts	698,889,662	-	698,889,662
Insurance acquisition cash flows recovery	-	-	-
Insurance revenue from contracts not measured under the PAA	1,311,733,547	-	1,311,733,547
Insurance revenue from contracts measured under the PAA	-	246,783,949	246,783,949
Total insurance revenue	1,311,733,547	246,783,949	1,558,517,496
Insurance service expenses			
Incurred claims and other directly attributable expenses	(752,293,666)	(95,251,413)	(847,545,079)
Changes that relate to past service - adjustments to the LIC	(184,645,869)	(45,790,783)	(230,436,652)
Losses on onerous contracts and reversal of those losses	(45,187,305)	-	(45,187,305)
Insurance acquisition cash flows amortisation	-	-	
Total insurance service expenses	(982,126,840)	(141,042,196)	(1,123,169,036)
Net income (expenses) from reinsurance contracts held			
Reinsurance expenses - contracts not measured under the PAA			
Amounts relating to the changes in the remaining coverage:			
- Expected claims and other expenses recovery	(64,328,721)	-	(64,328,721)
- Changes in the risk adjustment recognised for the risk expired			
- CSM recognised for the services received	170,895,991	-	170,895,991
	283,171	-	283,171
Reinsurance expenses - contracts not measured under the PAA	106,850,441	-	106,850,441
Reinsurance expenses - contracts measured under the PAA	-	(87,647,271)	(87,647,271)
Recoveries for incurred claims and other expenses	5,947,083	2,396,082	8,343,165
Effect of changes in the risk of reinsurers non-performance	-	-	-
Changes that relate to future service - changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	29,247,082	-	29,247,082
Changes that relate to past service - adjustments to incurred claims	(77,883,280)	-	(77,883,280)
Recoveries and reversal of recoveries of losses on onerous contracts	-	-	-
Total net expenses from reinsurance contracts held	64,161,324	(85,251,189)	(21,089,865)
Total insurance service result	**393,768,031**	**20,490,564**	**414,258,595**

NOTES ON THE ACCOUNTS

5 Insurance revenue and insurance service result cont'd

	2022		
	Contracts not measured under PAA	Contracts measured under PAA	Total
	Company	**Subsidiary**	**Group**
	G$	**G$**	**G$**
Insurance revenue			
Contracts not measured under the PAA			
Amounts relating to the changes in the LRC			
- Expected incurred claims and other expenses after loss component allocation	708,022,690	-	708,022,690
- Change in the risk adjustment for non-financial risk for the risk expired after loss component allocation	84,861,579	-	84,861,579
- CSM recognised in profit or loss for the services provided	230,734,298	-	230,734,298
-Other amounts including experience adjustments for premium receipts	(36,148,614)	-	(36,148,614)
Insurance acquisition cash flows recovery	-	-	-
Insurance revenue from contracts not measured under the PAA	987,469,954	-	987,469,954
Insurance revenue from contracts measured under the PAA	-	-	-
		201,447,740	201,447,740
	987,469,954	201,447,740	1,188,917,694
Total insurance revenue			
Insurance service expenses			
Incurred claims and other directly attributable expenses	(692,221,872)	(64,403,552)	(756,625,424)
Changes that relate to past service - adjustments to the LIC	12,336,397	5,899,329	18,235,726
Losses on onerous contracts and reversal of those losses	(38,544,103)	-	(38,544,103)
Insurance acquisition cash flows amortisation	-	-	-
Total insurance service expenses	(718,429,577)	(58,504,223)	(776,933,800)
Net income (expenses) from reinsurance contracts held			
Reinsurance expenses - contracts not measured under the PAA			
Amounts relating to the changes in the remaining coverage:			
- Expected claims and other expenses recovery	(61,458,821)	-	(61,458,821)
- Changes in the risk adjustment recognised for the risk expired	(18,399,130)	-	(18,399,130)
- CSM recognised for the services received	(657,559)	-	(657,559)
Reinsurance expenses - contracts not measured under the PAA	(80,515,510)	-	(80,515,510)
			-
Reinsurance expenses - contracts measured under the PAA	-	(77,538,305)	(77,538,305)
Recoveries for incurred claims and other expenses	57,701,405	-	57,701,405
Effect of changes in the risk of reinsurers non-performance	-	-	
Changes that relate to future service - changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	59,514,650	-	59,514,650
Changes that relate to past service - adjustments to incurred claims	(31,336,523)	-	(31,336,523)
Recoveries and reversal of recoveries of losses on onerous contracts		-	-
Total net expenses from reinsurance contracts held	5,364,022	(77,538,305)	(72,174,283)
Total insurance service result	**274,404,398**	**65,405,212**	**339,809,610**

NOTES ON THE ACCOUNTS

	Company		Group	
	2023 G$	2022 G$	2023 G$	2022 G$
6 INVESTMENT & OTHER INCOME				
Investment Income	548,852,092	504,709,595	561,113,413	515,691,470
Other income	104,074,686	94,010,353	118,736,005	107,642,624
	652,926,778	764,316,587	679,849,418	788,930,733
(a) Investment Income				
Financial investments at amortised				
Interest income				
Bonds & debentures	91,772,332	82,169,005	91,772,332	82,169,005
Mortgage	11,848,885	5,810,733	11,848,885	5,810,733
Deposits with financial institutions	69,315,572	73,189,614	71,756,395	75,281,578
Treasury bills	2,625,858	3,187,858	2,625,858	3,187,858
Financial investments at FVOCI				
Dividend income from equity investments	373,289,445	340,352,385	383,109,943	349,242,296
(b) Other Income				
Rent	84,742,827	84,552,898	99,175,533	97,846,468
Others	19,331,859	9,457,455	19,560,472	9,796,156
	104,074,686	94,010,353	118,736,005	107,642,624
7 OPERATING EXPENSES	326,920,880	445,559,795	380,884,424	503,132,991
This includes:				
Employment cost	162,063,323	146,088,050	186,902,649	170,329,477
Repairs and maintenance	20,007,527	17,736,574	22,307,459	22,445,078
Internet service charge	11,802,304	8,112,942	12,850,468	8,926,930
Utilities	13,213,515	16,570,072	13,659,120	19,636,360
Sales expense	43,455,847	45,795,492	43,455,847	45,795,492
Professional service	5,510,861	2,853,404	5,510,861	2,853,404
Interest & bank charges	8,202,061	7,466,861	8,432,855	7,822,973
Legal fees	228,000	1,135,665	5,670,390	3,756,765
Facilities	49,445,721	50,103,973	49,639,862	50,307,920
Auditors remuneration	10,274,325	9,602,900	12,233,445	11,391,800
Directors' emoluments (a)	12,582,528	13,502,293	14,527,764	15,582,615
Depreciation	19,202,653	40,091,613	21,203,735	43,759,258
Others	(29,067,784)	86,499,957	(15,510,030)	100,524,921
(a) Directors' emoluments				
Chairman- Mr. Ronald Burch Smith	2,648,976	2,648,976	3,135,276	3,135,276
Directors:				
Mr. Clifford B. Reis, CCH	1,655,592	1,655,592	1,898,748	1,898,748
Dr. Leslie Chin	-	919,765	-	1,054,851
Mr. Maurice Solomon	1,655,592	1,655,592	1,898,748	1,898,748
Ms. Deenwattie Panday	1,655,592	1,655,592	1,898,748	1,898,748
Dr. Aaron Fraser	1,655,592	1,655,592	1,898,748	1,898,748
Dr. Mahendra Carpen	1,655,592	1,655,592	1,898,748	1,898,748
Mr. Carlton Joao	1,655,592	1,655,592	1,898,748	1,898,748
	12,582,528	13,502,293	14,527,764	15,582,615

NOTES ON THE ACCOUNTS

	Company		Group	
	2023 G$	2022 G$	2023 G$	2022 G$
8 TAXATION				
Corporation tax & W/tax (varying rates)	**14,983,292**	**16,316,461**	**14,983,292**	**27,735,855**

Tax provisions are made in accordance with the relevant legislation in the various territories. The bases used to compute the provisions for the Life Company and Fire Company are different. Also, the various islands use bases that are different from those used in Guyana.

9 INVESTMENTS

	Company		Group	
	2023 G$	2022 G$	2023 G$	2022 G$
Financial investments at amoritised				
Bonds				
Commonwealth Caribbean Government	1,704,610,482	1,602,038,638	1,704,610,482	1,602,038,638
Other Commonwealth Government - United Kingdom	1,891,892	1,792,980	1,891,892	1,792,980
	1,706,502,374	**1,603,831,618**	**1,706,502,374**	**1,603,831,618**
Mortgage (a)	**155,542,742**	**84,915,435**	**155,542,742**	**84,915,435**
Deposits(b)	**3,986,420,400**	**3,662,680,838**	**4,234,421,101**	**3,890,602,757**
Financial investments at FVOCI				
Guyana - equity	25,756,039,090	29,233,596,406	26,723,950,295	29,883,971,800
- equity	46,105	46,105	46,105	46,105
Grenada - equity	1,260,468,976	1,332,807,398	1,260,468,976	1,332,807,398
Trinidad - equity (i)	578,627,280	496,437,060	578,627,280	496,437,060
	27,595,181,451	**31,062,886,969**	**28,563,092,656**	**31,713,262,364**
	33,443,646,967	36,414,314,860	34,659,558,873	37,292,612,174

(i) The Society held 7,000,000 ordinary shares in Mega Life Insurance Company of Trinidad and Tobago. This resulted from a combination of the portfolio of Demerara Life Assurance Company of Trinidad and Tobago and GTM Life Insurance Company of Trinidad and Tobago Limited. A court decision was finalised in 2010 regarding the formation of Mega Life Insurance which resulted in the reversal of the merger and the company's previous holding in Demerara Mutual Life of Trinidad and Tobago of 40% was reinstated. With this court decision, the Society has to decide on whether it would sell or retain its ownership in Demerara Life Assurance Company of Trinidad and Tobago. In the interim this amount would continue to be shown as classified as a held for sale investment rather than an Associate Company until a decision is made.

(a) Mortgage

	Company and Group	
	2023 G$	2022 G$
Guyana	155,542,742	84,141,105
Eastern Caribbean territories	-	774,330
	155,542,742	**84,915,435**

NOTES ON THE ACCOUNTS

9 INVESTMENTS CONT'D

(b) Deposits with financial institutions

	Company 2023 G$	Company 2022 G$	Group 2023 G$	Group 2022 G$
Guyana	2,213,252,786	1,991,105,376	2,461,253,487	2,219,027,297
Grenada	881,604,293	854,474,782	881,604,293	854,474,782
St Lucia	743,220,269	689,541,585	743,220,269	689,541,585
St Vincent	148,343,051	127,559,095	148,343,051	127,559,095
	3,986,420,400	**3,662,680,838**	**4,234,421,101**	**3,890,602,757**

10 RECEIVABLES AND PREPAYMENTS

Prepayments	6,298,719	7,707,497	6,298,719	7,707,497
Loans and advances	17,223,505	17,262,195	17,223,505	17,262,195
Other receivables	168,950,199	216,618,779	179,688,540	221,123,055
ECL provision (i)	(38,510,457)	(37,326,613)	(38,510,457)	(37,326,613)
	153,961,966	**204,261,858**	**164,700,307**	**208,766,134**

(i) ECL provision

Balance as at 1 January	37,326,613	37,786,073	37,326,613	37,786,073
Adjustments during the year	1,183,844	(459,460)	1,183,844	(459,460)
Balance as at 31 December	38,510,457	37,326,613	38,510,457	37,326,613

11 INTEREST RECEIVABLES

Grenada	12,309,858	12,838,548	12,309,858	12,838,548
Guyana	10,922,268	12,014,954	11,054,823	12,134,039
Saint Lucia	9,477,693	8,744,756	9,477,693	8,744,756
St. Vincent	5,533,747	4,705,321	5,533,747	4,705,321
	38,243,566	**38,303,579**	**38,376,121**	**38,422,664**

These include interest accrued on fixed deposit and marketable securities.

12 COMMERCIAL BUILDING

	Company and Group	
	2023	2022
	G$	G$
	G$	G$
At 1 January and 31 December	608,000,000	608,000,000

The building is recognized at its current market value using the fair value model. The valuation was done by Patterson Associates on September 28, 2020 and at 31st December 2023, management had determined that the carrying amount approximates current market value.

NOTES ON THE ACCOUNTS

13 INSURANCE AND REINSURANCE CONTRACTS
Insurance contracts issued not measured under PAA
Reconciliation of the liability for remaining coverage and the liability for incurred claims

	2023 Company			
	G$	G$	G$	G$
	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding Loss Component	Loss Component		
Insurance contracts issued				
Opening insurance contract liabilities	6,398,074,188	33,128,384	210,006,706	6,641,209,278
Opening insurance contract assets	(1,578,927,098)	23,193,571	43,588,820	(1,512,144,706)
Net balance as at 1 January	**4,819,147,090**	**56,321,955**	**253,595,526**	**5,129,064,572**
Insurance revenue	(1,311,733,547)	-	-	(1,311,733,547)
Insurance service expenses				
Incurred claims and other directly attributable expenses	-	-	752,293,666	752,293,666
Changes that relate to past service - adjustments to the LIC	34,100,382	-	150,545,487	184,645,869
Losses on onerous contracts and reversal of those losses	-	45,187,305	-	45,187,305
Insurance acquisition cash flows amortisation	-	-	-	-
Insurance service expenses	34,100,382	45,187,305	902,839,153	982,126,840
Insurance service result	(1,277,633,165)	45,187,305	902,839,153	(329,606,707)
Finance expenses from insurance contracts issued	212,691,261	3,103,754	-	215,795,015
Effect of changes in exchange rate	114,667,902	438,999	5,219,155	120,326,056
Total amounts recognised in comprehensive income	(950,274,001)	48,730,058	908,058,308	6,514,364
Investment components	(305,940,385)	-	305,940,385	-
Cash flows				
Premiums received	1,990,431,592	-	-	1,990,431,592
Claims and other directly attributable expenses paid	-	-	(1,024,133,669)	(1,024,133,669)
Insurance acquisition cash flows	(233,021,401)	-	-	(233,021,401)
Total cash flows	1,757,410,191	-	(1,024,133,669)	733,276,522
Net balance as at 31 December	**5,320,342,895**	**105,052,013**	**443,460,550**	**5,868,855,458**
Closing insurance contract liabilities	7,042,246,021	58,372,755	375,946,998	7,476,565,774
Closing insurance contract assets	(1,721,903,126)	46,679,258	67,513,552	(1,607,710,316)
Net balance as at 31 December	**5,320,342,895**	**105,052,013**	**443,460,550**	**5,868,855,458**

NOTES ON THE ACCOUNTS

13 INSURANCE AND REINSURANCE CONTRACTS CONT'D

Insurance contracts issued not measured under PAA cont'd
Reconciliation of the liability for remaining coverage and the liability for incurred claims cont'd

	2022 Company			
	G$	G$	G$	G$
	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding Loss Component	Loss Component		
Insurance contracts issued				
Opening insurance contract liabilities	6,020,239,360	2,094,129	230,137,764	6,252,471,253
Opening insurance contract assets	(1,729,517,729)	14,135,405	38,077,018	(1,677,305,306)
Net balance as at 1 January	**4,290,721,631**	**16,229,534**	**268,214,782**	**4,575,165,947**
Insurance revenue	(987,469,954)	-	-	(987,469,954)
Insurance service expenses				
Incurred claims and other directly attributable expenses	-	-	692,221,872	692,221,872
Changes that relate to past service - adjustments to the LIC	(11,876,078)	-	(460,319)	(12,336,397)
Losses on onerous contracts and reversal of those losses	-	38,544,103	-	38,544,103
Insurance acquisition cash flows amortisation	-	-	-	-
Insurance service expenses	(11,876,078)	38,544,103	691,761,553	718,429,577
Insurance service result	(999,346,031)	38,544,103	691,761,553	(269,040,376)
Finance expenses from insurance contracts issued	315,151,476	1,683,438	-	316,834,914
Effect of changes in exchange rate	(43,638,922)	(135,119)	(2,282,856)	(46,056,897)
Total amounts recognised in comprehensive income	(727,833,477)	40,092,421	689,478,697	1,737,641
Investment components	(260,241,126)	-	260,241,126	
Cash flows				
Premiums received	1,693,176,609	-	-	1,693,176,609
Claims and other directly attributable expenses paid	-	-	(964,339,075)	(964,339,075)
Insurance acquisition cash flows	(176,676,547)	-	-	(176,676,547)
Total cash flows	1,516,500,062	-	(964,339,075)	552,160,987
Net balance as at 31 December	**4,819,147,090**	**56,321,955**	**253,595,526**	**5,129,064,572**
Closing insurance contract liabilities	6,398,074,188	33,128,384	210,006,706	6,641,209,278
Closing insurance contract assets	(1,578,927,098)	23,193,571	43,588,820	(1,512,144,706)
				-
Net balance as at 31 December	**4,819,147,090**	**56,321,955**	**253,595,526**	**5,129,064,572**

NOTES ON THE ACCOUNTS

13 INSURANCE AND REINSURANCE CONTRACTS CONT'D

Insurance contracts issued not measured under PAA cont'd

Reconciliation of the measurement components of reinsurance contract balances

	2023			
	Company			
Insurance contracts issued	G$ Present Value of Future Cash Flows	G$ Risk Adjustment for Non-financial Risk	G$ CSM	G$ Total
Opening insurance contract liabilities	4,387,545,299	153,661,367	2,100,002,612	6,641,209,278
Opening insurance contract assets	(3,462,028,805)	213,018,024	1,736,866,075	(1,512,144,706)
Net balance as at 1 January	**925,516,493**	**366,679,391**	**3,836,868,687**	**5,129,064,572**
Changes that relate to current service				
CSM recognised in profit or loss for the services provided	-	-	(255,739,936)	(255,739,936)
Change in the risk adjustment for nonfinancial risk for the risk expired	-	312,091,092	-	312,091,092
Experience adjustments	(615,791,036)	-	-	(615,791,036)
Changes that relate to future service				-
Changes in estimates that adjust the CSM	1,229,591,111	-	(1,229,591,111)	-
Changes in estimates that result in onerous contract losses or reversal of losses	27,919,999	-	-	27,919,999
Contracts initially recognised in the period	(1,133,252,226)	89,204,014	1,061,315,518	17,267,306
Changes that relate to past service				
Changes that relate to past service adjustments to the LIC	179,193,490	5,452,378	-	184,645,869
Insurance service result	**(312,338,661)**	**406,747,484**	**(424,015,530)**	**(329,606,707)**
Finance (income)/expenses from insurance contracts issued	(19,909,487)	-	235,704,501	215,795,015
Effect of changes in exchange rate	42,379,869	8,400,127	69,546,060	120,326,056
Total amounts recognised in comprehensive income	**(289,868,279)**	**415,147,611**	**(118,764,968)**	**6,514,364**
Cash flows				
Premiums received	1,990,431,592	-	-	1,990,431,592
Claims and other directly attributable expenses paid	(1,024,133,669)	-	-	(1,024,133,669)
Insurance acquisition cash flows	(233,021,401)	-	-	(233,021,401)
Total cash flows	**733,276,522**	-	-	**733,276,522**
Net balance as at 31 December	**1,368,924,737**	**781,827,002**	**3,718,103,719**	**5,868,855,458**
Closing insurance contract liabilities	4,725,072,874	314,088,512	2,437,404,389	7,476,565,774
Closing insurance contract assets	(3,356,148,137)	467,738,491	1,280,699,331	(1,607,710,316)
Net balance as at 31 December	**1,368,924,737**	**781,827,002**	**3,718,103,719**	**5,868,855,458**

NOTES ON THE ACCOUNTS

13 INSURANCE AND REINSURANCE CONTRACTS CONT'D

Insurance contracts issued not measured under PAA cont'd
Reconciliation of the measurement components of reinsurance contract balances

	2022			
Insurance contracts issued	Company			
	G$	**G$**	**G$**	**G$**
	Present Value of Future Cash Flows	**Risk Adjustment for Non-financial Risk**	**CSM**	**Total**
Opening insurance contract liabilities	3,951,737,236	191,673,916	2,109,060,101	6,252,471,253
Opening insurance contract assets	(2,648,981,568)	225,292,512	746,383,750	(1,677,305,306)
Net balance as at 1 January	**1,302,755,668**	**416,966,428**	**2,855,443,851**	**4,575,165,947**
Changes that relate to current service				
CSM recognised in profit or loss for the services provided	-	-	(230,734,298)	(230,734,298)
Change in the risk adjustment for nonfinancial risk for the risk expired	-	(84,861,579)	-	(84,861,579)
Experience adjustments	20,347,795	-	-	20,347,795
				-
Changes that relate to future service				-
Changes in estimates that adjust the CSM	(532,437,981)	-	532,437,981	-
Changes in estimates that result in onerous contract losses or reversal of losses	(8,215,483)	-	-	(8,215,483)
Contracts initially recognised in the period	(583,098,130)	39,692,082	590,165,634	46,759,586
				-
Changes that relate to past service				-
Changes that relate to past service - adjustments to the LIC	(11,425,629)	(910,768)	-	(12,336,397)
				-
Insurance service result	**(1,114,829,428)**	**(46,080,265)**	**891,869,317**	**(269,040,376)**
Finance expenses from insurance contracts issued	204,713,964	-	112,120,950	316,834,914
Effect of changes in exchange rate	(19,284,697)	(4,206,772)	(22,565,428)	(46,056,897)
Total amounts recognised in comprehensive income	**(929,400,161)**	**(50,287,037)**	**981,424,839**	**1,737,641**
				-
				-
Cash flows				-
Premiums received	1,693,176,609	-	-	1,693,176,609
Claims and other directly attributable expenses paid	(964,339,075)	-	-	(964,339,075)
Insurance acquisition cash flows	(176,676,547)	-	-	(176,676,547)
Total cash flows	**552,160,987**	-	-	**552,160,987**
Net balance as at 31 December	**925,516,493**	**366,679,391**	**3,836,868,687**	**5,129,064,572**
Closing insurance contract liabilities	4,387,545,299	153,661,367	2,100,002,612	6,641,209,278
Closing insurance contract assets	(3,462,028,805)	213,018,024	1,736,866,075	(1,512,144,706)
Net balance as at 31 December	**925,516,493**	**366,679,391**	**3,836,868,687**	**5,129,064,572**

NOTES ON THE ACCOUNTS

13 INSURANCE AND REINSURANCE CONTRACTS CONT'D

Insurance contracts issued not measured under PAA cont'd

Reconciliation of the liability for remaining coverage and the liability for incurred claims

	2023			2022		
	Company			Company		
Reinsurance contracts held	G$ Remaining Coverage	G$ Incurred Claims	G$ Total	G$ Remaining Coverage	G$ Incurred Claims	G$ Total
Opening reinsurance contract assets	17,696,533	-	17,696,533	4,302,453	-	4,302,453
Opening reinsurance contract liabilities	(699,577,152)	-	(699,577,152)	(689,769,708)	-	(689,769,708)
Net balance as at 1 January	**(681,880,619)**	**-**	**(681,880,619)**	**(685,467,255)**	**-**	**(685,467,255)**
Net income (expenses) from reinsurance contracts held						
Reinsurance expenses	106,850,441	-	106,850,441	(80,515,510)	-	(80,515,510)
Other incurred directly attributable expenses	-	-	-	-	-	-
Claims recovered	-	5,947,083	5,947,083	-	57,701,405	57,701,405
Changes that relate to past service - adjustments to incurred claims	-	-	-	-	-	-
Changes that relate to future service - changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	29,247,082	-	29,247,082	59,514,650	-	59,514,650
Underlying contracts initially recognized in the period	(77,883,280)	-	(77,883,280)	(31,336,523)	-	(31,336,523)
Effect of changes in the risk of reinsurers non-performance	-	-	-	-	-	-
Net income (expenses) from reinsurance contracts held	58,214,242	5,947,083	64,161,324	(52,337,383)	57,701,405	5,364,022
Finance income from reinsurance contracts held	(38,508,288)	-	(38,508,288)	(9,873,206)	-	(16,956,621)
Effect of changes in exchange rate	(16,629,905)	-	(16,629,905)	7,083,414	-	7,083,414
Total amounts recognised in comprehensive income	**3,076,049**	**5,947,083**	**9,023,131**	**(62,210,590)**	**57,701,405**	**(4,509,185)**
Cash flows						
Premiums paid net of ceding commissions and other directly attributable expenses paid	99,901,091	-	99,901,091	65,797,226	-	65,797,226
Recoveries from reinsurance	-	(5,947,083)	(5,947,083)	-	(57,701,405)	(57,701,405)
Total cash flows	99,901,091	(5,947,083)	93,954,008	65,797,226	(57,701,405)	8,095,821
Net balance as at 31 December	**(578,903,479)**	**-**	**(578,903,479)**	**(681,880,619)**	**-**	**(681,880,619)**
Closing reinsurance contract assets	49,218,889	-	49,218,889	17,696,533	-	17,696,533
Closing reinsurance contract liabilities	(628,122,369)	-	(628,122,369)	(699,577,152)	-	(699,577,152)
Net balance as at 31 December	(578,903,479)	-	(578,903,479)	(681,880,619)	-	(681,880,619)

NOTES ON THE ACCOUNTS

13 INSURANCE AND REINSURANCE CONTRACTS CONT'D

Insurance contracts issued not measured under PAA cont'd

Reconciliation of the measurement components of reinsurance contract balances

	2023				2022			
	Company				Company			
	G$	G$	G$	G$	G$	G$	G$	G$
Reinsurance contracts held	**Present value of future cash flows**	**Risk adjustment for non-financial risk**	**CSM**	**Total**	**Present value of future cash flows**	**Risk adjustment for non-financial risk**	**CSM**	**Total**
Opening reinsurance contract assets	(19,060,653)	24,140,761	12,616,425	17,696,533	(3,208,863)	9,746,393	(2,235,076)	4,302,453
Opening reinsurance contract liabilities	(706,843,108)	85,299,168	(78,033,211)	(699,577,152)	(730,409,454)	127,596,875	(86,957,129)	(689,769,708)
Net balance as at 1 January	**725,903,761)**	**109,439,929**	**(65,416,787)**	**(681,880,619)**	**(733,618,318)**	**137,343,268**	**89,192,205)**	**(685,467,255)**
Changes that relate to current service								
CSM recognised in profit or loss for the services received	-	-	283,171	283,171	-	-	(657,559)	(657,559)
Change in the risk adjustment for nonfinancial risk for the risk expired	-	170,895,991	-	170,895,991	-	(18,399,130)	-	(18,399,130)
Experience adjustments	(58,381,639)	-	-	(58,381,639)	(3,757,416)	-	-	(3,757,416)
	(58,381,639)	170,895,991	283,171	112,797,523	(3,757,416)	(18,399,130)	(657,559)	(22,814,105)
Changes that relate to future service								
Changes in estimates that adjust the CSM	(11,284,799)	-	11,284,799	-	(724,590)	-	724,590	-
Contracts initially recognised in the period	(21,089,777)	(38,941,640)	(17,851,863)	(77,883,280)	(17,660,875)	(15,668,261)	1,992,613	(31,336,523)
Changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	(2,361,759)	-	31,608,841	29,247,082	34,738,478	-	24,776,172	59,514,650
	(34,736,335)	(38,941,640)	25,041,777	(48,636,199)	16,353,013	(15,668,261)	27,493,376	28,178,127
Changes that relate to past service - adjustments to the incurred claims	-	-	-	-	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	-	-	-	-	-	-
Net income (expenses) from reinsurance contracts held	(93,117,974)	131,954,351	25,324,947	64,161,324	12,595,596	(34,067,391)	26,835,816	5,364,022
Finance income (expenses) from reinsurance contracts held	(33,837,138)	-	(2,306,223)	(38,508,288)	(20,412,107)	7,335,958	(3,880,471)	(16,956,621)
Effect of changes in exchange rate	(17,063,520)	2,364,927	(1,931,312)	(16,629,905)	7,435,247	(1,171,906)	820,073	7,083,414
Total amounts recognised in comprehensive income	**(144,018,632)**	**131,954,351**	**21,087,412**	**9,023,131**	**(381,264)**	**(27,903,339)**	**23,775,419**	**(4,509,185)**
Cash flows								
Premiums paid net of ceding commissions and other directly attributable expenses paid	99,901,091	-	-	99,901,091	65,797,226	-	-	65,797,226
Recoveries from reinsurance	(5,947,083)	-	-	(5,947,083)	(57,701,405)	-	-	(57,701,405)
Total cash flows	93,954,008	-	-	93,954,008	8,095,821	-	-	8,095,821
Net balance as at 31 December	**(775,968,384)**	**241,394,280**	**(44,329,375)**	**(578,903,479)**	**(725,903,761)**	**109,439,929**	**(65,416,787)**	**(681,880,619)**
Closing reinsurance contract assets	(37,864,825)	79,174,620	7,909,095	49,218,889	(19,060,653)	24,140,761	12,616,425	17,696,533
Closing reinsurance contract liabilities	(738,103,559)	162,219,660	(52,238,470)	(628,122,369)	(706,843,108)	85,299,168	(78,033,211)	(699,577,152)
Net balance as at 31 December	**(775,968,384)**	**241,394,280**	**(44,329,375)**	**(578,903,479)**	**(725,903,761)**	**109,439,929**	**(65,416,787)**	**(681,880,619)**

NOTES ON THE ACCOUNTS

13 INSURANCE AND REINSURANCE CONTRACTS CONT'D
Insurance contracts issued not measured under PAA cont'd

Reconciliation of the measurement components of reinsurance contract balances cont'd

Claim development table

Development of claims tables provide a measure of the Group's ability to estimate the ultimate value of claims for its general insurance subsidiary. The top half of each table below illustrates how the Group's estimate of total claims outstanding for each reporting year has changed at successive year-ends. The bottom half of the table reconciles the cumulative claims to the amount appearing in the consolidated statement of financial position.

Reporting Year	2016	2017	2018	2019	2020	2021	2022	Total
	G$	G$	G$	G$	G$	G$	G$	G$
Gross estimate of cumulative claims cost								
At the end year of claim	58,339,208	5,634,907	5,324,800	7,916,320	47,702,574	31,096,980	8,625,068	164,639,857
One year later	50,730,468	5,634,907	3,740,090	5,635,280	44,587,147	24,173,639		134,501,531
Two years later	48,233,701	4,891,057	3,440,090	5,635,280	44,559,467	-		106,759,595
Three years later	48,233,701	2,691,057	3,145,090	5,260,280	-	-		59,330,128
Four years later	48,058,701	2,691,057	3,145,090	-	-	-		53,894,848
Five years later	46,767,651	2,691,057	-	-	-	-		49,458,708
Current estimate of cumulative claims cost	46,767,651	2,691,057	3,145,090	5,260,280	44,559,467	24,173,639	8,625,068	135,222,252
Cumulative payments	(20,524,121)	(2,691,057)	(3,145,090)	(2,160,280)	(43,842,467)	(20,359,679)	-	(92,722,694)

13 INSURANCE AND REINSURANCE CONTRACTS CONT'D
Insurance contracts issued measured under PAA
Reconciliation of the liability for remaining coverage and the liability for incurred claims

	2023			
	Liabilities for remaining coverage	Liabilities for incurred claims		Total
		PV of cash flow	Risk adjustment	
	G$	G$	G$	G$
Insurance contracts issued				
Opening insurance contract liabilities	97,357,310	42,499,556	6,270,173	146,127,039
Opening insurance contract assets	(6,316,929)			(6,316,929)
Net balance as at 1 January	**91,040,381**	**42,499,556**	**6,270,173**	**139,810,110**
Insurance revenue	(246,783,949)	-	-	(246,783,949)
Insurance service expenses				
Incurred claims and other directly attributable expenses	-	96,258,611	(1,007,198)	95,251,413
Changes that relate to past service - adjustments to the LIC	-	30,684,937	6,942,925	37,627,862
Insurance service expenses	-	126,943,548	5,935,727	132,879,275
Insurance service result	(246,783,949)	126,943,548	5,935,727	(113,904,674)
Total amounts recognised in comprehensive income	**(246,783,949)**	**126,943,548**	**5,935,727**	**(113,904,674)**
Cash flows				
Premiums received	252,095,066	-	-	252,095,066
Claims and other directly attributable expenses paid	-	(92,894,270)	-	(92,894,270)
Total cash flows	252,095,066	(92,894,270)	-	159,200,796
				0
Net balance as at 31 December	**96,351,498**	**76,548,834**	**12,205,900**	**185,106,232**
				-
Closing insurance contract liabilities	114,434,918	84,711,755	12,205,900	211,352,573
Closing insurance contract assets	(18,083,418)	-	-	(18,083,418)
				-
Net balance as at 31 December	**96,351,500**	**84,711,755**	**12,205,900**	**193,269,155**

NOTES ON THE ACCOUNTS

13 INSURANCE AND REINSURANCE CONTRACTS CONT'D
Insurance contracts issued measured under PAA

Reconciliation of the liability for remaining coverage and theliability for incurred claims cont'd

	2022			
	Liabilities for remaining coverage	**Liabilities for incurred claims**		**Total**
		PV of cash flow	**Risk adjustment**	
	G$	**G$**	**G$**	**G$**
Insurance contracts issued				
Opening insurance contract liabilities	83,034,277	62,444,570	-	145,478,847
Opening insurance contract assets	(6,339,665)	-	-	(6,339,665)
Net balance as at 1 January	**76,694,612**	**62,444,570**	**-**	**139,139,182**
Insurance revenue	(201,447,740)	-	-	(201,447,740)
Insurance service expenses				
Incurred claims and other directly attributable expenses	-	60,396,971	4,006,581	64,403,552
Changes that relate to past service - adjustments to the LIC	-	(8,162,921)	2,263,592	(5,899,329)
Insurance service expenses	-	52,234,050	6,270,173	58,504,223
Insurance service result	(201,447,740)	52,234,050	6,270,173	(142,943,517)
Total amounts recognised in comprehensive income	**(201,447,740)**	**52,234,050**	**6,270,173**	**(142,943,517)**
				-
Cash flows				-
Premiums received	215,793,508	-	-	215,793,508
Claims and other directly attributable expenses paid	-	(72,179,062)	-	(72,179,062)
Total cash flows	215,793,508	(72,179,062)	-	143,614,446
				0
Net balance as at 31 December	**91,040,380**	**42,499,558**	**6,270,173**	**139,810,111**
				-
Closing insurance contract liabilities	97,357,308	42,499,558	6,270,173	146,127,039
Closing insurance contract assets	(6,316,929)	-	-	(6,316,929)
				-
Net balance as at 31 December	**91,040,379**	**42,499,558**	**6,270,173**	**139,810,110**
				-

*** There are no loss components to be reported during this period**

NOTES ON THE ACCOUNTS

13 INSURANCE AND REINSURANCE CONTRACTS CONT'D

The components of new business
The measurement components of initial recognition of insurance contracts not measured under the PAA issued during the year is shown in the table below:

Insurance Contracts Issued	2023 Company G$ Non-onerous Contracts Originated	G$ Onerous Contracts Originated	G$ Total
Estimates of the present value of future cash outflows			
- Insurance acquisition cash flows	191,932,977	18,827,872	210,760,849
- Claims and other directly attributable expenses	992,811,660	48,058,487	1,040,870,147
Estimates of the present value of future cash outflows	1,184,744,637	66,886,359	1,251,630,996
Estimates of the present value of future cash inflows	(2,330,876,415)	(54,006,807)	(2,384,883,222)
Risk adjustment for non-financial risk	84,780,208	4,423,806	89,204,014
CSM	1,061,351,570	(36,053)	1,061,315,518
Increase in insurance contract liabilities from contracts recognised in the period	**-**	**17,267,306**	**17,267,306**

Insurance Contracts Issued	2022 Company G$ Non-onerous Contracts Originated	G$ Onerous Contracts Originated	G$ Total
Estimates of the present value of future cash outflows			
- Insurance acquisition cash flows	197,919,053	18,753,404	216,672,457
- Claims and other directly attributable expenses	845,561,766	67,434,623	912,996,388
Estimates of the present value of future cash outflows	1,043,480,819	86,188,026	1,129,668,845
Estimates of the present value of future cash inflows	(1,667,622,558)	(45,144,418)	(1,712,766,976)
Risk adjustment for non-financial risk	33,976,105	5,715,977	39,692,082
CSM	590,165,634	-	590,165,634
Increase in insurance contract liabilities from contracts recognised in the period	**-**	**46,759,586**	**46,759,586**

*There is no new reinsurance contract recognized during the year.

CSM recognition

The table below shows the expected recognition of the remaining CSM in period in profit or loss in future years for contracts not measured under PAA

Number of years until expected to be recognised	Company G$ Total CSM for Insurance Contracts Issued	G$ Total CSM for Reinsurance Contracts Held
As at 31 December 2023		
1	218,325,031	2,758,566
2	163,328,590	2,135,934
3	157,174,778	1,989,110
4	151,542,412	1,880,302
5	146,342,499	1,781,283
6-10	666,308,593	8,406,983
>10	2,215,081,816	25,377,197
Total	**3,718,103,719**	**44,329,375**
As at 31 December 2022		
1	199,612,820	3,718,642
2	154,046,057	3,488,673
3	148,494,851	3,286,413
4	143,304,538	3,112,361
5	138,379,109	2,947,910
6-10	627,485,709	13,081,115
>10	2,425,545,604	35,781,674
Total	**3,836,868,687**	**65,416,787**

NOTES ON THE ACCOUNTS

13 INSURANCE AND REINSURANCE CONTRACTS CONT'D

Amounts determined on transition to IFRS 17

Impact on the current period of transition approach to establish CSMs for insurance contracts issued is shown in the table below:

	2023 Company			
Insurance contracts issued	**G$ New contracts & contracts measured under the full retrospective approach at transition**	**G$ Contracts measured under the modified retrospective approach at transition**	**G$ Contracts measured under the fair value approach at transition**	**G$ Total**
CSM as at 1 January	520,566,919	-	3,316,301,768	3,836,868,687
Changes that relate to current service				
CSM recognised in profit or loss for the services provided	(146,500,609)	-	(109,239,327)	(255,739,936)
Changes that relate to future service				
Changes in estimates that adjust the CSM	(111,497,950)	-	(1,048,547,101)	(1,160,045,051)
Contracts initially recognised in the period	1,055,550,036	-	5,765,482	1,061,315,518
	797,551,477	-	(1,152,020,946)	(354,469,469)
Finance expenses from insurance contracts issued	42,898,614	-	192,805,887	235,704,501
Total amounts recognised in comprehensive income	840,450,091	-	(959,215,059)	(118,764,968)
CSM as at 31 December	**1,361,017,010**	**-**	**2,357,086,709**	**3,718,103,719**

	2022 Company			
Insurance contracts issued	**G$ New contracts & contracts measured under the full retrospective approach at transition**	**G$ Contracts measured under the modified retrospective approach at transition**	**G$ Contracts measured under the fair value approach at transition**	**G$ Total**
CSM as at 1 January	**-**	**-**	**2,855,443,848**	**2,855,443,848**
Changes that relate to current service				
CSM recognised in profit or loss for the services provided	(59,134,773)	-	(171,599,525)	(230,734,298)
Changes that relate to future service				
Changes in estimates that adjust the CSM	-	-	509,872,552	509,872,552
Contracts initially recognised in the period	566,696,018	-	23,469,616	590,165,634
	507,561,245	-	361,742,643	869,303,888
Finance expenses from insurance contracts issued	13,005,674	-	99,115,277	112,120,950
Total amounts recognised in comprehensive income	520,566,919	-	460,857,920	981,424,839
CSM as at 31 December	**520,566,919**	**-**	**3,316,301,768**	**3,836,868,687**

NOTES ON THE ACCOUNTS

13 INSURANCE AND REINSURANCE CONTRACTS CONT'D

Amounts determined on transition to IFRS 17 cont'd

Impact on the current period of transition approach to establish CSMs for reinsurance contracts issued is shown in the table below:

	2023 Company			
Reinsurance contracts held	G$ New contracts & contracts measured under the full retrospective approach at transition	G$ Contracts measured under the modified retrospective approach at transition	G$ Contracts measured under the fair value approach at transition	G$ Total
CSM as at 1 January	-	-	65,416,787	65,416,787
Changes that relate to current service				
CSM recognised in profit or loss for the services provided	-	-	(283,171)	(283,171)
Changes that relate to future service				
Changes in estimates that adjust the CSM	-	-	(31,352,190)	(31,352,190)
Contracts initially recognised in the period	-	-	6,310,413	6,310,413
	-	-	(25,324,947)	(25,324,947)
Finance expenses from insurance contracts issued	-	-	4,237,535	4,237,535
Total amounts recognised in comprehensive income	-	-	(21,087,412)	(21,087,412)
CSM as at 31 December	**-**	**-**	**44,329,375**	**44,329,375**

	2022 Company			
Reinsurance contracts held	**G$ New contracts & contracts measured under the full retrospective approach at transition**	**G$ Contracts measured under the modified retrospective approach at transition**	**G$ Contracts measured under the fair value approach at transition**	**G$ Total**
CSM as at 1 January	-	-	89,192,206	89,192,206
Changes that relate to current service				
CSM recognised in profit or loss for the services provided	-	-	657,559	657,559
Changes that relate to future service				
Changes in estimates that adjust the CSM	-	-	6,348,626	6,348,626
Contracts initially recognised in the period	-	-	(33,842,002)	(33,842,002)
	-	-	(26,835,816)	(26,835,816)
Finance expenses from insurance contracts issued	-	-	3,060,398	3,060,398
Total amounts recognised in comprehensive income	-	-	(23,775,419)	(23,775,419)
CSM as at 31 December	**-**	**-**	**65,416,787**	**65,416,787**

NOTES ON THE ACCOUNTS

14 PROPERTY AND EQUIPMENT

COMPANY

	Land G$	Buildings G$	Furniture, fittings, equipment and motor vehicles G$	Total G$
Cost/valuation				
At 1 January 2022	890,383,732	986,744,095	389,322,435	2,266,450,262
Exchange differences	(7,267,205)	(11,142,453)	(1,173,533)	(19,583,191)
Additions	-	1,142,149	20,270,030	21,412,179
At 31 December 2022	883,116,527	976,743,791	408,418,932	2,268,279,250
Exchange differences	16,509,961	25,349,292	3,006,148	44,865,401
Additions	-	233,700	21,516,715	21,750,415
At 31 December 2023	899,626,488	1,002,326,783	432,941,795	2,334,895,066
Comprising:				
Cost	249,744,226	545,810,132	432,941,795	1,228,496,153
Valuation	649,882,262	456,516,650	-	1,106,398,913
	899,626,488	1,002,326,783	432,941,795	2,334,895,066
Depreciation				
At 1 January 2022	-	19,734,882	335,937,094	355,671,976
Exchange differences	-	(222,848)	(1,000,051)	(1,222,899)
Charge for the year	-	19,534,876	20,556,737	40,091,613
At 31 December 2022	-	39,046,910	355,493,780	394,540,690
Exchange differences	-	1,013,264	2,375,908	3,389,173
Charge for the year	-	20,046,536	19,202,653	39,249,188
At 31 December 2023	-	60,106,709	377,072,341	437,179,051
Net book values:				
At 31 December 2023	899,626,488	942,220,074	55,869,454	1,897,716,016
At 31 December 2022	883,116,527	937,696,881	52,925,152	1,873,738,560

For details of revaluation of land and building see note 15(a).

NOTES ON THE ACCOUNTS

14 PROPERTY AND EQUIPMENT CONT'D

GROUP

	Land G$	Buildings G$	Furniture, fittings, equipment and motor vehicles G$	Total G$
Cost/valuation				
At 1 January 2022	948,383,732	1,027,444,095	410,732,108	2,386,559,935
Exchange differences	(7,267,205)	(11,142,453)	(1,173,533)	(19,583,191)
Additions	-	1,142,149	21,749,285	22,891,434
At 31 December 2022	941,116,527	1,017,443,791	431,307,860	2,389,868,178
Revaluation	-	-	-	-
Exchange differences	16,509,961	25,349,292	3,006,148	44,865,401
Additions	-	233,700	22,453,208	22,686,908
Disposals	-	-	-	-
Depreciation transfer	-	-	-	-
At 31 December 2023	957,626,488	1,043,026,783	456,767,216	2,457,420,488
Comprising:				
Cost	266,744,226	556,126,991	456,767,216	1,279,638,433
Valuation	690,882,262	486,899,791	-	1,177,782,053
	957,626,488	1,043,026,783	456,767,216	2,457,420,487
Depreciation				
At 1 January 2022	-	20,548,882	351,742,023	372,290,905
Exchange differences	-	(222,848)	(1,000,051)	(1,222,899)
Charge for the year	-	20,348,876	23,884,206	44,233,082
At 31 December 2022	-	40,674,910	374,626,178	415,301,088
Exchange differences	-	1,013,264	2,375,908	3,389,173
Write back on disposal	-	-	-	-
Write back on revaluation	-	-	-	-
Charge for the year	-	20,860,536	20,873,884	41,734,419
At 31 December 2023	-	62,548,709	397,875,970	460,424,679
Net book values:				
At 31 December 2023	957,626,488	980,478,074	58,891,247	1,996,995,809
At 31 December 2022	941,116,527	976,768,881	56,681,682	1,974,567,090

For details of revaluation of land and building see note 15(a).

NOTES ON THE ACCOUNTS

15 FAIR VALUE ESTIMATION

Fair value measurement recognised in the statement of financial position

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.
The sections that follow provide an analysis of the fair values of the Group's and Company's assets and liabilities based on the following hierarchy contained in IFRS 13:

Level 1: Fair value determination is with reference to quoted prices in active markets for identical assets and liabilities.

Level 2: Fair value measurements are those derived from inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the assets or liability that are not based on observable market data (unobservable inputs).

The following table provides analysis of the fair value measurement hierarchy of the Company and Group assets and liabilities:

	COMPANY		
	2023		
Assets carried at fair value	**Level 2**	**Level 3**	**Total**
	G$	**G$**	**G$**
Equity investments at FVOCI	27,016,554,171	578,627,280	27,595,181,451
Commercial building	-	608,000,000	608,000,000
Property and equipment (a)	1,841,846,562	55,869,454	1,897,716,016
	2022		
	Level 2	**Level 3**	**Total**
	G$	**G$**	**G$**
Equity investments at FVOCI	30,566,449,909	496,437,060	31,062,886,969
Commercial building	-	608,000,000	608,000,000
Property and equipment (a)	1,820,813,408	52,925,152	1,873,738,560

	GROUP		
	2023		
Assets carried at fair value	**Level 2**	**Level 3**	**Total**
	G$	**G$**	**G$**
Equity investments at FVOCI	27,984,465,376	578,627,280	28,563,092,656
Commercial building	-	608,000,000	608,000,000
Property and equipment (a)	1,938,104,562	58,891,247	1,996,995,809
	2022		
	Level 2	**Level 3**	**Total**
	G$	**G$**	**G$**
Equity investments at FVOCI	31,216,825,304	496,437,060	31,713,262,364
Commercial building	-	608,000,000	608,000,000
Property and equipment (a)	1,917,885,408	56,681,682	1,974,567,090

NOTES ON THE ACCOUNTS

15 FAIR VALUE ESTIMATION CONT'D

Fair value measurement recognised the statement of financial position cont'd

(a) On September 28, 2020, the Society's Land and Buildings including the Commercial Building in Guyana were professionally revalued by Patterson Associates. The revaluation surplus of G$414,844,300 is being held in the revaluation reserve.

On September 2, 2020 the Society's Land and Buildings in Grenada were professionally revalued by the firm TVA Consultants Ltd. The revaluation surplus of G$538,458,030 is being held in revaluation reserve.

On October 12, 2020 the Society's Land and Building in St Lucia were professionally revalued by a certified valuation surveyor (Celsus Baptiste). The revaluation surplus of G$100,380,864 is being held in revaluation reserve.

On October 22, 2020 the Society's Land and Building in St Vincent were professionally revalued by the firm Horizon Real Estate Ltd. The revaluation surplus of G$115,231,686 is being held in revaluation reserve.

The valuations for property are classified at Level 2. If no revaluation of the land and buildings was done, the net book value of land and buildings would have been approximately G$784,638,155 (2022 - G$765,175,427)

Assets and liabilities not carried at fair value

The following tables details the values of assets and liabilities that are not carried at fair value; their fair values are estimated to approximate their carrying values:

Company		2023			2022	
	IFRS 13 Level	Value	Fair Value	IFRS 13 Level	Carrying Value	Fair Value
		G$	G$		G$	G$
Assets						
Investments						
Bonds	2	1,706,502,374	1,706,502,374	2	1,603,831,618	1,603,831,618
Mortgages	2	155,542,742	155,542,742	2	84,915,435	84,915,435
Receivables and prepayments	2	153,961,966	153,961,966	2	204,261,858	204,261,858
Deposits with financial institutions	2	3,986,420,400	3,986,420,400	2	3,662,680,838	3,662,680,838
Interest receivable	2	38,243,566	38,243,566	2	38,303,579	38,303,579
Tax recoverable	2	6,675,235	6,675,235	2	727,259	727,259
Cash and cash equivalents	1	4,605,869,563	4,605,869,563	1	3,689,471,381	3,689,471,381
		10,653,215,846	10,653,215,846		10,136,943,497	10,136,943,497
Liabilities						
Deposit administration fund	2	5,813,061,665	5,813,061,665	2	5,310,400,894	5,310,400,894
Trade other payables	2	253,622,724	253,622,724	2	268,759,098	268,759,098
		6,066,684,389	6,066,684,389		5,579,159,992	5,579,159,992

Group	2023	2022

NOTES ON THE ACCOUNTS

15 FAIR VALUE ESTIMATION CONT'D

		Carrying Value G$	Fair Value G$		Carrying Value G$	Fair Value G$
Assets						
Investments						
Bonds	2	1,706,502,374	1,706,502,374	2	1,603,831,618	1,603,831,618
Mortgages	2	155,542,742	155,542,742	2	84,915,435	84,915,435
Trade and other receivables	2	164,700,307	164,700,307	2	208,766,134	208,766,134
Deposits with financial institutions	2	4,234,421,101	4,234,421,101	2	3,890,602,759	3,890,602,759
Interest receivable	2	38,376,122	38,376,122	2	38,422,664	38,422,664
Tax recoverable	2	29,439,352	29,439,352	2	16,971,199	16,971,199
Cash and cash equivalents	1	4,726,922,485	4,726,922,485	1	3,772,114,717	3,772,114,717
		11,055,904,483	11,055,904,483		10,518,851,806	10,518,851,806
Liabilities						
Deposit administration fund	2	5,813,061,665	5,813,061,665	2	5,310,400,894	5,310,400,894
Trade other payables	2	303,690,074	303,690,074	2	296,252,230	296,252,230
		6,116,751,739	6,116,751,739		5,606,653,123	5,606,653,123

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair value of assets and liabilities are determined as follows:

"Mortgages"
These investments are carried net of provision for impairment. The fair value is based on the expected realisation of outstanding balances. Mortgages are secured against the borrowers' properties and policy loans are secured by the cash values of the policies.

"Financial instruments where the carrying amounts is equal to fair value"
The carrying amounts of certain financial instruments are assumed to approximate to their fair value due to their short-term nature. These include cash resources and other financial liabilities and assets. Interest bearing borrowings due after one year are fixed by contract and they are not likely to be changed. The fair value is equal to cost.

16 INVESTMENT RESERVE

This represents fair value gains on the revaluation of investments

	Company		Group	
	2023	**2022**	**2023**	**2022**
	G$	**G$**	**G$**	**G$**
At 1 January	30,647,669,816	22,699,212,960	31,216,078,061	23,049,614,580
Transfer	-	-	-	-
Fair value adjustment	(3,591,171,139)	7,966,405,223	(3,273,635,329)	8,184,411,849
Exchange difference	116,177,858	(17,948,367)	116,177,858	(17,948,367)
At 31 December	**27,172,676,535**	**30,647,669,816**	**28,058,620,592**	**31,216,078,063**

NOTES ON THE ACCOUNTS

17 INTANGIBLE ASSET

	2023	2022	2023	2022
Cost	G$	G$	G$	G$
At 1 January	87,596,115	88,277,274	109,513,500	110,194,659
Exchange difference		(681,159)	-	(681,159)
Other	-	-	-	-
At 31 December	87,596,115	87,596,115	109,513,500	109,513,500
Amortisation				
At 1 January	87,596,115	70,621,814	96,363,070	75,005,292
Exchange difference		(544,927)	-	(544,927)
Amortisation for the year	-	17,519,228	4,383,477	21,902,705
At 31 December	87,596,115	87,596,115	100,746,547	96,363,070
Net Book Value	-	-	8,766,953	13,150,430

Represents cost of accounting and policy administration software. The amortization period is five (5) years.

18 DEPOSIT ADMINISTRATION FUND

	Company and Group	
	2023	2022
	G$	G$
Balance at beginning	5,310,400,894	5,891,217,883
Contributions received plus interest	708,152,168	35,987,354
Refund of contributions, claims & benefits	(227,281,982)	(608,269,167)
Effect of Exchange Rate	21,790,586	(8,535,176)
	5,813,061,665	**5,310,400,894**

Deposit administration contracts are issued by the Society to pension schemes for the deposit of pension plan assets with the Society. The assets are included in investments, cash at bank and cash on deposit.

19 TRADE AND OTHER PAYABLES

	COMPANY		GROUP	
	2023	2022	2023	2022
	G$	G$	G$	G$
Trade and other payables	248,307,142	264,028,669	298,374,492	291,521,801
Accruals	5,315,582	4,730,429	5,315,582	4,730,429
	253,622,724	**268,759,098**	**303,690,074**	**296,252,230**

20 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial or operational decisions. Directors, key management personnel and entities where such directors and key management personnel have control or significant influence are considered related parties.

	GROUP	
	2023	2022
	G$	G$

a. The company shares a common Chairman and Board of Directors with Demerara Fire and General Insurance Company Limited. Some of the Company's staff and facilities were utilized by Demerara Fire and General Insurance Company Limited during the year.

Fees Charged	22,307,459	22,445,078

NOTES ON THE ACCOUNTS

20 RELATED PARTY TRANSACTIONS CONT'D

Coverage	861,519,302	867,019,302
Premiums	3,216,988	3,545,988
Key management personnel		
The Society's 6 (2022 - 6) key management personnel comprises its Executive Managers. The remuneration paid during the year to Executive Managers is included among the cost shared by Demerara Fire & General Insurance Ltd.	7,145,349	6,488,295
Directors Emoluments 7 (2022 - 7)	14,527,764	15,582,615
Balance (due to) / from Subsidiary	(5,244,524)	(1,499,568)

	GROUP	
	2023	2022
	G$	G$
b. Transactions with companies which have one common Director with Demerara Mutual Life Assurance Society Limited.		
- Investments in Banks DIH Limited Shares 81,575,035 (2022 - 81,575,035)	14,275,631,125	15,499,256,650
- Deposits held at Citizens' Bank Limited. Interest earned at the prevailing commercial rates.	1,351,416,146	1,330,962,463
- Investments in Citizens Bank Guyana Limited shares 1,000,000 (2022 - 1,000,000)	365,000,000	146,000,000
- Insurance Coverage to Company with common directors		
Coverage	25,061,952,382	51,581,393,262
Premiums	62,858,907	59,930,397

c. The Society has agreed to indemnify its Directors against any liability which may arise from the performance of their duties, provided that they act honestly and in good faith to the best interest of the Company.

21 PENDING LITIGATION

At the end of the year there were certain pending litigations, the outcome of which cannot be quantified at this stage.

22 INSURANCE ACT 2016

The Insurance Act 2016 went into effect in April 2018. The Society is not fully compliant with the modifications in the new Act governing the statutory fund composition, however this is currently being addressed.

Part XVI of the Act relates to pension plans, their registration, management and all other stipulations. The company has not fully complied with this section for all the plan it manages. The company is currently rectifying this.

NOTES ON THE ACCOUNTS

23 SEGMENTAL INFORMATION

Line of Business	Company: Life & Annuities G$	Company: Health G$	Subsidiary: Fire, General & Liability G$	Group Total 2023 G$	Group Total 2022 G$
Revenue					
Insurance revenue	1,184,650,082	127,083,464	246,783,949	1,558,517,496	1,188,917,694
Insurance service expenses	(889,409,131)	(92,717,708)	(141,042,196)	(1,123,169,036)	(776,933,800)
Insurance service result before reinsurance contracts held	295,240,951	34,365,756	105,741,753	435,348,460	411,983,894
Net expense from reinsurance contracts held	64,161,324		(85,251,189)	(21,089,865)	(72,174,283)
Insurance service result	359,402,275	34,365,756	20,490,564	414,258,595	339,809,611
Investment income	548,852,092		12,261,321	561,113,413	515,691,470
Net insurance financial result	908,254,367	34,365,756	32,751,885	975,372,009	855,501,081
Finance expenses from insurance contracts issued	(203,651,030)	(12,143,985)		(215,795,015)	(316,834,914)
Finance income from reinsurance contracts held	(38,508,288)			(38,508,288)	(16,956,621)
Net insurance finance expenses	(242,159,319)	(12,143,985)	-	(254,303,303)	(333,791,535)
Net insurance and investment result	666,095,049	22,221,772	32,751,885	721,068,705	521,709,546
Other income	104,074,686	-	14,661,319	118,736,005	107,642,624
Operating expenses	(326,920,880)	-	(53,963,544)	(380,884,424)	(503,132,991)
Profit before tax	**443,248,855**	**22,221,772**	**(6,550,340)**	**458,920,287**	**126,219,179**
Taxation	(14,983,292)	-	-	(14,983,292)	(27,735,855)
Profit for the year	428,265,563	22,221,772	(6,550,340)	443,936,994	98,483,324
Revenue					
Guyana				630,715,123	619,566,554
Out of Guyana				927,802,373	569,351,140
				1,558,517,496	1,188,917,694
Assets					
Guyana				39,392,513,466	41,336,354,389
Out of Guyana				9,753,980,306	10,033,955,701
Liabilities					
Guyana				7,654,272,925	7,156,576,811
Out of Guyana				6,778,519,530	5,936,989,782

NOTES ON THE ACCOUNTS

24 Analysis of Financial assets and liabilities by measurement basis

Company

	2023			
	Amortised Cost	FVOCI	Total	2022
	G$	G$	G$	G$
Assets				
Cash and cash equivalents	4,605,869,563	-	4,605,869,563	3,689,471,381
Equity	-	27,595,181,451	27,595,181,451	31,062,886,969
Bonds	1,706,502,374	-	1,706,502,374	1,603,831,618
Deposits with financial institutions	3,986,420,400	-	3,986,420,400	3,662,680,836
Mortgages	155,542,742	-	155,542,742	84,915,435
Receivables and prepayments	153,961,966	-	153,961,966	204,261,858
Interest receivable	38,243,566	-	38,243,565.81	38,303,579
Tax Recoverable	6,675,235	-	6,675,235	727,259
	10,653,215,846	**27,595,181,451**	**38,248,397,297**	**42,232,114,170**
Liabilities				
Deposit Administration Fund	5,813,061,665	-	5,813,061,665	5,310,400,894
Trade and other payables	253,622,724	-	253,622,724	268,759,098
	6,066,684,389	**-**	**6,066,684,389**	**6,095,062,869**

Group

	2023			
	Amortised Cost	FVOCI	Total	2022
	G$	G$	G$	G$
Assets				
Cash and cash equivalents	4,726,922,485	-	4,726,922,485	3,772,114,717
Equity	-	28,563,092,656	28,563,092,656	31,713,262,364
Bonds	1,706,502,374	-	1,706,502,374	1,603,831,618
Deposits with financial institutions	4,234,421,101	-	4,234,421,101	3,890,602,757
Mortgages	155,542,742	-	155,542,742	84,915,435
Trade and other receivables	164,700,307	-	164,700,307	208,766,134
Accrued Interest	38,376,122	-	38,376,122	38,422,664
Tax Recoverable	29,439,352	-	29,439,352	16,971,199
	11,055,904,483	**28,563,092,656**	**39,618,997,139**	**42,232,114,170**
Liabilities				
Deposit Administration Fund	5,813,061,665	-	5,813,061,665	5,310,400,894
Trade and other payables	303,690,074	-	303,690,074	296,252,230
	6,116,751,739	**-**	**6,116,751,739**	**6,095,062,869**

NOTES ON THE ACCOUNTS

25 FINANCIAL RISK MANAGEMENT

Financial risk management objectives

The group's management monitors and manages the financial risks relating to the operations of the group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (currency risk, interest rate risk and price risk), credit risk and liquidity risk.

(a) Market risk

The group seeks to minimise the effects of these risks by the use of techniques that are governed by management's policies on foreign exchange risk, interest rate risk and credit risk which are approved by the board of directors.

The group's activities expose it to the financial risks of changes in foreign currency exchange rates and interest rates. The group uses gap analysis, interest rate sensitivity and exposure limits to financial instruments to manage its exposure to interest rate and foreign currency risk. There has been no change in the group's exposure to market risks or the manner in which it manages these risks.

(i) Price risk

Price risk is the risk that the value of financial instruments, insurance or reinsurance assets/liabilities will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security of its issuer or factors affecting all securities traded in the market. Management continually identifies the risk and diversifies the portfolio in order to minimize these risk. The group does not actively trade in equity investments.

(ii) Foreign currency risk
The group is exposed to foreign currency risk due to fluctuations in exchange rates on balances that are denominated in foreign currencies. The equivalent Guyana Dollar Value of Assets and Liabilities in Pound Sterling, Eastern Caribbean Dollars, Barbados and Trinidad & Tobago dollars are shown below:

	Company and Group 2023				
	£	**EC$**	**TT$**	**B'dos$**	**Total G$ equivalent**
Assets	560,496	119,136,132	18,519,679	44,625	10,014,148,284
Liabilities	-	(88,736,054)	(457,269)	-	(6,926,823,659)
	560,496	**30,400,079**	**18,062,410**	**44,625**	**3,087,324,624**

	Company and Group 2022				
	£	**EC$**	**TT$**	**B'dos$**	**Total G$ equivalent**
Assets	560,496	105,922,349	16,419,679	44,625	8,646,754,855
Liabilities	-	(11,323,753)	(457,269)	-	(869,446,045)
	560,496	**94,598,596**	**15,962,410**	**44,625**	**7,777,308,809**

Foreign Currency Sensitivity Analysis

The following table details the company's sensitivity to a 2.5% increase or decrease in the Guyana dollar against the relevant currencies.

The sensitivity analysis shows the impact of all assets and liabilities that are held in foreign currencies per the preceding table. A positive number below indicates an increase in reserves if the currency were to strengthen 2.5% against the Guyana dollar. If the currencies were to weaken 2.5% against the Guyana dollar, there would be an equal and opposite impact on the reserves and the balances would be negative.

	Company and Group			
	£ Sterling impact G$ M	**EC dollar impact G$ M**	**TT dollar impact G$ M**	**B'dos dollar impact G$ M**
2023	3.75	59.20	14.11	0.12
2022	3.56	178.70	12.06	0.11

NOTES ON THE ACCOUNTS

25 FINANCIAL RISK MANAGEMENT CONT'D

(a) Market risk cont'd

(iv) Interest rate risk
Interest rate risk is the risk that the value of financial instruments, insurance or reinsurances assets/liabilities will fluctuate due to changes in market interest rates. The group's exposure to interest rate risk is continuously monitored to reduce as far as practical adverse interest rate risk.

	Company 2023 G$	Company 2022 G$	Group 2023 G$	Group 2022 G$
Financial assets	33,443,646,967	36,414,314,858	34,659,558,873	37,292,612,174
Insurance contract assets	1,607,710,316	1,512,144,706	1,625,793,734	1,518,461,635
Reinsurance contract assets	49,218,889	17,696,533	97,893,920	62,165,981
Insurance contract liabilities	7,476,565,774	6,641,209,278	7,687,918,347	6,787,336,317
Reinsurance contract liabilities	628,122,369	699,577,152	628,122,369	699,577,152
	43,205,264,315	**45,284,942,527**	**44,699,287,243**	**46,360,153,259**

(iii) Interest rate sensitivity analysis

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the impact on the Group's profit would have been as illustrated on the following table:

	Change in rates	Group Impact on profit for year before tax 2023 G$000	Group Impact on profit for year before tax 2022 G$000	Group Impact on profit for year after tax 2023 G$000	Group Impact on profit for year after tax 2022 G$000
Financial assets	+/-50 bps	173.298	186.463	171.998	185.065
Insurance contract assets	+/-50 bps	8.129	7.592	8.068	7.535
Reinsurance contract assets	+/-50 bps	0.489	0.311	0.486	0.308
Insurance contract liabilities	+/-50 bps	38.440	33.937	38.151	33.682
Reinsurance contract liabilities	+/-50 bps	3.141	3.498	3.117	3.472

NOTES ON THE ACCOUNTS

25 FINANCIAL RISK MANAGEMENT CONT'D

(b) Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in raising funds to meet its commitments associated with financial instruments.

At 31 December 2023

	Company			
	1 to 12 months	1 to 5 years	Over 5 years	Total
	G$	G$	G$	G$
Assets				
Cash and cash equivalents	4,605,869,563	-	-	4,605,869,563
Investment assets	-	33,288,104,225	155,542,742	33,443,646,967
Receivables	153,961,966	-	-	153,961,966
	4,759,831,529	**33,288,104,225**	**155,542,742**	**38,203,478,496**
Liabilities				
Deposit administration fund	5,813,061,665	-	-	5,813,061,665
Payables	-	253,622,724	-	253,622,724
	5,813,061,665	**253,622,724**	**-**	**6,066,684,389**

At 31 December 2022

	Company			
	1 to 12 months	1 to 5 years	Over 5 years	Total
	G$	G$	G$	G$
Assets				
Cash and cash equivalents	3,689,471,381	-	-	34,219,697,495
Investment assets	-	36,330,173,753	84,141,105	36,330,173,753
Receivables	204,261,858	-	-	204,261,858
	-	-	-	-
	3,893,733,239	**36,330,173,753**	**84,141,105**	**70,754,133,106**
Liabilities				
Deposit administration fund	5,310,400,894	-	-	5,310,400,894
Payables	-	268,759,098	-	268,759,098
	5,310,400,894	**268,759,098**	**-**	**5,579,159,991**

NOTES ON THE ACCOUNTS

25 FINANCIAL RISK MANAGEMENT CONT'D

(b) Liquidity risk cont'd

Liquidity risk is the risk that the group will encounter difficulty in raising funds to meet its commitments associated with financial instruments.

At 31 December 2023

	Group			
	1 to 12 months G$	1 to 5 years G$	Over 5 years G$	Total G$
Assets				
Cash and cash equivalents	4,726,922,485	-	-	4,726,922,485
Investment assets	-	34,219,697,495	439,861,378	34,659,558,873
Receivables	164,700,307	-	-	164,700,307
	4,891,622,792	**34,219,697,495**	**439,861,378**	**39,551,181,665**
Liabilities				
Deposit administration fund	5,813,061,665	-	-	5,813,061,665
Payables	-	303,690,074	-	303,690,074
	5,813,061,665	**303,690,074**	**4,131,711,142**	**10,248,462,882**

At 31 December 2022

	Group			
	1 to 12 months G$	1 to 5 years G$	Over 5 years G$	Total G$
Assets				
Cash and cash equivalents	3,772,114,717	-	-	3,772,114,717
Investment assets	-	36,931,918,612	360,693,562	37,292,612,174
Receivables	208,766,134	-	-	208,766,134
	3,980,880,851	**36,931,918,612**	**360,693,562**	**41,273,493,025**
Liabilities				
Deposit administration fund	5,310,400,894	-	-	5,310,400,894
Payables	-	296,252,230	-	296,252,230
	5,310,400,894	**296,252,230**	**-**	**5,606,653,123**

NOTES ON THE ACCOUNTS

25 FINANCIAL RISK MANAGEMENT CONT'D

(b) Liquidity risk cont'd

Insurance and
reinsurance contracts
Maturity Analysis
The table below shows the maturity analysis of the insurance and reinsurance contracts not measured under the PAA.

	Company 2023					
	Up to 1 year G$'000	1-2 years G$'000	2-3 years G$'000	4-5 years G$'000	>5 years G$'000	Total G$'000
Insurance Liabilities	29,750	68,774	39,963	89,614	4,131,711	4,359,812
Reinsurance Liabilities	2,515	1,707	8,572		725,309	738,104
	32,265	70,481	48,536	89,614	4,857,020	5,097,915

	Company 2022					
	Up to 1 year G$'000	1-2 years G$'000	2-3 years G$'000	4-5 years G$'000	>5 years G$'000	Total G$'000
Insurance Liabilities	31,727	46,613	60,101	68,917	3,975,995	4,183,353
Reinsurance Liabilities	3,405	-	1,741		701,697	706,843
	35,132	46,613	61,842	68,917	4,677,692	4,890,197

(c) Credit risk
Concentration of Risk

The group is exposed to credit risk in respect of receivables and cash and cash equivalents. However, this risk is controlled by close monitoring of these assets by the group. The maximum credit risk faced by the group is the balance reflected in the financial statements.

	Company		Group	
	2023	2022	2023	2022
	G$	G$	G$	G$
Financial investments at AC(i)	1,706,502,374	1,603,831,618	1,706,502,374	1,603,831,618
Financial investments at FVOCI(i)	27,595,181,451	31,062,886,969	28,563,092,656	31,713,262,364
Cash and cash equivalents(ii)	4,605,869,563	3,689,471,381	4,726,922,485	3,772,114,717
Deposits with financial institutions(ii)	3,986,420,400	3,662,680,838	4,234,421,101	3,890,602,759
Trade and other receivables (iii)	153,961,966	204,261,858	164,700,307	208,766,134
Mortgages(v)	155,542,742	84,915,435	155,542,742	84,915,435
Accrued Interest(iv)	38,243,566	38,303,579	38,376,122	38,422,664
	38,241,722,062	41,199,830,466	39,589,557,787	42,232,114,170

(i) The investments as reflected are assets for which the likelihood of default are considered minimal by the Directors.

(ii) Cash and cash equivalent include balances held in commercial banks. These banks have been assessed by the Society as being credit worthy with very strong capacity to meet obligations as they fall due.

(iii) Included in trade and other receivables are number of advances and loans to staff and sales representatives on which interest is earned.

(iv) Accrued interest represents amounts due or accrued on the various investments of the group.
These amounts would either be received in the next financial year, or would materialise on maturity of the investment(s) in accordance with the terms and conditions.

(v) Mortgages are fully secured by charges on the properties

The below tables shows loss allowance on trade and other receivables

	Company		Group	
	2023 G$	2022 G$	2023 G$	2022 G$
Carrying value	192,472,423	241,588,471	203,210,764	247,276,591
loss allowance	(38,510,457)	(37,326,613)	(38,510,457)	(38,510,457)
	153,961,966	204,261,858	164,700,307	208,766,134

NOTES ON THE ACCOUNTS

26 INSURANCE RISK MANAGEMENT

The principal risk that the company faces under its insurance contract is that the actual claims and benefit payments exceed the carrying amount of its assets at any one time. This can occur if there is for some reason widespread deaths either due to epidemics, or other social problems within the territories we operate. It is however prudent of the company to ensure that its risks are properly managed.

The Company is exposed to different elements of insurance risks as follows:

i) Mortality risk
The Society's individual and group life insurance policies are subject to mortality
Risk since these contracts pays claims upon the death of an insured. The risk of loss results from a policyholder's mortality occurring differently than anticipated. This risk category also includes other risks such as critical illness and disability.

ii) Longevity risk
The Society's immediate annuity policies are exposed to longevity risk. This is the risk of loss resulting from the annuitant living longer than anticipated.

iii) Morbidity risk
The Society's individual and group health policies cover medical expenses, but the frequency and magnitude of claims can fluctuate. Morbidity risk is the potential for loss to occur if a policyholder's health experience is different than anticipated.

The aim for the company is to ensure the availability of adequate reserves to meet the obligations arising from the insurance contracts. Risk are mitigated firstly through the company's underwriting principles that seek to ensure that all risks selected are insurable. Diversification among the portfolios of insurance contracts in different countries further reduces the risk exposure. The company's risk is also mitigated through its reinsurance treaties and careful adjunction of all claims to avoid the payment of fraudulent claims.

The geographical concentration of the Company's insurance and reinsurance contracts issued is shown below. The disclosure is based on the carrying amounts of insurance contract liabilities and reinsurance contracts held disaggregated to countries where the business is written.

	2023		2022	
	Insurance contracts issued	Reinsurance contracts held	Insurance contracts issued	Reinsurance contracts held
Guyana	1,599,261,391	208,070,795	1,637,368,367	108,616,994
EC Territories	4,269,594,067	370,832,684	3,491,696,205	573,263,625
	5,868,855,458	**578,903,479**	**5,129,064,572**	**681,880,619**

NOTES ON THE ACCOUNTS

26 INSURANCE RISK MANAGEMENT CONT'D

The following sensitivity analysis shows the impact of changes in key assumptions on the contractual service margin, fulfilment cash flows for insurance contracts and reinsurance contract held. Sensitivity analysis relies on the assumption that variables can be changed independently. The methods and assumptions employed in the preparation of the sensitivity analysis remained unchanged from the previous period.

	Change in assumptions	FCF as at 31 December	CSM as at 31 December	Total change in net insurance liabilities
		G$'000	G$'000	G$'000
Mortality/Morbidity rate	+10%	352,841	(311,707)	41,134
Lapse rate	+10%	147,400	(151,887)	(4,487)
Expenses	+10%	264,053	(245,032)	19,021

	Change in assumptions	FCF as at 31 December	CSM as at 31 December	Total change in net reinsurance liabilities
		G$'000	G$'000	G$'000
Mortality rate	+10%	(91,940)	61,538	(30,402)

Measurement of insurance and reinsurance contracts:
The measurement of each group of contracts within the scope of IFRS 17 comprises all future cash flows within the boundary of each group of contracts. Probability-weighted expected future cash flows are the basis for these estimates. The Group predicts the cash flows and the likelihood of their occurrence at the measurement date. The Group employs information regarding historical events, current conditions, and prospective predictions to formulate these expectations. The cash flows include policy premiums, directly attributable policy expenses, and
benefit payments. Non-financial assumptions, such as mortality, lapse, and expenses were also used to estimate future cash flows in accordance with the terms of the contracts.

The following table provides a breakdown of the amounts presented on the consolidated balance sheet for insurance contracts issued and reinsurance contracts held.

	Company		Group	Group
	2023	2022	2023	2023
	G$	G$	G$	G$
Insurance contract assets	1,607,710,316	1,512,144,706	1,625,793,734	1,518,461,635
Insurance contract liabilities	7,476,565,774	6,641,209,278	7,687,918,347	6,787,336,317
Reinsurance contract assets	49,218,889	17,696,533	97,893,920	62,165,981
Reinsurance contract liabilities	628,122,369	699,577,152	628,122,369	699,577,152

The Group has estimated the following key areas by applying IFRS 17 to the measurement of insurance contracts issued and reinsurance contracts held. These are components of the combined balances of insurance contract assets and liabilities and reinsurance contract assets and liabilities:
(i) Mortality

- Future cash flows
- Discount rates
- Risk adjustment for non-financial risk

The following key assumptions were used when estimating future cash flows:

(1) Mortality rates
The assumptions obtained from the Canadian Institute of Actuaries tables and Individual Annuitant Mortality (IAM) tables are adjusted for the Society's experience and territory differences, as determined by the type of contract. Future mortality enhancement is incorporated into the assumptions of immediate annuity and deferred annuity mortality. No future mortality improvement was assumed for individual and group life insurance policies. An increase in expected mortality rates will increase the expected claim cost, reducing the company's expected profits.

NOTES ON THE ACCOUNTS

26 INSURANCE RISK MANAGEMENT CONT'D

Measurement of insurance and reinsurance contracts cont'd
Reserves for future policyholders' benefits cont'd

The following key assumptions were used when estimating future cash flows cont'd

(2) Lapse rates

Based on the Society's experience formed the basis for the future lapses assumed for participating and non-participating individual life insurance, individual deferred annuity, and individual health portfolios. There is an annual review of this experience. The valuation of immediate annuity and group contracts did not presume any lapses.

3) Expenses

Total expenses were separated into two categories: expenses directly attributable to the fulfilment of insurance contracts and expenses not directly attributable. Additional allocation is required among the directly relevant expenses to differentiate between acquisition and maintenance expenses. To determine per-policy maintenance expenses for each portfolio, the directly attributable maintenance expenses(excluding premium taxes) was divided by the average number of policies or certificates in group policies during the valuation year.

(ii) Discount rates

Cash flows are discounted using adjusted risk-free yield curves, which consider the cash flow characteristics and insurance contract liquidity. The discount curve was developed using top-down approach. Risk-free rates are calculated using government bond yield curves. However, these bonds were not regarded as risk-free because the issuing countries' credit ratings were low. Because there was an absence of active markets and reputable data to estimate credit risk premiums, extensive judgment was employed to make the adjustment. It was predicted that the overall spread for expected and unexpected credit losses would start at 50 basis points, rise to 100 basis points during the next twenty years, and then remain level.

The tables below set out the yield curves used to discount the cash flows of insurance contracts

Duration (year)	2023	2022
1	3.44%	4.59%
5	6.41%	6.44%
10	6.35%	6.42%
15	6.17%	6.22%
20	6.00%	6.00%

(iii) Risk adjustment for non-financial risk

The risk adjustment for non-financial risk represents the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. Risk adjustment measures the degree of unpredictability in predicted future cash flows in a way that reflects the Group's risk aversion. It is allocated to groups of contracts based on an analysis of the risk profiles and coverage period. The amount of risk adjustment was computed using an 85% confidence level for all life, health and annuity contracts. For all other contracts risk adjustment was computed using a confidence level of 95%.

NOTES ON THE ACCOUNTS

27 Defined Benefit Asset Company and Group

(a) The amounts recognised in the Statement of Financial Position are as follows:

	Company and Group	
	2023 G$	2022 G$
Present value of obligation	(1,154,604,087)	(1,014,579,134)
Fair value of plan assets	6,339,920,679	6,873,699,419
Net defined benefit asset	5,185,316,592	5,859,120,285

(b) Changes in present value of defined benefit obligation is as follows:

	Company and Group	
	2023 G$	2022 G$
Opening defined benefit obligation	1,014,579,134	911,788,890
Current service cost	29,580,032	23,233,246
Interest cost	40,583,165	36,471,556
Benefits paid	(38,627,727)	(69,701,837)
Actuarial (loss) / gain	108,489,484	112,787,279
Closing defined benefit obligation	1,154,604,088	1,014,579,134

(c) Changes in fair value of defined benefit obligation are as follows:

Opening fair value of plan assets	6,873,699,419	5,365,380,285
Expected return on plan assets	274,330,933	213,369,393
Contributions paid	7,775,534	7,410,930
Benefits paid	(38,627,727)	(69,701,837)
Actuarial gain	(777,257,480)	1,357,240,648
Closing fair value of plan assets	6,339,920,679	6,873,699,419

NOTES ON THE ACCOUNTS

27 Defined Benefit Asset Company and Group cont'd

(d) Amount recognised in the Statement of Comprehensive Income are as follows:

	Company and Group	
	2023 G$	**2022 G$**
Current service cost	29,580,032	23,233,246
Net interest on defined benefit obligation	233,747,768	(176,897,837)
	263,327,800	**(153,664,591)**

Reconciliation of amount recognised in the Statement of Financial Position

	Company and Group	
	2023 G$	**2022 G$**
Opening Balance	5,859,120,285	4,448,002,681
Net pension cost	196,392,202	146,253,660
Re-measurement recognised in Other Comprehensive Income	(877,971,430)	1,257,453,014
Contributions paid	7,775,534	7,410,930
	5,185,316,591	**5,859,120,285**

	Company and Group			
Experience History	**2023 G$**	**2022 G$**	**2021 G$**	**2020 G$**
Defined benefit obligation	(1,154,604,087)	(1,014,579,134)	(911,788,890)	(1,143,106,067)
Fair value of plan assets	6,339,920,679	6,873,699,419	5,359,791,571	3,608,948,389
Surplus	**5,185,316,592**	**5,859,120,285**	**4,448,002,681**	**2,465,842,322**

Summary of main assumptions

Discount rate	4%	4%	4%	4%
Salary increases	3%	3%	3%	3%

28 RESTATEMENT

Adoption of IFRS 17 Insurance Contracts

The Company has restated comparative information for 2022 applying the transitional provisions
The nature of the changes in accounting policies can be summarised, as follows

(1)Changes to recognition, measurement of insurance contracts, reinsurance contracts as described below:
The primary principles established by adopting IFRS 17 are as follows:

- Insurance contracts are defined by the acceptance of significant insurance risk from another party (the policyholder), in which the Company agrees to compensate the policyholder in the event that a specified unknown future occurrence (the insured event) adversely impacts the policyholder.
- Separate specified embedded derivatives, distinct investment components and distinct goods or services other than insurance contract services from insurance contracts and accounts for them under other accounting standards.
- Classify insurance and reinsurance contracts into groups for recognition and measurement purposes.
- Recognition and measurement of groups of insurance contracts comprises of a risk-adjusted present value of the future cash flows (the fulfilment cash flows) and an amount representing the unearned profit in the group of contracts (the contractual service margin or CSM)
- Recognition of profit from a group of insurance contracts over each period of provision of insurance contract services, as the Company is released from risk. If a group of contracts is expected to be onerous(i.e., loss-making) over the remaining coverage period, the Company recognises the loss immediately. Profit is recognised from a portfolio of insurance contracts over each period of insurance service provision. Loss is recognized immediately if a group of contracts is anticipated to be onerous.
- Recognition of an asset for insurance acquisition cash flows in respect of acquisition cash flows paid, or incurred.
- For contracts measured under the PAA , liabilities for remaining coverage are similar to the Group's previous accounting treatment except for including a risk adjustment for non-financial risk when calculating obligations for incurred claims.

(2)Changes to presentation and disclosure of insurance contracts, reinsurance contracts as described below:

In the presentation in the statement of financial position, the Company aggregates portfolios of insurance and reinsurance contracts held and presents separately:

- Portfolios of insurance and reinsurance contracts issued that are assets
- Portfolios of reinsurance contracts held that are assets
- Portfolios of insurance contracts and reinsurance contracts issued that are liabilities
- Portfolios of reinsurance contracts held that are liabilities

The descriptions of line items in the statement of profit or loss and other comprehensive income have undergone substantial changes compared to the previous year. The following line items previously reported

- Premiums, Claims , surrenders and commissions, change in actuarial liabilities

Have now been replaced under IFRS 17 as follows:

- Insurance revenue
- Insurance service expense
- Net expense from reinsurance contracts held
- Finance income or expense

Detailed qualitative and quantitative information in the notes to the financial statements regarding amounts recognized in its financial statements from insurance contracts and significant judgments, along with any changes to those judgments, when applying the standard.

Transition changes are as follows:

Changes in accounting policies resulting from adopting IFRS 17 have been applied using Fair Value Approach (FVA). Applying the full retrospective approach, which necessitates obtaining reasonable and supporting information, was impractical . Under the Fair Value Approach, the CSM of the liability for remaining coverage at transition was calculated for each group and is equal to the difference between the fair value of the group of contracts at the transition date and the fulfilment cash flows measured at the transition date. Obtaining reasonable and supportable information to apply the full retrospective approach was impracticable without undue cost or effort.

NOTES ON THE ACCOUNTS

28 RESTATEMENT CONT'D

Adoption of IFRS 17 Insurance Contracts cont'd

On transition date, 1 January 2022, the Company:

- Has identified, recognised and measured each group of insurance contracts as if IFRS 17 had always applied
- Has identified, recognised and measured assets for insurance acquisition cash flows as if IFRS 17 had always applied
- Derecognised any existing balances that would not exist had IFRS 17 always applied
- Recognised any resulting net difference in equity

As of January 1, 2022, the transition date, the Company has identified, recognised, and measured assets for insurance acquisition cash flows as if IFRS 17 had always applied. The Company has also identified, recognised, and measured each group of insurance contracts as if IFRS 17 had always been in effect. The resulting net difference from applying IFRS 17 were recognized in equity .

	Previous stated value as at 1st January 2022	Adjustments	Restated value as at 1st January 2022 *
	G$	G$	G$
Actuarial liabilities	7,389,277,625	(7,389,277,625)	-
Insurance assets	-	979,436,639	979,436,639
Insurance liabilities	-	5,917,795,599	5,917,795,599
Reinsurance assets	-	4,302,453	4,302,453
Reinsurance liabilities	-	710,864,840	710,864,840
Retained earnings	3,642,381,425	1,744,356,279	5,386,737,704

*This only includes insurance assets/liabilities and reinsurance assets/liabilities that required actuarial valuation.

Adoption of IFRS 9 Insurance Contracts

The Company has applied IFRS 9 retrospectively and restated comparative information for 2022 for financial instruments in the scope of IFRS 9.

The IAS 39 measurement categories for financial assets (fair value through profit or loss (FVPL), available for sale (AFS), held-to-maturity (HTM) and loans and receivables (L&R) at amortised cost) have been replaced with the three classification categories fair value through profit or loss, fair value through other comprehensive income and amortised cost.

The following table sets out the impact of adopting IFRS 9 on the statement of financial position

			Company	
			G$	G$
	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New classification under IFRS 9
Cash and cash equivalents	loans and receivables	amortised cost	3,689,471,381	3,689,471,381
Deposits with financial institutions	Held to maturity	amortised cost	3,662,680,838	3,662,680,838
Bonds	Held to maturity	amortised cost	1,603,831,618	1,603,831,618
Equity securities	Available for sale	FVOCI	31,062,886,969	31,062,886,969
Mortgages	loans and receivables	amortised cost	84,915,435	84,915,435

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